

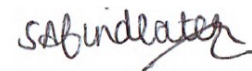
GENDER PAY GAP REPORT



Today we are reporting the latest M&S Ireland Gender Pay and Bonus Caps as required under legislation.

We're committed to taking action and have highlighted our plans in the following pages. We'll continue to publish our Gender Pay figures and report against our goals annually.

Creating a truly inclusive culture is one of the key pillars of our people strategy, and with the support of our colleagues, including our eight Inclusion and Diversity colleague network groups, we'll continue to put the voice of our colleagues at the heart of our plans.



Sarah Findlater, **HR Director**

WHAT IS THE GENDER PAY GAP?

It's important to know that the Gender Pay Gap is not the same as Equal Pay.

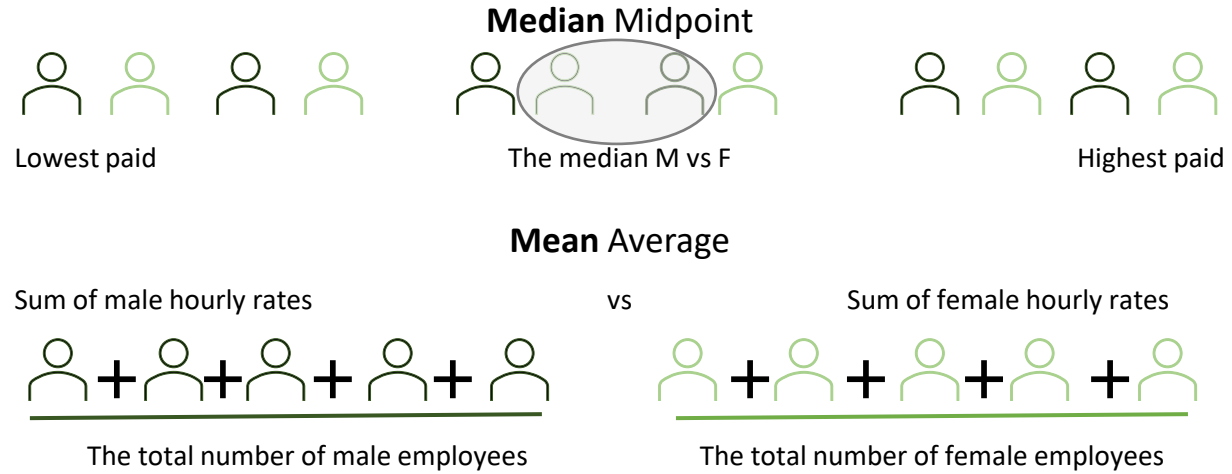
EQUAL PAY

This means that men and women performing equal work should generally receive equal pay.

GENDER PAY GAP

This is the difference between men's and women's average hourly pay across an organisation, expressed as a percentage.

MEDIAN AND MEAN PAY EXPLAINED



What are some of the reported reasons for a Gender Pay Gap?

- There are fewer women than men in senior roles.
- Women are more likely to take time out of their careers to start a family or have carer responsibilities.
- Some sectors have a higher proportion of part-time roles e.g. retail and social care, commonly resulting in a higher proportion of women in entry level roles.
- Educational choices where fewer women work in STEM sectors – science, technology, engineering and mathematics, leading to fewer women in higher-paid specialist roles such as Finance, IT, Logistics.

OUR REPORTED FIGURES

Median Hourly Pay Gap	1.1%
Mean Hourly Pay Gap	5.3%
Median Hourly Pay Gap: Part-time colleagues	-2.7%
Mean Hourly Pay Gap: Part time colleagues	-7.9%
Median Hourly Pay Gap: Temporary colleagues	0.5%
Mean Hourly Pay Gap: Temporary colleagues	2.1%
Median Bonus Pay Gap	14.3%
Mean Bonus Pay Gap	21.1%

The national mean gender pay gap in Ireland was 9.9% in 2020 (the most recent data that is available), according to Eurostat figures. This compares to an EU average of 12.9% in 2020 and 12.7% in 2021 (the most recent data available).

Source: [Statistics | Eurostat \(europa.eu\)](https://www.eurostat.eu)

The percentage of male and female colleagues in each of four pay quartiles

1 st Quartile	
MALE: 28.4%	FEMALE: 71.6%
2 nd Quartile	
MALE: 25.2%	FEMALE: 74.8%
3 rd Quartile	
MALE: 27.7%	FEMALE: 72.3%
4 th Quartile	
MALE: 31.1%	FEMALE: 68.9%
The percentage of male and female colleagues who received bonus pay	
MALE: 88.9%	FEMALE: 91.8%

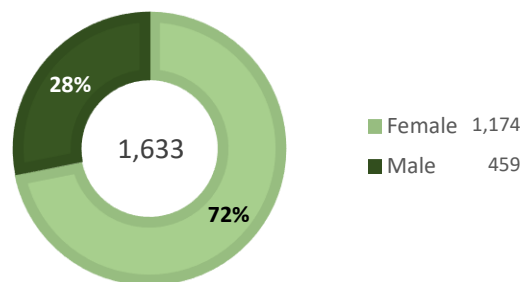
The percentage of male and female colleagues who received benefit in kind.

N/A There are no relevant benefit in kind numbers recorded within the data period



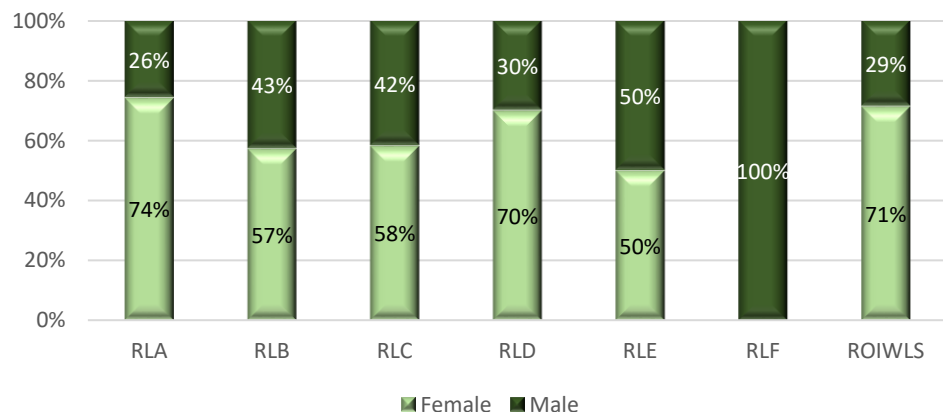
UNDERSTANDING THE GAPS

GENDER REPRESENTATION - JUNE 2023



Our overall workforce is 72% female. The chart below illustrates a simplified view of our organisational ‘shape’ – showing proportions of men and women at each reward level as of June 2023.

It’s important to note that a number of senior female incumbents contribute to the direction and strategy of the Republic of Ireland business, however they are captured within the UK, rather than the ROI, reporting guidelines.



Key contributing factor to the increase in our Gender Pay Gap:

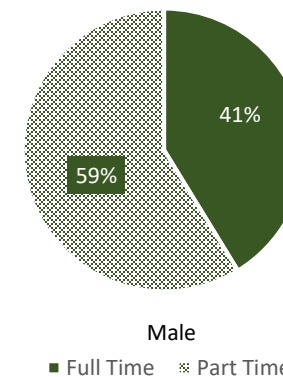
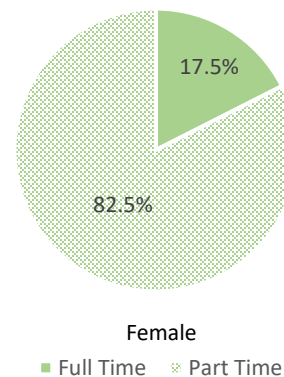
- There has been an *increase* in the number of females at reward levels A, B and C, and a *decrease* in the proportion of females at reward levels D and E*.
- For males, the reverse is true – there has been a *decrease* in males at reward levels A, B and C, and an *increase* in the proportion of males at reward levels D and E*:



* There has been a recent change in our grading structure (with Retail colleagues at reward levels C, D and E being amalgamated to one new reward level “WLS”), therefore colleagues’ reward levels before the re-grading have been used for this analysis to enable a like for like comparison to last year.

A number of factors influence the Gender Bonus Pay Gap, including:

- The Bonus Pay Gap is measured on actual bonus awarded, not like for like – 83% of our female colleagues who received a bonus work part time (vs 59% of our male colleagues). Part time employees receive a pro-rata bonus; there is no adjustment for this in the reported figures which amplifies the Bonus Pay Gap.
- The increase of male representation, and the subsequent decrease of female representation, at reward levels D and E (see chart above).



Proportion of full time and part time colleagues who received a bonus payment.

ADDRESSING THE GENDER PAY GAP

We're proud of the progress we've made at developing a diverse and inclusive organisation. Here are some of our highlights:

- **Female Store Manager Representation** – Women now make up almost 50% of our store management population, something we're really proud of. Seeing female role models leading our stores helps empower the women in our talent pipelines.
- **Representation on our Future Leader Development programmes** – On all our internal development programmes that feed into our talent pools, 70% of delegates are women
- **Talent Forums** – We host annual talent forums to help identify and support female talent within our management teams
- **Data Analysis Tools** – We've developed tools which enable local leadership teams analyse the key trends that impact representation of women in M&S Ireland, including in application and selection, talent rating and performance processes
- **Menopause Friendly Employer**– We've worked to improve support available for women experiencing health challenges with a particular focus on Menopause, and recently achieved our Menopause Friendly Employer accreditation

WHAT ARE WE DOING TO ADDRESS OUR GENDER PAY GAP?

We know we need to take every opportunity to support women in our business, here are some of the ways we plan on doing this:

Our plans to address our Gender Pay Gap

Maintaining I&D targets

As part of our M&S Group strategy, we've established targets for representation of women and ethnic minorities at in Senior Leader roles. We're on course to reach our target of 50% for women by 2025.

Attraction, Recruitment and Selection:

To improve representation of women through all levels of M&S Ireland, particular in senior roles, we'll continue to take action to ensure bias is mitigated through recruitment and selection experiences for new and existing colleagues.

Developing talent:

We'll continue to ensure women in our business feel empowered to access the development tools available and experience regular impactful career conversations and we'll continue to monitor and drive representation through our internal development programmes.

Our plans to address our Gender Pay Gap (continued)

Line Manager Responsibilities:

All line managers complete Inclusion and Diversity learning modules and as part of our recently launched Line Manager Development Programme, they'll gain an understanding of the importance of inclusive leadership, and how to develop their skills further, equipping them to create a culture where all colleagues feel they're able to thrive.

Line Managers with hiring responsibilities are also made aware of our hiring principles, through our 'hiring for diversity' resources.

Flexible working – Promoting Worklife:

We've rolled out new flexible working options for managers which give them greater options to work flexibly and will continue to promote these options along with our job share finder tool.

Supporting returners from family leave:

We'll continue to support women approaching, taking and returning from periods of family leave to ensure they feel supported, valued and empowered in exploring the return to work that allows them to balance their family commitments with the career aspirations. The next phase of improvements following an experience review will see clearer roles and responsibilities between colleagues and managers

Performance Management:

We'll continue to monitor trends in the distribution of performance ratings between genders across the organisation and take action to mitigate bias throughout the assessment and scoring processes, developing line managers' understanding of where personal bias may be influencing their decision making.

