

Morleys Stores Group 2022/23

Our Workforce

To help explain the data, it is important to understand a little bit about Morleys Stores. We are a group of 8 independent department stores that have grown over the last 95 years through acquisitions. Our first store was purchased by our current Chairman's grandfather in Brixton in 1927 and our newest store was opened in April 2017 in Bexleyheath.

We employ around 700 colleagues and our workforce includes central marketing, buying, finance, HR and ecommerce functions as well as our department store teams. At the snapshot date, 72% of our entire workforce was female.

Within Morleys Stores Ltd we also have Morleys of Bicester who are an educational furniture business specialising in supplying educational establishments. Bicester has its own MD and supporting structure and employs around 40 people in a number of areas including sales, buying and marketing as well as warehousing and distribution.

Across our portfolio our offer includes fashion and home as well as floor coverings and furniture. We pride ourselves on our internal delivery fleet of drivers who give a personal touch to our furniture deliveries.

From 2017, all large UK companies employing 250 people or more are required to report on their gender pay gap.

As an employer we welcome this step. We believe that it is important for all companies to be transparent about pay, and that by doing this, progress will be made in bridging the pay gap that exists in the UK today.

Our mean result in the 2022/23 reporting year slightly improved from 24.6% to 24.5% but we are still adverse to the UK average of 13.9%.

As an organisation, we always look for ways to improve and we want our gender pay gap to be lower than it is. Achieving pay parity between males and females is an ongoing journey, and we remain committed to providing an inclusive and fair working experience for all our colleagues.

Understanding the gender pay gap

The gender pay gap is a measure of the difference in the average pay of men and women – regardless of the nature of their work- across an entire organisation, business sector, industry or the economy as a whole. It can be driven by the different number of men and women across all roles.

It is different from an equal pay comparison, which would involve a direct comparison of two people or groups of people carrying out the same, similar or equivalent work.



Understanding the gender pay gap

- HOW ARE THE MEDIAN AND MEAN GAPS CALCULATED?
- Using the calculations set out in the gender pay gap reporting regulations, we have taken pay data from our entire business of just under 700 colleagues. This data includes many different roles including directors that bring a variety of rates of pay. Imagine a picture where all our female colleagues stood next to each other in one line in order of lowest hourly rate of pay to highest and imagine the same picture where all our male colleagues did the same. The median gender pay gap is the difference in pay between the female colleague in the middle of their line and the male colleague in the middle of their line.
- The other measure is the mean gender pay gap, which shows the difference in average hourly rate of pay between men and women. This is also affected by the different numbers of men and women in different roles. These median and mean calculations are also carried out when comparing bonus pay over a twelve month period. The proportion of men and women awarded any bonus pay over that period is also reported.
- HOW ARE THE PAY QUARTILES CALCULATED?
- In the report we also share the percentage of men and women in each pay quartile. Quartiles are calculated by listing the rates of pay for each colleague across the business from lowest to highest, before splitting that list into four equal-sized groups and calculating the percentage of males and females in each. They should not be confused with the position of colleagues within the pay ranges set for each role.
- These median and mean calculations are also carried out when comparing bonus pay over a twelve month period. The proportion of men and women awarded any bonus pay over that period is also reported

- WHAT'S INCLUDED IN OUR CALCULATIONS?
- Calculations of mean and median pay and of quartile pay bands are based on data from April 2022 only, including ordinary pay and bonus pay. Ordinary pay doesn't include pay for overtime, pay relating to redundancy/termination of employment, pay in lieu of leave or the value of benefits which are not in the form of money. Bonus pay includes annual profit related bonus, commission and incentives paid. Calculations of mean and median bonus pay use bonus pay from the twelve months ending on 4 April 2022.

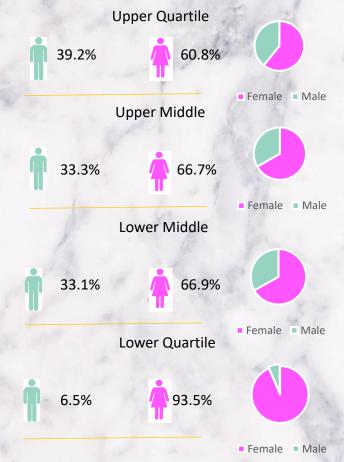
Our Results

Gender Pay – Reported results 2022/23

100		Morleys	Retail Sector*	UK*
1	Median Pay Gap	0.00 %	8.5 %	14.9 %
1	Mean Pay Gap	24.5 %	13.5 %	13.9 %

	Male	Female
Proportion of colleagues who receive bonus	5.94 %	4.41 %
	Median	Mean
Gender Bonus Gap	27.3 %	29.4 %

PAY QUARTILES – PROPORTION OF MALE AND FEMALES IN EACH PAY QUARTILE



Exploring the narrative

This is our first report since the 2018/2019 year that has not been affected by a reduced number of full-pay relevant employees as a result of the coronavirus pandemic. When comparing this years results to then, the mean gap has narrowed by 1.2 percentage points, and the median by 10.3. This shows our commitment to equality across the business.

Although our mean result has shown improvement compared to 2018/19 and last year, we still have work to do to narrow the gap. The majority of our overall workforce is female, especially in the entry-level/lower paid roles and so we need to continue our focus on encouraging more females into senior roles.

Actions

Our strategy remains the same and we will:

- Continue to focus on departments where gender balance is more challenging, such as logistics and furniture sales.
- Investigate and take action on the continued decline of part-time male workers in the lower quartile.
- Continue with our training and development strategy with a particular focus on talent planning to encourage females to pursue senior roles.
- Encourage an environment where everyone feels comfortable to ask about flexible working.

I confirm that the information contained within this report is accurate.



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Liz McGowan
Retail & HR Director