

2025 Pay Gap Report



We continue to deliver on our commitment to promoting inclusion in the workplace

At Mercer, we are committed to creating a vibrant inclusive culture where everyone can be their best. We value the diversity within our firm and encourage our colleagues to live and work authentically and be true to themselves, while accepting the necessity of operating as a cohesive work community to drive collective success. This means being inclusive, and valuing everyone across all gender identities, races and ethnicities, sexual orientations, ages, and social backgrounds. We will continue to make progress on our inclusion agenda to deliver the best outcomes for our people, our clients, and society at large.

By understanding, valuing, and leveraging the strengths of all colleagues, Mercer holds a differentiating advantage. Nurturing such a culture leads to greater creativity, more engagement, and the retention of the best

talent. Diverse, inclusive, high-performing teams generate richer discussions, more innovative ideas, and make a bigger impact than teams where everyone is the same. For us, this is a competitive imperative.

At Mercer, we make a difference in people's lives every day. We are a trusted advisor to clients around the world. We are part of Marsh, a professional services firm like no other — the leading global experts in risk, strategy, and people. We help clients prosper amid changing times. We know we can only do this with the efforts of each one of our colleagues. That is why rewarding our employees fairly for the work that they do is fundamental to our business.

Our commitment is evident through our strong network of business and colleague resource groups, our commitment to HM Treasury's Women in Finance Charter, our partnership with The Diversity Project, and by the fact we have been recognised for the third year as a *Times* Top 50 Employer for Gender Equality. The careful selection of our charity partners also contributes to making our workplace more equal

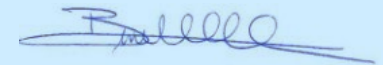
and more diverse. This includes our current partnership with the Social Mobility Foundation.

We also keep a close eye on pay decisions by monitoring colleague engagement, employee turnover, promotions, pay and performance ratings, and by delivering specific training, for example, on unconscious bias and managing for inclusion. We analyse and report regularly on our progress at board level and hold our executive team and other senior colleagues accountable through their own goals and through the rewards they receive for delivering results. While we have made strong progress this year in closing our pay gap, like many organisations, we have more work to do. We are on a journey, and we are committed to an inclusive and diverse workplace that reflects society at large.

In this report, we detail the 2025 gender pay gaps for Mercer Limited and voluntarily publish our ethnicity pay gaps. We highlight some of the activities already undertaken and those planned in the future to advance our efforts in closing gender and ethnicity pay gaps.

UK pay gap reporting

Through our detailed analysis, we know that our pay gaps are largely caused by our workforce profile — that is, we continue to have more colleagues who identify as White and male in senior positions. This is due to a myriad of reasons, many historic. The fact we are heading in the right direction, albeit with more work to do, tells us that the many actions we are taking to support inclusion in the workplace are having the right impact, and that they must continue.



Benoit Hudon
President & CEO, Mercer Limited

Pay gap metrics explained

Pay gap metrics detail the gap between the mean and median earnings of one group, and the mean and median earnings of another group within a company. Bonus pay gap metrics show the difference between the mean and median bonus paid to one group, and the mean and median bonus paid to the other group.

Gender pay and bonus gaps assess these quantities across the entire company for women and men and evaluate the difference.

Ethnicity pay and bonus gaps assess these quantities across the entire company for ethnically and racially diverse (ERD) and White colleagues and evaluate the difference.

How the calculations are done **Not the final story**

The mean (or average) is calculated by adding up the gross hourly earnings of employees in the relevant group and dividing that figure by the number of employees in that group.

The median is the number in the middle of a ranking of pay from lowest to highest.

We calculate our ethnicity pay gap using the same methodology we use for our gender pay gap.

We recognise that not everyone identifies with the gender binary of male and female. This document reflects the current extent to which we are able to report against gender, without inadvertently identifying individuals, in line with government guidelines.

For our ethnicity pay gap report, in order to protect anonymity, we report disaggregated data only, where the underlying population is greater than 100 people.

These numbers tell a story, but not the complete or final story. We continue to carry out further analysis to understand the root causes of any gaps and to identify how we can further close them.

The gender pay gap:



The difference between the gross hourly earnings for all those in one group versus those in another group. For example all men compared to all women.

Not to be confused with equal pay:



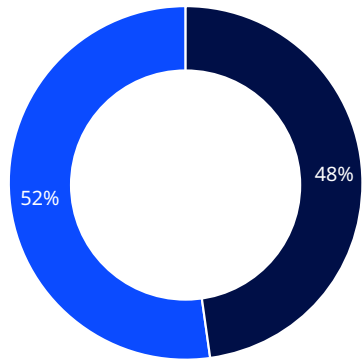
Comparison of the individual pay given to those who perform equal work.



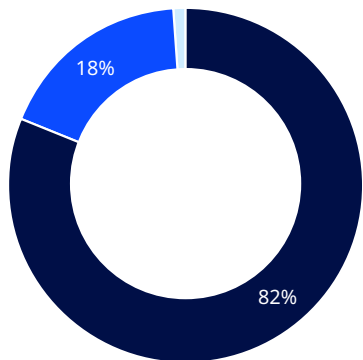
Careful with comparisons

Mercer in the UK is a limited company, which means our gender pay gap takes into account all of our people across all levels of the organisation. Some other professional services firms are partnerships (for example, an LLP or similar), and government regulations exclude partners in these firms from the gender pay gap calculation. This can make it difficult to compare results between firms.

Our workforce profile

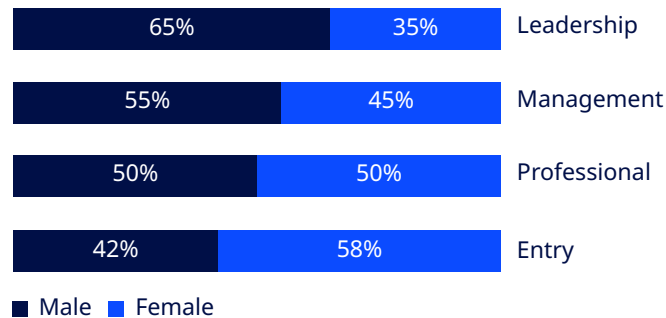


100% of colleagues have declared their gender: 48% were women, 52% were men.

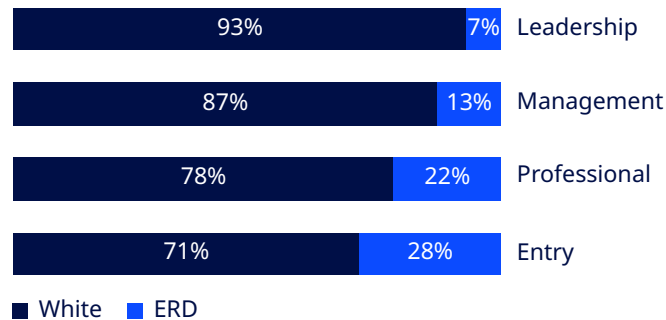


93% have declared their ethnicity. Of those who declared, 18% identify as Asian, Black, or as being ethnically and racially diverse (ERD) and 82% as White, with 1% preferring not to say.

Gender workforce profile



Race and ethnicity workforce profile



Our observations

Women, and ethnically and racially diverse (ERD) colleagues, are most highly represented at our entry level positions.

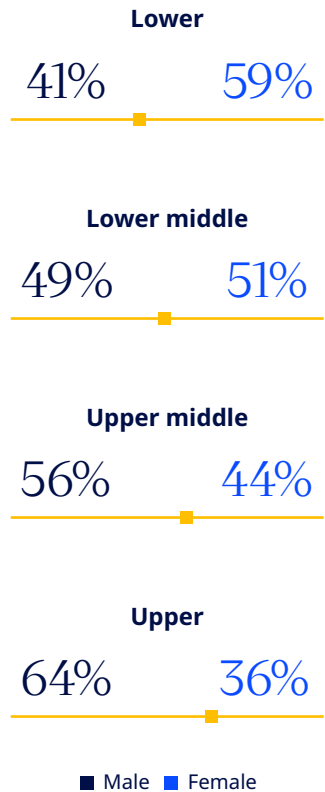
We have seen an increase in the proportion of women in senior leadership roles of 2% and an increase in the proportion of men in our entry and professional roles of 2% and 1% respectively.

We have also seen a 2% increase in the proportion of colleagues from an ERD background at professional levels. While representation at the management level has decreased by 1%, we have increased ERD representation within our leadership roles by 1%.

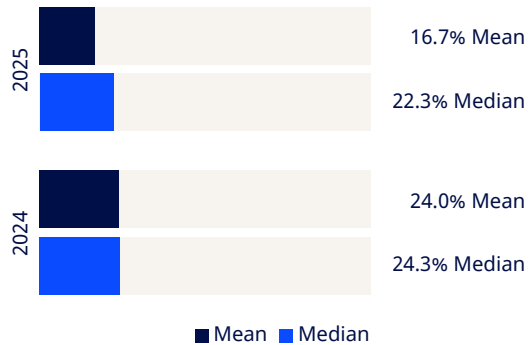
From our data used for our pay gap reports (data as at April 2025).

Mercer Limited gender pay gap

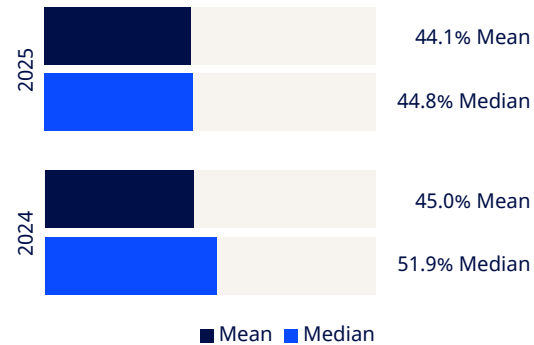
Pay quartiles



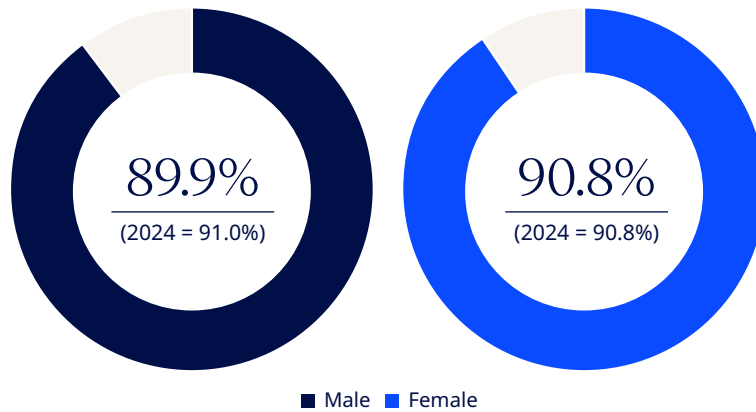
Gender pay gap



Gender bonus gap



Proportion of males and females receiving a bonus



Our observations

Overall, the gender balance across Mercer Limited is 52% male and 48% female. There has been a decrease in the female population of 1% since our 2024 report.

The proportion of men in our lowest pay quartile has increased compared to last year. As a result, the average pay for women has risen relative to that of men. This has been the key driver in narrowing our overall gender pay gap.

We have seen an increase in the proportion of women in senior leadership roles of 2%.

Our workforce profile, with more men in the most senior, higher paid roles, results in our overall gender pay gap. We have lower levels of female representation in leadership roles and higher levels of female representation in more junior, lower paid roles.

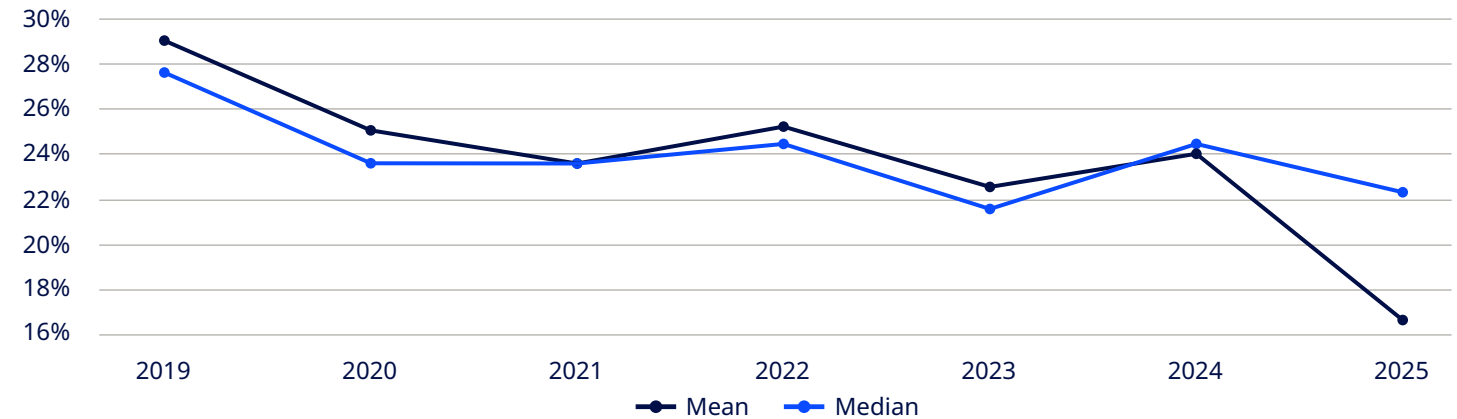
For the first time, a higher percentage of women are receiving a bonus, although the gap with men remains narrow.

Our progress

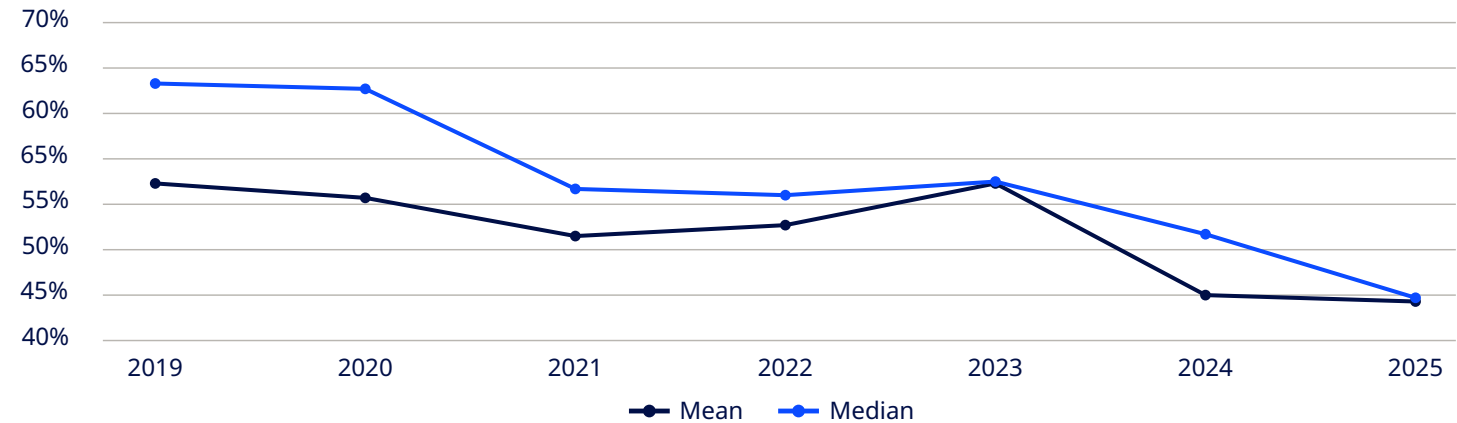
We continue to make progress, with our overall trajectory showing the lowering of pay gaps over time. However, it is clear that our efforts can take some years to result in a substantial change. We know we have more to do and strive to continue to make progress each year.



Gender pay gap history

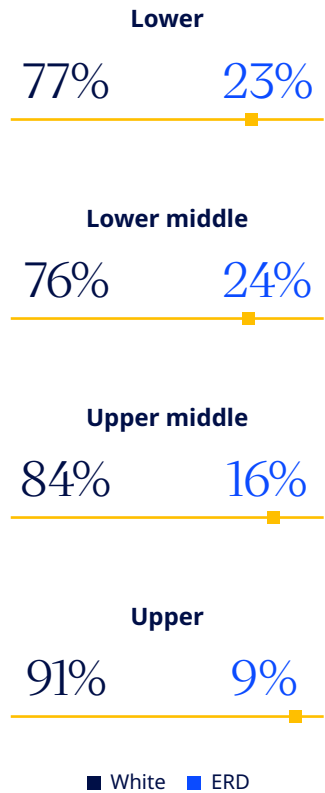


Gender bonus pay gap history

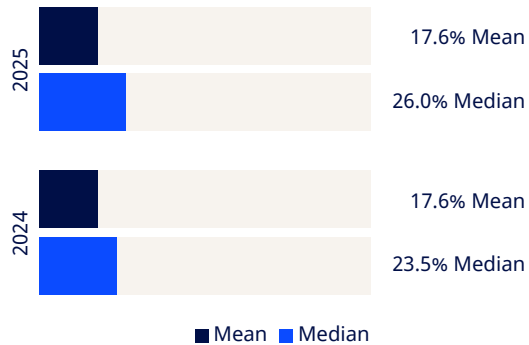


Mercer Limited ethnicity pay gap

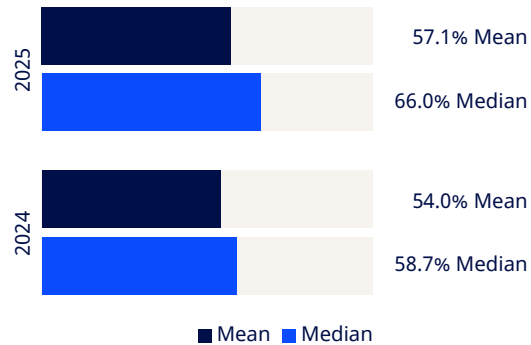
Pay quartiles



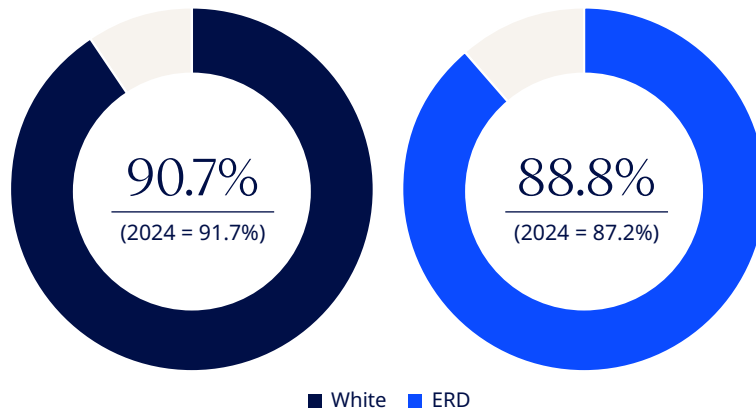
Ethnicity pay gap



Ethnicity bonus gap



Proportion of white and ERD colleagues receiving a bonus



Our observations

Our mean ethnicity pay gap has remained unchanged from last year, while our median ethnicity pay gap has increased by 2.5%.

This increase is primarily due to a reduction in the proportion of ERD colleagues in our upper-mid and upper pay quartiles, where salaries are higher and where representation significantly impacts the overall pay gap.

Our lower pay quartile remains unchanged, and we have seen a 2% increase in ERD colleagues in the lower-middle quartile. This reflects our ongoing commitment to hiring ERD talent (within the confines of the law) and supporting their ongoing progression through the organisation.

Although these positive developments are encouraging, there remains a need to continue focusing on improving representation throughout our organisation and particularly at more senior levels.

Our ethnicity pay gap is influenced by the higher proportion of ERD colleagues in more junior roles. We have worked to significantly increase the number of ERD colleagues joining the organisation in recent years, especially in early career roles, which are often lower paid.

Our pay philosophy places greater emphasis on variable pay linked to performance in senior roles. This creates a more significant bonus gap, as we have higher percentages of White colleagues in our most senior roles.

It is not possible to provide a further breakdown of results by all ethnic groups because of the population size and concerns about maintaining anonymity.

As the population of ERD colleagues is proportionately smaller, we expect to see ongoing variability in the results, as we continue to publish our data each year.

What we are doing to close our gaps

Our pay gaps are primarily driven by a greater representation of men in higher paid, more senior roles, and by a greater representation of White colleagues in higher paid, more senior roles. Acknowledging this, we continue to work towards an equal gender split across all levels and ethnic diversity — reflecting the societies in which we work and the customers of our clients. Here are a few of the actions we are taking to further our inclusion objectives.

Building an inclusive culture

We want our colleagues to be part of a purpose-driven team that harnesses diverse experiences, backgrounds, and perspectives to bring the best to our clients.

Inclusion is a core focus of our onboarding process. It is covered in depth at induction, with all new colleagues completing inclusion training on topics such as unconscious bias and allyship.

Our people managers undertake further training in the form of a “having an inclusive mindset” induction session and a “building inclusion in your team” learning module.

We continue to review our policies and processes through an inclusion lens, so we can better support all colleagues. We have a strong culture of flexibility, which allows us to support colleagues in varied circumstances.

For example, we have a flexible approach to bank holidays: Colleagues can choose to work one or more of the four Christian-origin bank holidays and swap it for a day that is more suitable for them.





Prioritising equality

We have benefits, policies, and procedures focused on supporting our female talent through key life events. For example, we offer above-market maternity and paternity benefits. New parents can return to work at 80% of their normal level and receive 100% of their pay. We also have market-leading shared parental leave benefits.

We are delighted to have been listed as a *Times* Top 50 employer for gender equality for the third year running. This recognises our continued prioritisation of gender equality in the workplace. It also shows that we are driving a culture that works towards a more equitable and inclusive world.

We continue our efforts to attract, retain, and develop ethnically and racially diverse (ERD) talent in line with current legislation.

Responding to feedback from our annual colleague survey and from our Colleague Resource Groups (CRGs), we undertook a series of listening sessions with our ERD colleagues. This has helped us tailor our approach to be even more impactful and has had a meaningful impact on our inclusion efforts.

Recruiting a diverse workforce

It is critical that we build and maintain a diverse talent pipeline. We therefore actively seek to recruit from a wide range of candidate pools for jobs at all levels.

We are committed to attracting and hiring more female and ERD talent (in line with current legislation).

Removing gender and ethnicity bias from the recruitment process continues to be an area of focus. We utilise a gender decoder for our job adverts. Annual diversity audits are carried out on live roles by our inclusion centre of expertise.

We work to ensure that we have diverse interview panels, along with a diverse slate of candidates (in line with the law).

We host engagement discussions between talent acquisition consultants and hiring managers to cover inclusion topics and have provided inclusive recruitment guidance to both.

We are working with our current charity partner, the Social Mobility Foundation, to further improve our hiring practices.

We ensure intersectionality in our recruitment process by establishing relationships with inner city schools that have low rates of graduates in financial services. We also partner with external organisations such as Ambitious about Autism, Bright Network, Handshake, and HigherIn.

At the most senior level, we operate an open and transparent partnership progression model. This helps to develop and promote all talented individuals of any gender or ethnicity.

Applications for our partner-level promotions are all presented to the executive leadership team anonymously to ensure equal opportunities for all candidates.

We continue to focus on our early careers population. For all of our graduate, intern, or apprentice programmes, we commit to recruiting more ethnic minority colleagues (in line with current legislation). We do this in partnership with Bright Network.

This year, our graduate intake comprised 41% women and 47% from an ethnically and racially diverse background. Our apprenticeship intake comprised 52% women and 24% from an ethnically and racially diverse background. We actively support these colleagues in progressing through our grade structure to more senior roles.



Equitable promotions

As part of our annual salary and promotion review process, we carefully evaluate reward and performance patterns through a gender and ethnicity lens. We do this at each level and across the organisation to identify any potential bias.

This process is supported by role-based benchmarking and pay ranges. These are applied consistently to provide a structured framework for reviewing pay and performance outcomes against internal and external benchmarks.

Promotions in recent annual reviews, including in 2025, were aligned with overall gender representation. They were slightly higher for ethnically and racially diverse colleagues. This is an important part of how we will achieve better diversity in more senior roles.

Since 2020, female representation at our senior leadership grades has increased by almost 7% and female representation in management has increased by 5.1%.

This year, ethnically and racially diverse representation within senior leadership has increased by 1%.

Colleague resource groups

We foster a vibrant and inclusive culture that values different perspectives, experiences, and backgrounds.

Our nine colleague resource groups (CRGs) are an integral part of Mercer's culture. They are a key part of our approach to inclusion.

CRGs are made up of colleagues who voluntarily work together to help Mercer achieve its diversity vision. Each CRG plays a critical role in improving our firm's culture and environment.

The groups provide unique perspectives from across the organisation. Each CRG focuses on improving our ability to hire, develop, and retain the best talent. They work with an increasingly diverse client base, and connect to the increasingly diverse communities in which our colleagues and clients live and work.

Our ethnicity and heritage focused CRG (MOSAIC) incorporates the Asian Colleague Network and the Black Colleague Network. Together, they do impactful work to help us develop a diverse and inclusive culture. They provide a safe space for members to discuss workplace issues, network, and organise events centred around important cultural festivals and heritage months.

Highlights this year have included an intersectional lunch and learn event titled Pride and the Role of Black Queer Activism, a sip and paint to celebrate Holi, an Eid brunch and workshop, and a fireside chat exploring "who are you" to launch Black History Month.

Our gender-focused CRG, Balance, helps to drive a number of initiatives to promote gender equality. Highlights this year have included an Inspiring Inclusion panel discussion to mark International Women's Day, hosting peer-to-peer forums, facilitating mentoring programmes, holding domestic abuse awareness training, promoting a Period Poverty Awareness campaign, educational sessions on women's health, and an Allyship Charter to help champion gender equality.



Developing our talent into senior positions

To proactively manage the diversity of our senior talent pipeline, we have formal succession plans in place across all our critical roles, and encourage colleagues to take part in leadership programmes.

Our highly successful Aspire coaching programme is now in its sixth year. This is a coaching programme aimed at high potential female colleagues. There were 60 colleagues in the 2025 cohort.

Of the 200 alumni colleagues who have completed the programme, 30% have received a promotion, 90% remain with the business, 40% are regarded as stand out performers, and 30% are considered our top talent.

One alumni of the programme has noted that it has “been instrumental in developing my leadership confidence and skills”.

Other participants have noted that the programme has been “pivotal in helping me thrive, transforming my confidence and leadership skills” and that “it allowed me to find my voice to contribute meaningfully in discussions”.

Parallel to Aspire, we also run our Women in Growth development programme. This is aimed at accelerating the careers of high potential mid-career female colleagues.

We have also engaged with a number of external organisations to support career advancement for women, including the Professional Women’s Network, HM Treasury’s Women in Finance Charter, and the Cherie Blair Foundation.

We have increased the percentage of women in our senior positions to 34.2%. We want this progress to continue, and aspire to have the percentage of women in senior positions reach 40% by 2028.

Providing positive role models

We know our female and ethnically and racially diverse colleagues are eager to see “people like me” leading the business. This is just one reason we work to improve gender and ethnic diversity in all senior roles.

Our executive leaders have personalised inclusion goals and action plans built into their overall performance goals.

We continue to participate in KPMG’s Cross Company Allyship Programme. We provide both mentors and mentees for this programme, which focuses on colleagues from ethnically and racially diverse backgrounds.

Our commitment to promoting inclusion in the workplace

We are committed to making a positive difference for our clients, in our communities and in society at large. We are focused on hiring more under-represented female and ethnically and racially diverse talent, starting with our early careers (in line with current legislation). We have programmes in place to increase diversity at the senior levels in our organisation, and a number of strategies in place to support this goal.

Locally and globally, our Mercer business helps organisations effectively address pay gaps and ensure fairness in their rewards. Based on statistical methods (that conform to the highest standards), our approach is designed to have a significant and sustainable impact. It is informed by many years of collaboration with the world's leading companies.

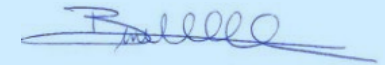
In the UK, we have engaged with a number of important external organisations that support career advancement for women and ethnically and racially diverse colleagues. These include:

- Bright Network
- Business in the Community — Workplace Gender Equality campaign and Race at Work Charter
- The Cherie Blair Foundation
- The Diversity Project
- Handshake
- HigherIn
- HM Treasury's Women in Finance Charter, of which Marsh is a signatory
- International Women of Excellence
- ISC
- Professional Women's Network
- *Times* Top 50 Employers for Gender Equality

We are dedicated to making continual progress. Where we have more work to do, we are fully committed to improving diversity in all areas of our workforce. We are undertaking focused work to drive gender and ethnicity diversity. We also have various strategies that are addressing other areas of diversity as we strive to make Mercer even more inclusive.

Declaration

I confirm Mercer Limited's gender pay gap calculations are accurate and meet the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Benoit Hudon

President & CEO, Mercer Limited

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About Mercer

Mercer is a business of [Marsh](#) (NYSE: MRSH), a global leader in risk, reinsurance and capital, people and investments, and management consulting, advising clients in 130 countries. With annual revenue of over \$24 billion and more than 90,000 colleagues, Marsh helps build the confidence to thrive through the power of perspective. For more information about Mercer, visit [mercerc.com](#), or follow us on [LinkedIn](#) and [X](#).

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