

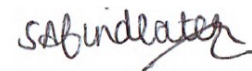
GENDER PAY GAP REPORT



Today we are reporting, for the first time, the M&S Ireland Gender Pay and Bonus Gaps 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.

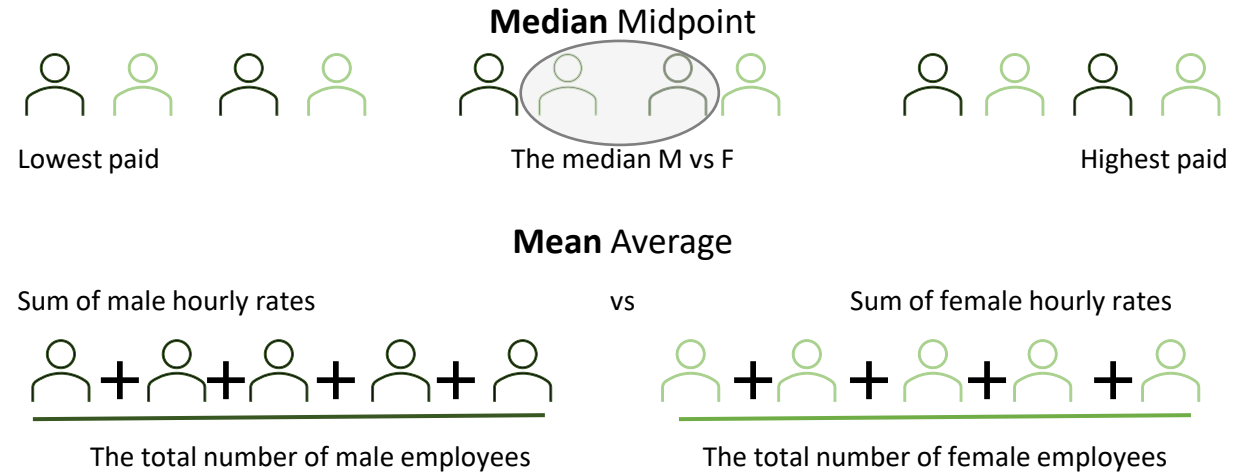
EQUAL PAY

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. health, 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	0.8%
Mean Hourly Pay Gap	4.2%
Median Hourly Pay Gap: Part-time colleagues	-4.5%
Mean Hourly Pay Gap: Part time colleagues	-7.7%
Median Hourly Pay Gap: Temporary colleagues	1.9%
Mean Hourly Pay Gap: Temporary colleagues	2.2%
Median Bonus Pay Gap	11.9%
Mean Bonus Pay Gap	14.7%

The national mean gender pay gap in Ireland is estimated to be 11.3% according to Eurostat figures (2019) compared with an EU average of 13% [Statistics | Eurostat \(europa.eu\)](https://www.eurostat.eu)

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

	1 st Quartile	2 nd Quartile	3 rd Quartile	4 th Quartile
MALE:	31.1%	23.9%	29.0%	30.1%
FEMALE:	68.9%	76.1%	71.0%	69.9%

The percentage of male and female colleagues who received bonus pay

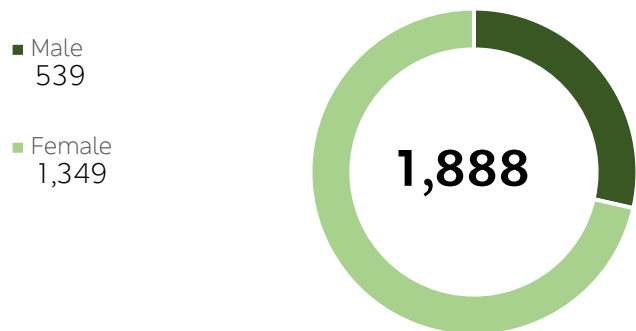
MALE:	89.1%
FEMALE:	88.9%

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

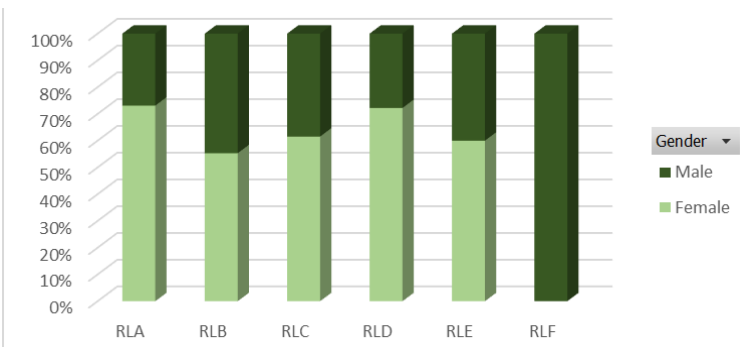
N/A There are no relevant benefit in kind numbers recorded within the data period

UNDERSTANDING THE GAPS

GENDER REPRESENTATION - JUNE 2022



Our overall workforce is 71% female. The chart below illustrates a simplified view of our organisational 'shape' – showing proportions of men and women at each reward level.



Key contributing factor to M&S' Gender Pay Gap:

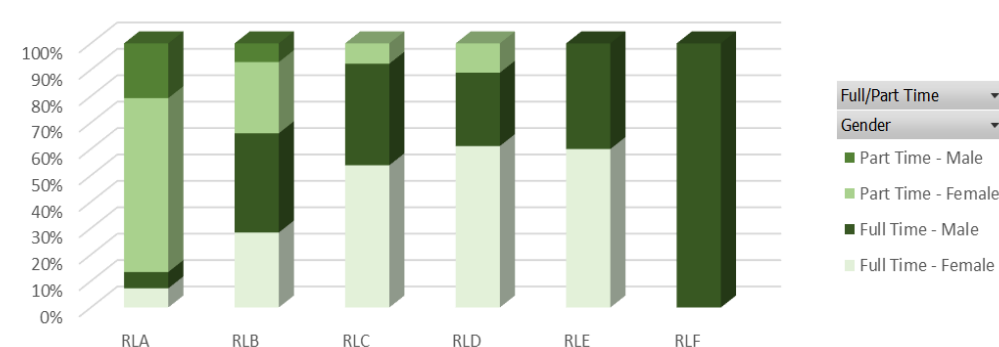
- The proportion of women in our second pay quartile is higher, reducing mean pay for women which contributes to the mean pay gap.

UNDERSTANDING THE GENDER BONUS GAP

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

- Bonus only paid out to hourly paid colleagues** - In the qualifying periods bonus payments were only paid out to colleagues at levels A and B.
- Bonus is measured on actual bonus awarded, not like for like** –87% of our female colleagues eligible for a bonus work part time (vs 69% 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 table and chart below detail the proportion of full time and part time colleagues by gender across M&S Ireland and at each level.

% OF MALE AND FEMALE COLLEAGUES IN M&S IRELAND WHO WORK FULL TIME (FT) AND PART TIME (PT)			
MALE FT	MALE PT	FEMALE FT	FEMALE PT
33%	67%	15%	85%



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 over 40% 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 development programmes** – In our most recent 'Stepping into Team Management' programme, 60% of delegates were women.
- **30% Club** – For the first time this year we are pleased to have one of our colleagues taking part in the 30% club cross-company mentoring programme, and we'll continue to ensure that our future leaders access this development opportunity.
- **Flexible Working** – We recently launched a Job Share Finder Tool which enables colleagues to easily find job-share opportunities. We've also recently had success with 'contract forums' enabling colleagues to agree new working patterns fitting in with individual needs.
- **Talent Forums** – We host annual talent forums to help identify and support female talent within our management teams.

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

Setting I&D targets

As part of our M&S Group strategy, we've refreshed our targets for women and ethnic minorities at RLF+, which we aim to achieve by 2025.

Attraction, Recruitment and Selection:

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

Developing talent:

We'll 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 with an additional five optional modules, including coaching on unconscious bias. We're reviewing our leadership and line manager development approach, which will better support our leaders to understand and demonstrate inclusive leadership to create a culture where all colleagues feel they're able to thrive.

Flexible working – Promoting Worklife:

We'll be rolling out flexible working across our store estate in 2023 and will continue with our successful contract forums to support colleagues find working solutions that suit their individual needs.

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.

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.

