

The background of the cover features a perspective view of a road with a dashed white line down the center. On either side of the road are rows of stylized human figures made of paper. The figures on the left are in various shades of blue, representing men. The figures on the right are in various shades of pink and purple, representing women. A semi-transparent purple horizontal band is overlaid across the middle of the image, containing the title text.

GENDER PAY GAP REPORT 2020

Contents

	Page
Our Commitment	3
Overview	4
Action Plan	5
Matched Roles	6
Gender Pay Gap	7
Male/ Female Distribution	8
Gender Bonus Gap	9
External Comparisons	10
Mandatory Reporting	11
Redressing the Imbalance	12
Declaration	13

Our Commitment

We want to make Marex Spectron a place where the most talented people, regardless of gender, culture or sexual orientation, choose to build their careers. Today, we employ almost a thousand individuals from a diverse social and educational background and as a meritocracy we value all our employees equally for the contribution that they make to our firm.

There are five Corporate Values that are implicit in everything that we stand for:

- Respect
- Personal Integrity
- Collaboration
- Developing our People
- Adaptability

As a firm, we are constantly looking to add more women in highly remunerated roles and will continue to ensure that we pay matched roles at the same levels for comparable performance.

Over the course of the past year, we have made further inroads to improve the gender pay gap imbalance, with a healthy improvement of 8%. To achieve this, we have broadened our search for new employees and hired a number of talented senior women, both in the front office and in our control & support areas.

I have said before that the nature of our business and the historic

gender bias in our industry means that it will take a few years to sort out. This has been the case but importantly, I am delighted to report, we are now starting to see the right results.

We know that our responsibility goes far deeper than just hiring talented women. It is about broadening awareness of diversity and inclusion across our workforce. To help us achieve this, we have implemented diversity training for our employees, whilst our Chair, Carla Stent, has met the majority of our UK female staff to discuss gender diversity within the business to discuss suggestions for improvement.

There is much more to do in this area, but we are being proactive, and these results show we are heading in the right direction.



Ian Lowitt, CEO
Marex Spectron

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.... we have made further inroads to improve the gender pay gap imbalance, with a healthy improvement of 8%.

Overview

We welcome this opportunity to share our detailed information for the UK Government's Gender Pay Reporting initiative. In addition, we provide information beyond our legislative requirements.

This is our fourth gender pay gap report, in which we set out our action plans on how we are addressing, over the medium term, the implications of our gender pay gap.

This report relates to Marex Financial, the company that employs the majority of our staff in the UK.

The gender pay gap in aggregate comprises of two elements:

- Pay differences (if any) between male and females for matched roles.
- Pay differences resulting from the distribution of roles.

The combination of these two elements is what the UK Government reporting requires firms to disclose.

Unsurprisingly, for a firm that has 'developing our people' as a cultural value, and is committed to treating employees fairly, of the 194 out of 355 Marex Financial employees for whom we can match roles, the mean gap is 0%. This has improved by 1% when compared to last year.

As we pay the same for matched roles, our gender pay gap is a function of the distribution of roles. For there are more men in higher paying jobs, rather than men and women being paid different amounts for performing the same roles.

Our total gender pay gap has a mean and median of 24% each, versus the financial industry's 35.3%* (2019 figures). We acknowledge that we have more work to do and will address this in our action plan.

	Gender Pay Gap		Matched Roles (Equal Pay)	
	2020	2019	2020	2019
Mean	24%	32%	0%	1%
Median	24%	31%	4%	3%

*These are 2019 figures from Office of National Statistics. Most firms have not yet published their numbers as the reporting deadline has been extended until Oct'20

Action Plan

The firm is committed to proactively adding more women in more highly remunerated roles, over the medium term, and to ensure that pay is matched at the same levels for similar roles and comparable performance.

Our action plan includes:

- Identify and invest in key female talent already within our company for future succession.
- Identify potential target roles for senior female hires and develop a robust external talent pipeline.
- Enhance the capability of our line managers when recruiting; raise awareness of unconscious bias and improve our candidate assessment process.
- Roll out Diversity and unconscious bias training for all staff
- Move to a 50/50 candidate shortlist
- Ensure we have at least one viable female candidate for vacancies within our control & support functions and, where possible, in our front office.
- Provide Training to our managers so that they are equipped to support and develop a diverse and flexible workforce
- Promote a flexible working culture
- Support employee wellbeing through resources and programmes to help promote health, mental health and wellbeing
- Develop targeted communications on diversity data to raise awareness of our diversity and inclusion
- Continue to enhance the workplace culture to support all aspects of diversity
- Work with our peers to shape the way forward for the Commodities industry as a whole

Matched Roles

While we do not have a formalised role grading structure, we can categorise our front office and control and support staff into like for like roles. This reflects seniority and functions that enables us to effectively analyse our data in a more meaningful way and provide detailed information for base pay comparisons. On a like for like basis, the data shows a mean and median gender pay gap of -5% and 10% respectively

Executive

Department/Desk Head

Senior Manager

Manager

Assistant Manager

Senior Analyst/Officer

Analyst

Co-Ordinator/Officer

Engineer/Developer

Specialist

PA

Receptionist

Senior Broker

Broker/Trader

Trainee/Junior Broker

LME Sales Senior

LME Sales - Mid

LME Sales - Junior

LME Dealer

LME Clerk

Admin/Runner

Gender Pay Gap

Within Marex Financial, our employee base total is 355. For this analysis we were able to match a total of 194 employees 123 males and 71 females in comparable roles. From such a detailed analysis we are confident that our pay is fair and equitable, irrespective of gender.

Male / Female Employee Distribution		
	Total employee distribution	Matched employee distribution
Total population	355	194
Male	267	123
Female	88	71

Matched Roles Gender Pay Gap	
	Matched roles
Total population	194
Mean	0%
Median	4%

The mean and median gender pay gap is calculated on the total average hourly rate at 5 April 2020

Male / Female Distribution

The numbers clearly demonstrate that it is gender distribution, rather than equal pay, that is the main driver of the pay gap.

As a result, our focus is on improving gender distribution. Over the medium to long-term, the goal is to increase female employee numbers across the board and specifically in senior roles.

	Male/Female Distribution - 2020			
	Total employee distribution	Matched employee distribution	Control & Support matched roles	Front Office matched roles
Total Population	355	194	151	43
Male	267	123	91	32
Female	88	71	60	11

	Male/Female Distribution - 2019			
	Total employee distribution	Matched employee distribution	Control & Support matched roles	Front Office matched roles
Total Population	316	147	101	46
Male	246	98	63	35
Female	70	49	38	11

Looking at the statutory reporting statistics of male/female distribution by pay quartile shows the lower numbers of female employees in the Upper and Upper Middle bands, which clearly impacts our gender pay reporting. There have however been improvements year-on-year, with a narrowing of the gap by 7% in the Upper band as a result of the firm adding several senior hires in this category. Whilst the Middle band has seen a marginal improvement.

Proportion of employees in each pay quartile band 2020		
	MALE	FEMALE
Upper	83%	17%
Upper Middle	85%	15%
Lower Middle	74%	26%
Lower	58%	42%

Proportion of employees in each pay quartile band 2019		
	MALE	FEMALE
Upper	90%	10%
Upper Middle	86%	14%
Lower Middle	68%	32%
Lower	65%	35%

Gender Bonus Gap

Our gender bonus gap is larger than our gender pay gap with the mean at 75% and median at 56%.

The mean is slightly below our 2019 numbers (mean: 76% and median: 49%) and is the result of the formulaic front office bonus structure, reflecting individual and team performance, that are set to be competitive in the market place. The result is a sizeable bonus gap in the front office versus control & support.

Our front office bonus gap is impacted by our gender distribution, with too few women in total and more men in the higher remunerative roles. This is a trend that we see across the financial services sector, but is one that we are aware of and in the process of redressing.

We believe that our ongoing action plan on gender pay will narrow the gender bonus gap.

External Comparisons

Within financial services there is a consistent trend, without exception, that is not an issue of equal pay in matched roles but of under-representation of women in senior, higher remunerative, roles within organisations. The challenge for our industry is to address this dynamic and is one we will continue to address in 2021. We are taking a proactive role in helping to shape the industry response to gender diversity and are working closely with other companies as well as the London Metals Exchange.

Statutory Gender Pay Gap Statistics 2020						
	Marex Spectron	TSB Bank	HSBC Bank	Lloyds Bank	Standard Chartered	Sainsbury's Bank
	%	%	%	%	%	%
Mean Pay	24	33	54	31	31	37
Median Pay	24	24	54	34	29	24
Mean Bonus	75	44	64	63	51	65
Median Bonus	56	32	68	69	48	66

These are real examples of large financial service organisations

Gender Pay Gap National Average - Financial Services		
	Mean	Median
Financial Services	35.3%	40.1%

The above are 2019 figures from Office of National Statistics.

Mandatory Reporting

The UK Government requires all companies with 250 or more employees to formally report on gender pay gap by 5th April every year.

All qualifying companies are required to report:

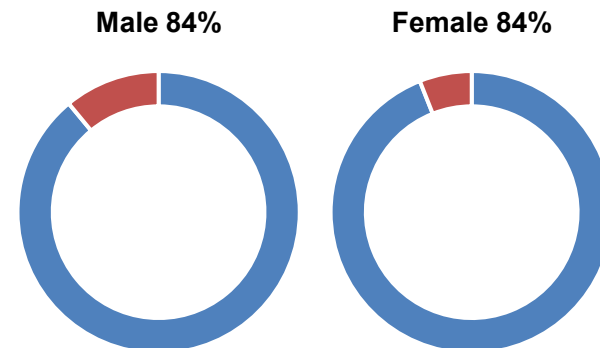
- Mean and median pay gap
- Mean and median bonus gap
- Proportion of males and females receiving a bonus
- Proportion of males and females in each quartile band

Mean and median pay and bonus gap		
	MEAN	MEDIAN
Gender Pay Gap	24%	24%
Gender Bonus Gap	75%	56%

This analysis compares all roles irrespective of seniority or function.

Proportion of employees in each pay quartile band		
	MALE	FEMALE
Upper	83%	17%
Upper Middle	85%	15%
Lower Middle	74%	26%
Lower	58%	42%

Proportion of employees receiving a bonus



Redressing the Imbalance

The firm laid out an action plan last year to add more women to higher remunerative roles, in the medium term, and to ensure we pay matched roles at the same levels for comparable performance.

Achievements

The firm has already taken a number of steps since the release of the last gender pay gap report:

- Successfully piloted Diversity and Unconscious bias training.
- Broadened the recruitment supplier list to ensure a better candidate pool
- Appointed a number of other senior females, including Treasury Project Manager, Head of Compliance, Head of Employment Law, Global Head of Marketing & Communications, Senior HR Business Partner, Senior Legal Officer, Senior Compliance Officer, Head of Risk Governance, and a Learning & Development Manager, COO Marex Solutions, Global Change Manager, Head of Structured products Operations, Implementation Manager, Global IT Service Manager.
- We also marked International Women's Day 2020 around the whole organization, with posters, emails, screensavers and a fund raising.
- Our Chair, Carla Stent, has met the majority of our UK female staff to discuss gender diversity within the business to discuss suggestions for improvement.
- We are taking a proactive role in helping to shape the industry response to gender diversity and are working closely with other companies and the London Metals Exchange
- We have recently updated our Equality and Diversity policy to highlight Marex Spectron's commitment to being an inclusive firm, providing equal opportunities and to proactively tackling and eliminating discrimination.

Ongoing action points

- Identify and invest in key female talent already within our company for future succession.
- Identify potential target roles for senior female hires and develop a robust external talent pipeline.
- Enhance the capability of our line managers when recruiting; raise awareness of unconscious bias and improve our candidate assessment process.
- Roll out Diversity and unconscious bias training for all staff.
- Move to a 50/50 candidate shortlist
- Ensure we have at least one viable female candidate for vacancies within our support and control functions and, where possible, in our front office.
- Provide Training to our managers so that they are equipped to support and develop a diverse and flexible workforce
- Promote a flexible working culture
- Support employee wellbeing through resources and programmes to help promote health, mental health and wellbeing
- Develop targeted communications on diversity data to raise awareness of our diversity and inclusion
- Continue to enhance the workplace culture to support all aspects of diversity
- Work with our peers to demystify the industry to attract more female applicants and shape the way forward for the Commodities industry as a whole

Marex Spectron Gender Pay Gap 2019

Declaration

We confirm that our data is accurate and has been calculated according to the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Ian Lowitt
Chief Executive Officer



Alison Forward
Head of Group Human Resources

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