

AUSTRALIA GENDER PAY GAP REPORT

2023

OUR COMMITMENT TO ACHIEVING WORKPLACE GENDER EQUALITY

At Marsh McLennan, we are committed to diversity, equity, and inclusion (DEI) and embedding it in all aspects of our operations and our culture.

Every day, thousands of colleagues come together in the Pacific to deliver on our Shared Purpose – to build the confidence to thrive through the power of perspective. We believe that a diverse, equitable and inclusive workforce is essential to our success, and we are dedicated to creating a workplace where everyone feels valued, respected, and supported.

An important part of our DEI strategy is closing the gender pay gap and achieving gender equity; rewarding all our colleagues equitably for the work they do is fundamental to our business.

This report consists of a detailed depiction of our gender pay gap in Australia, where we've been investing time and resources aimed at achieving our gender goals. The positive progress we've made so far highlights our commitment to equal pay and the ongoing pursuit of eliminating the gender pay gap.

Thank you to our leadership teams, Business Resource Groups, and our colleagues for their collective efforts and commitment to strengthening gender equality across our workplaces. I am proud of the progress we have made to date. We have more to do, and I look forward continuing to invest in building a strong, thriving culture.

David Bryant

CEO Marsh McLennan Pacific



REPORTING ENTITIES

This joint Australia Gender Pay Gap Report is made by MMC Holdings (Australia) Pty Ltd, on behalf of the reporting entities (the “**Reporting Entities**”) listed in **Appendix One**. This report presents the gender pay gap results and analysis for the Workplace Gender Equality Agency (WGEA) reporting period of 2022-23, with data submitted to the Agency as of March 31, 2023. The report includes gender equality activities conducted from January 1 2023 to December 31 2023.

References to “we” or “our” pertain to the Reporting Entities in Appendix 1. Oliver Wyman and Guy Carpenter are sister companies within MMC Holdings (Australia) Pty Ltd and they were not Reporting Entities in the 2022-23 Reporting Period as individually they did not meet the employee size threshold.



GENDER PAY GAP

The gender pay gap is not the same as equal pay

The gender pay gap is the difference in mean and median earnings between all women and all men in the workforce, regardless of the role. Across many workplaces gender pay gaps often exist where women and men are unevenly represented across levels and areas of the workforce.

It is not to be confused with women and men being paid the same for the same, or comparable work – this is equal pay. To ensure we uphold our commitment to this pay equity, we meticulously analyse compensation using our internal job framework to provide a meaningful view on pay parity between women and men engaged in the same or comparable roles, actively correcting any discrepancies to address systemic biases.

Understanding our data

In this report, our gender pay gap has been expressed with both the mean and median. Calculated as a percentage, the gender pay gap is a measure of the difference between the salary of all female colleagues and the salary of all male colleagues within our Marsh and Mercer Australian businesses.

The Workplace Gender Equality Agency (WGEA) calculates the Gender Pay Gap (GPG) by analysing the difference between women's and men's average weekly fulltime equivalent earnings, expressed as a percentage of men's earnings. The data and analysis are accurate as of 30 March 2023.

Gender data in this report uses binary female and male categories based on the current requirements. Marsh McLennan recognises and respects diverse gender identities and is committed to providing a safe, respectful and inclusive workplace for our non-binary and gender diverse employees. Data in this area remains too small to currently report on and is held to ensure anonymity.

It is important to note that CEOs and heads of businesses are excluded from WGEA gender pay gap calculations for 2023 and prior years. Starting in 2024, WGEA will incorporate these roles into the gender pay gap calculations, ensuring a comprehensive evaluation of workplace gender equality.



MERCER AUSTRALIA'S GENDER PAY GAP

Achieving gender balance

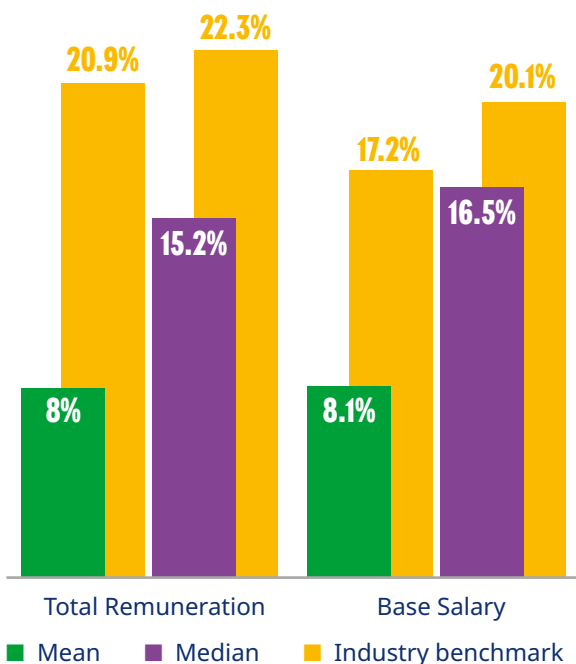
The distribution across pay quartiles reflects the composition of Mercer's workforce and highlights our success in cultivating gender balance within our senior leadership levels. Mercer excels in the upper quartile with 52% female representation, surpassing the comparison industry average of 38%. A significant contributor to our gender pay gap lies in the higher proportion of females in operational and administrative roles, situated in the lower quartiles.

Narrowing Mercer's Gender Pay Gap

Following dedicated focus on gender pay equity over the last five years, we are pleased to report that Mercer has surpassed our 2023 goal, achieving a substantial reduction from 16.4% down to an 8% average organisation-wide gender pay gap as of March 30, 2023. This accomplishment is attributed to strategic focus on gender representation, targeted pay initiatives, and overarching organisational transformations.

Significant portfolio reshaping, mergers and acquisitions have influenced shifts in our organisational composition, with internal analysis revealing this has resulted in an increase in our gender pay gap. Recognising this, we aim to achieve further improvement by 2025.

2023 Gender pay gap



Workforce representation in pay quartiles



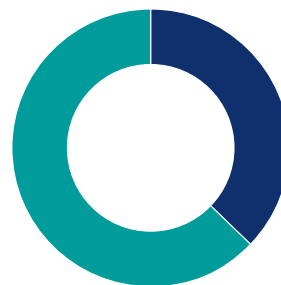
Overall workforce
Average total remuneration AUD **\$139,000**
59% Female
41% Male



Upper
Average total remuneration AUD **\$255,000**
52% Female
48% Male



Upper middle
Average total remuneration AUD **\$134,000**
54% Female
46% Male



Lower middle
Average total remuneration AUD **\$96,000**
63% Female
37% Male



Lower
Average total remuneration AUD **\$72,000**
67% Female
33% Male

MARSH AUSTRALIA'S GENDER PAY GAP

Achieving gender balance

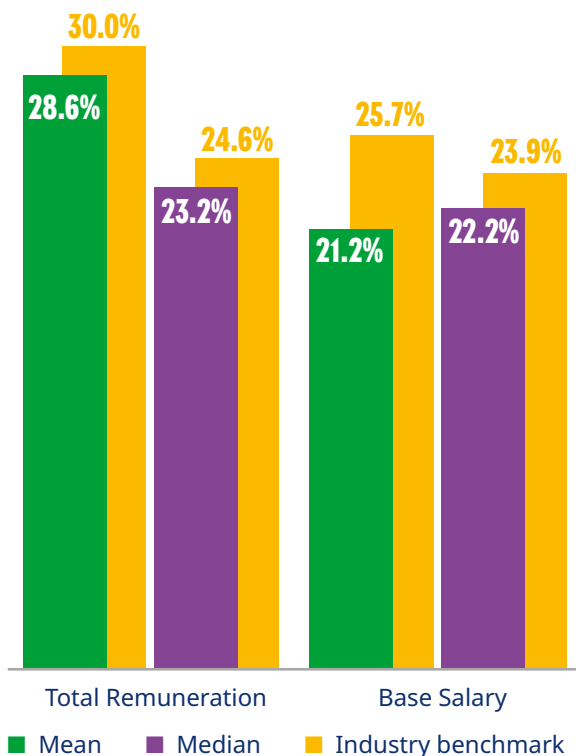
The distribution across pay quartiles reflects the composition of Marsh and demonstrates that we have fewer women in leadership roles and a high proportion of females in entry level positions, which is consistent with our industry group. We recognise there is further progress to be made, and a more balanced distribution across Marsh coupled with continued focus on gender pay equity will further close the gap.

Narrowing Marsh's Gender Pay Gap

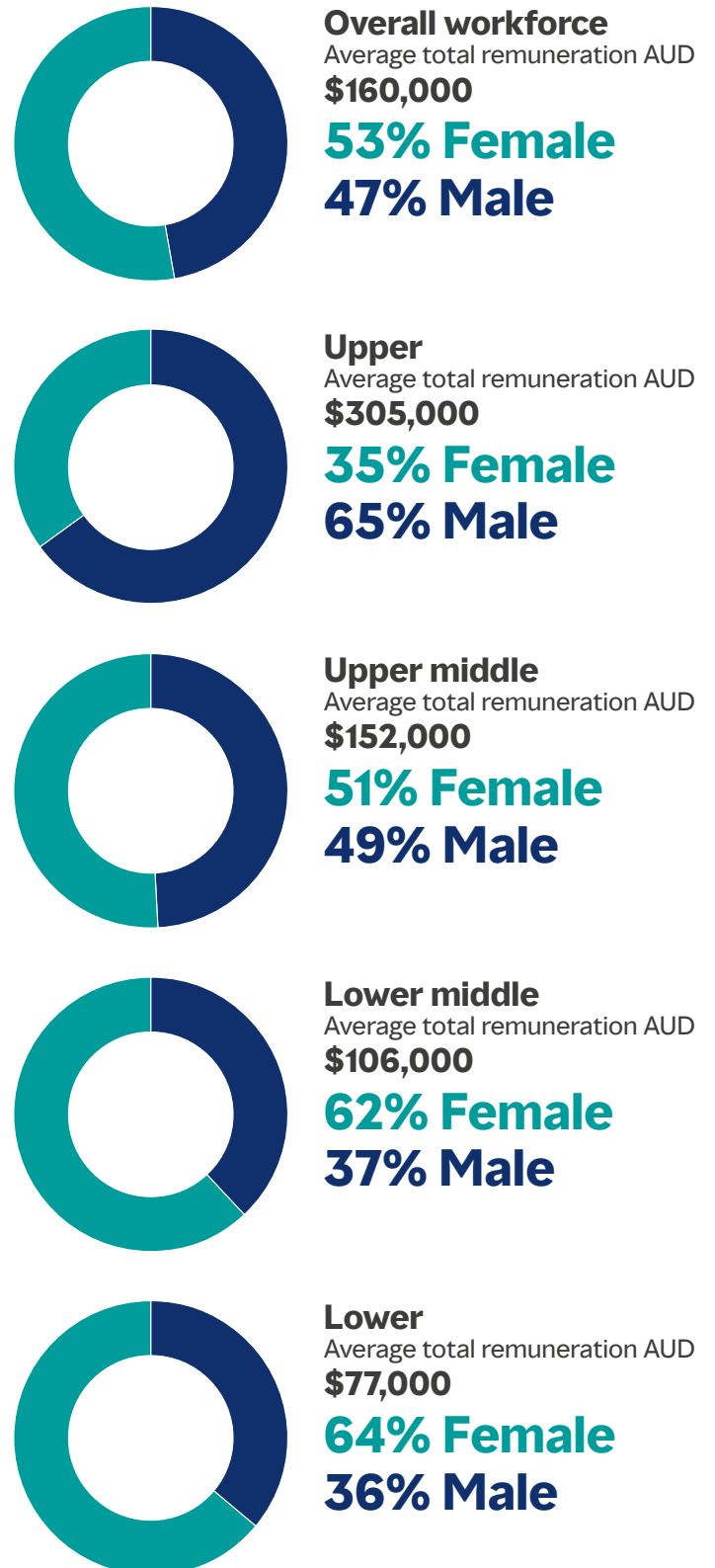
Marsh's gender pay gap is largely influenced by more males than females in senior roles and reflects an industry-wide challenge within our core business of insurance and brokerage. The gap is also a result of more females than males in the lower quartiles. In the past year, Marsh has narrowed its gender pay gap, decreasing from 31.9% in 2022 to 28.6% in 2023. This is a notable step forward, and puts us ahead of the industry comparison group for 2023 which stands at 30.0%. We acknowledge that more work is required to consistently outperform these standards.

We are dedicated to the ongoing implementation of inclusive policies and practices with a focus on achieving additional reductions in the gender pay gap. We're focused on growing our own talent pool to drive female representation, and ensuring women have the support and opportunities needed to thrive in our business.

2023 Gender pay gap



Workforce representation in pay quartiles



CHANNELLING ENERGY INTO ACTION

Leader led actions that further our gender equality objectives across Marsh and Mercer.

- **We are committed to supporting the representation of women in leadership positions.** We strive for gender balance at all levels of Marsh McLennan.
- **We conduct an annual pay equity study.** We conduct a two-part study to identify discrepancies in pay based on gender globally, and address pay equity issues that may arise. First, a statistical analysis examines the current pay of colleagues in comparable roles to determine whether there are differences in pay that can't be explained by objective factors such as level, performance, location and experience. Then, as an additional step in our annual compensation cycle, the study assesses all the pay adjustments that have been recommended and identifies inconsistencies with our policies and practices
- **We take a real-time data driven approach to monitoring our progress.** Utilising Mercer's proprietary Internal Labour Market (ILM) tool analysis, we track our progress in embedding inclusion into our culture. The ILM dashboard provides data insights, including diversity metrics across business areas, levels, and working arrangements.
- **We are focused on increasing female representation, particularly in senior leadership roles.** Our recruitment and promotion practices support our diversity ambitions and inclusive culture. In 2023, Marsh saw 60% of promotions into senior executive positions filled by females, and Mercer achieved a rate of 62.5%.
- **We champion positive role models within our leadership representation.** We take pride in Mercer's gender-balanced boards and executive leadership team, recognising the importance for colleagues to have "people like me" in leadership positions.
- **We empower diversity and social impact Business Resource Groups (BRGs) as a voice for change.** Our Women and Allies at Marsh (WAM) and Women@ Mercer BRGs organise initiatives focused on enhancing gender equality within the workplace.
- **We're enhancing our policies and practices for inclusivity.** We review our internal policies and practices to ensure they support an inclusive work environment, with a focus on harmonisation where possible across Marsh McLennan businesses. We are re-examining Parental Leave policies for unification and spotlighting on family and carer responsibilities, including across genders.
- **We support our leaders with the development of enablement tools.** We're creating colleague and leader guides covering areas such as Parental Leave, Domestic and Family Violence, and Carers Framework, to facilitate best practices.
- **We seek out external accountability and transparency.** Mercer has signed the Financial Services Council (FSC) Women in Investment Management Charter, demonstrating our commitment to gender diversity within investment management, and will continue to seek WGEA's Employer of Choice citation for Gender Equality. Marsh and Mercer benchmark our family inclusive policy and practices with the Family Inclusive Workplace certification.
- **We bring gender to the forefront when promoting formal and informal flexibility.** Flexibility is available to all our colleagues including hybrid working to balance working from home with collaborative team connection days.

OUTWARD-LOOKING CHANGE



We're committed to making a positive difference for our clients, our industry, and society at large.

Industry research

Since 2014, we have published a global [When Women Thrive](#) report. Leveraging the capabilities of our inclusion and diversity practice, Mercer's Workforce Solutions business tailors the findings for our Australian clients. The research is designed to help all organisations achieve growth through the active and productive participation of their female workforce.

[Mercer's Global Talent Trends](#) report is an annual analysis that explores key trends and challenges in the world of work. The report provides insights into what leading organisations are doing about pay equity, and practices that support employees to feel they are treated fairly and equitably.

Clients

Mercer helps organisations with diversity, equity and inclusion (DEI) consulting to advance equitable career, health and financial wellness outcomes in the workforce. We help our clients accelerate their DEI journeys through a multifaceted, evidence-based approach that incorporates opportunity, experience, pay, and health and financial well-being interventions and outcomes.

We participate in a global DEI community of practice for sharing global best practices and staying attuned to legislative changes and requirements, enabling our clients to receive up-to-date guidance in navigating the ever-evolving space of DEI. More information is available at <https://www.mercer.com/en-au/solutions/talent-and-rewards/diversity-equity-and-inclusion/>.

Marsh is proud to be a global and local sponsor for the [Dive In Festival](#) that focuses on DEI in the insurance industry which attracts over 30,000 participants each year. It includes a series of events aimed at fostering conversations around diversity, equity, and inclusion within the insurance sector.

Social impact

Marsh McLennan supports gender equality in our communities, and we proudly support the Techgirls Movement Foundation for the development of young female talent in STEM fields. In 2023 Mercer's Workforce Solutions business collaborated with Techgirls to bring together our community, clients, and STEM talent. Through partnerships with Techgirls Movement, 80 students, and mentors from our commercial partners, we created opportunities for hands-on learning and mentoring.

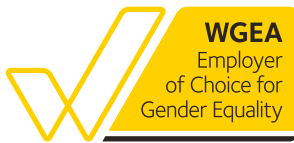
Our Women@Mercer and Women and Allies at Marsh (WAM) resource groups are proud of their 2022 clothing drive for Dress for Success and affiliate charities across Australia and New Zealand. Dress for Success is a non-profit organisation that provides professional attire, career development tools, and support to help women achieve economic independence. In 2023, we supported the Salvation Army for the International Day for the Prevention of Violence against Women & Children Christmas Appeal.



OUR COMMITMENTS IN ACTION

We are proud to be recognised externally for our gender inclusion initiatives in 2023.

Mercer



Marsh



APPENDIX ONE: REPORTING ENTITIES

Marsh McLennan Holding Companies (the “Marsh McLennan Pacific Holding Companies”)	
MMC Holdings (Australia) Pty Ltd ABN 41 607 891 207	<i>These are holding companies with no direct operations or staff.</i>
Marsh Mercer Holdings (Australia) Pty Ltd ABN 86 097 026 812	
Marsh Entities (“Marsh Reporting Entities”)	
Marsh Pty Ltd ABN 86 004 651 512	<i>Insurance broking, risk consulting, asset valuation, workplace health, safety and rehabilitation and training solutions.</i>
JLT Risk Solutions Pty Ltd ABN 69 009 098 864	<i>Discretionary trust and mutual fund services.</i>
Marsh Advantage Insurance Pty Ltd ABN: 31081358303	<i>Insurance broking and risk consulting solutions.</i>
The Recovre Group Pty Ltd ABN: 35003330167	<i>Workplace health, safety and rehabilitation solutions.</i>
Marsh & McLennan Agency Pty Ltd ABN: 33000668584	<i>Insurance brokerage, risk assessment, employee benefits consulting.</i>
Mercer Entities (“Mercer Reporting Entities”)	
Mercer (Australia) Pty Ltd (“MAPL”) ABN 32 005 315 917	<i>The core Mercer Entity for Australia, providing centralised shared services to Mercer Entities in Australia and New Zealand.</i>
Mercer Administration Services (Australia) Pty Ltd ABN: 48616275980	<i>Administration solutions for superannuation funds.</i>

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