

Marshmallow Gender Pay Gap 2025
April 2026

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Introduction

As Marshmallow has now reached 330+ employees in the UK, we are publishing our second gender pay gap report.

The UK government introduced gender pay gap reporting in 2017 to improve pay transparency and encourage businesses to address disparities in average earnings between men and women. Companies with 250 or more employees must report their gender pay gap annually, using a 'snapshot date' of 5 April each year. This ensures consistency in reporting and allows for year-on-year comparisons.

On Marshmallow's website, as well as GOV.UK, we're required to publish the following data points:

1. Percentage of men and women in each hourly pay quarter
2. Mean (average) gender pay gap for hourly pay
3. Median gender pay gap for hourly pay
4. Percentage of men and women receiving bonus pay
5. Mean (average) gender pay gap for bonus pay

For clarity, the **gender pay gap** refers to the difference between the average earnings of men and women across an organisation. This is different to **equal pay**, which measures the difference in pay between men and women for doing the same job.

We are confident that our pay philosophy and actual pay data are grounded in a robust, structured approach, one designed to drive consistency, transparency, and equity across the organisation. We benchmark our salaries against the market using data from Willis Towers

Watson, with salary ranges defined through a structured levelling framework to ensure fair and consistent pay, regardless of gender or any other demographic. We monitor and review our salaries twice a year against these ranges, using compa-ratios to guide pay decisions based on individual performance and experience. Based on our reward philosophy, we are comfortable that people can be positioned differently in the range because of performance or experience.

How is the Gender Pay Gap calculated?

The gender pay gap is measured by comparing the average (mean) and median hourly pay of male and female employees. The mean gender pay gap is the percentage difference between the average hourly earnings of men and women, while the median gender pay gap compares the midpoint earnings of both groups.

Who is included?

Only employees of Marshmallow Technology Ltd as of April 5, 2025, are included. Employees of MFSL, MIL, or those based in Hungary are currently out of scope from gender pay gap reporting until June 2026.

Our Pay Gap

Hourly

The data below highlights the gender pay gap in terms of hourly wages, for clarity this reflects reflects role-based distribution, not unequal pay for equal work

:

	Women	Men	Pay gap
Mean hourly pay	£24.24	£34.66	30.07%
Median hourly pay	£19.25	£31.78	39.42%

This means:

- Using the mean, women at MTL are earning 30.07% less than men. This means for every £1 a man earns, a woman earns 70p.
- Using the median, women at MTL are earning 39.42% less than men. This means for every £1 a man earns, a woman earns 61p.

To help us understand how our hourly pay gap compares to similar companies, we have included benchmarking data in the [appendix](#).

Bonus

The Government requires us to publish the same figures for bonuses. The reporting period covers the 12 months prior to the snapshot date, 5th April 2025. ‘Bonus’ is classified as performance-based bonuses and referral bonuses.

A high proportion of both men (73.96%) and women (81.37%) received a bonus in the reporting period. Despite this, our bonus pay gap is significant and, in fact, more pronounced than our hourly pay gap.

We believe our bonus pay gap is more pronounced as our performance bonus is structured in tiers, with those at higher levels receiving a greater percentage of base salary as a bonus, amplifying the impact of the existing hourly pay gap

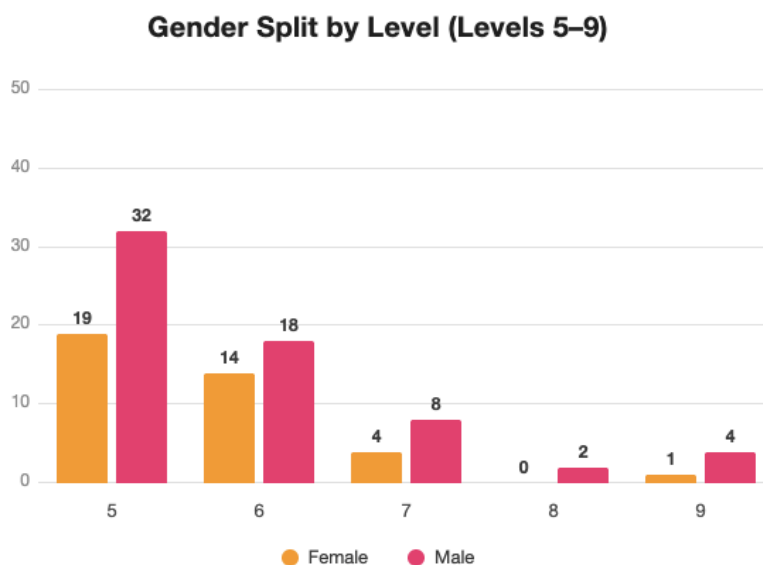
	Women	Men	Bonus gap
Mean bonus	£5,204	£8,071	35.52%
Median bonus	£2,950	£3,342	11.73%

This means:

- Using the mean (average), women at MTL are paid 35.52% less in bonus pay than men. For every £1 a man receives in bonus pay at MTL a woman receives 64p.
- Using the median, women at MTL are paid 11.73% less in bonus pay than men. For every £1 a man receives in bonus pay at MTL a woman receives 88p.

Quartiles

Gender pay gap reporting requires us to analyse and publish Marshmallow's pay distribution



by quartiles. We analysed the data by dividing our 341 employees into four equal quartiles, with approximately 85 people in each, from the lowest to the highest earners.

Given that our workforce is 50% female and 50% male, in an ideal world, we would have a similar gender balance across all quartiles.

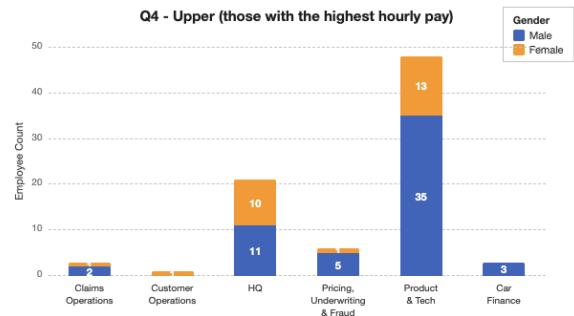
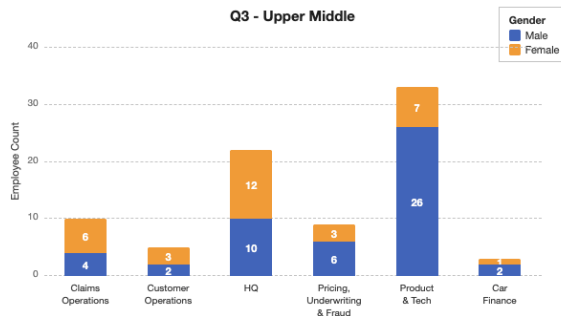
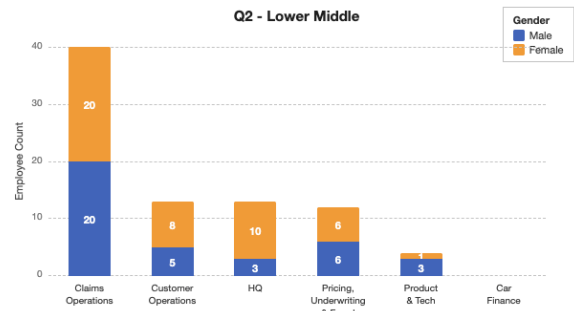
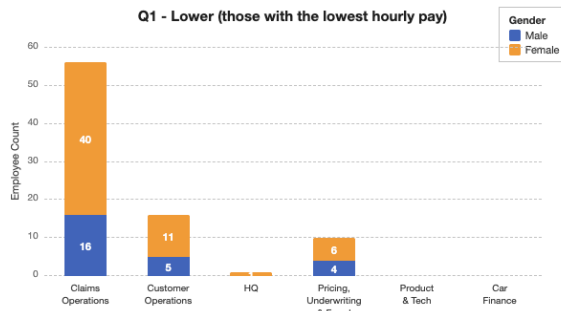
In reality, we have a greater percentage of men in the upper and upper middle quartiles, and more women in the lower quartiles:

Quartile	Equivalent annual salary	Women	Men
Lower (those with the lowest hourly pay)	Up to £34,000	70%	30%
Lower middle	Between £33,000 - £48,000	54%	46%
Upper middle	Between £48,000 - £83,000	44%	56%
Upper (those with the highest hourly pay)	More than £83,000	31%	69%

The quartile distribution helps provide valuable context as to why our gender pay gap is so pronounced. This is largely due to the concentration of men in higher-paid roles and women in lower-paid roles.

Pay distribution by organisational area

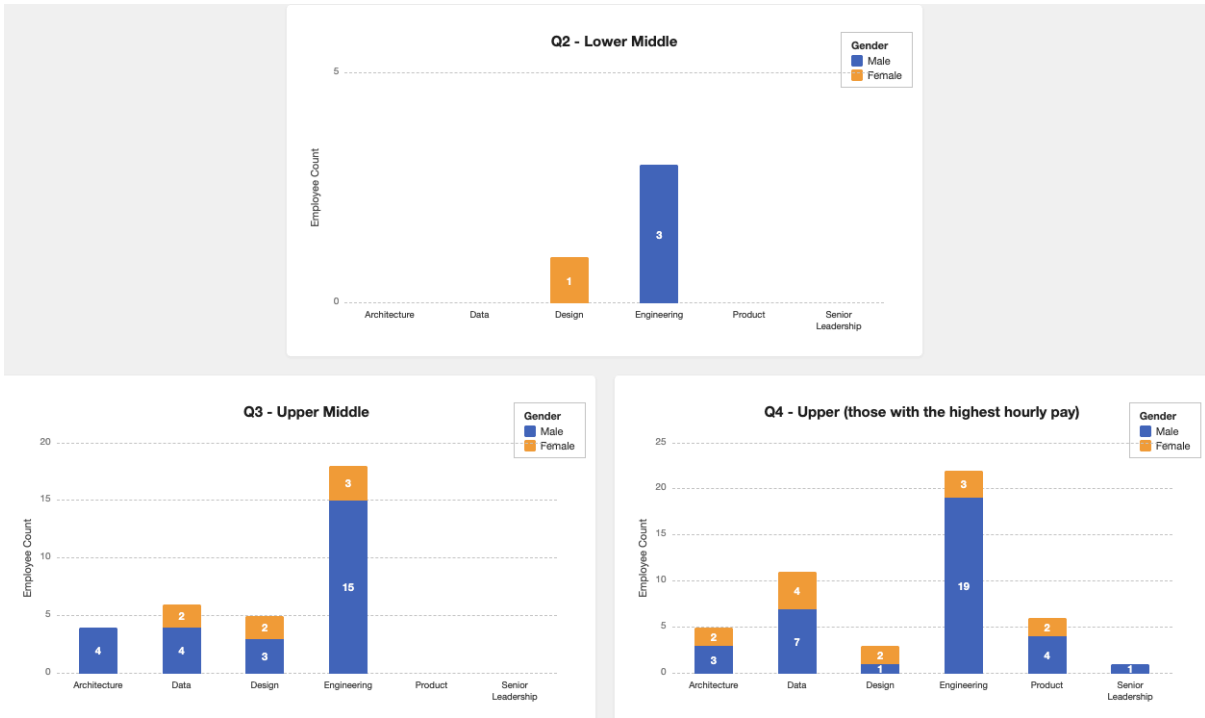
The graphs below show how employees are distributed across salary quartiles by gender and organisational area. This helps us identify the areas of the organisation which contribute the most to our overall pay gap:



The majority of women in the lower quartiles are in operational roles within Claims and Customer Care, which in our industry have lower salaries compared to other areas of the business. This is a key factor in why our median hourly pay gap is higher than our mean.

Product and Tech is the functional area with the strongest presence in our upper pay quartile, accounting for 59% of employees there. In line with the wider industry, this functional area is predominantly male (75%).

Looking at the specific functions within Product and Tech, we can see that we've made good progress in gender representation in some areas, while others present opportunities for improvement:



- Engineering presents a significant opportunity to address gender diversity within Product and Tech.** As the largest function in this area, but predominantly male, we are seeing lower representation of female applicants in some technical roles, reflecting broader industry trends.
- Data and Design, by comparison, have a more balanced gender distribution in the upper quartiles.**
- Architecture and Product, while smaller than Engineering, also plays a role in the gender pay gap.** These functions are predominantly male (73%) highlighting another opportunity for us to improve representation over time.

Why we have a Gender Pay Gap

To summarise, our gender pay gap is primarily driven by the following factors::

- Fewer women in Product and Tech**
Improving female representation in Product and Tech, and Engineering in particular, is one of our most significant challenges.

In 2025, the context is that women make up just 16.9% of the UK's engineering and technology workforce (backend engineering is among the most male-dominated specialisations within that). The undergraduate pipeline is similarly narrow, with women representing only 19–21% of Computer Science and Engineering graduates.

There is a clear opportunity to improve how we attract female applicants, from the way we write and target job adverts, to where we recruit, and how our employer brand speaks to underrepresented candidates. Equally important is what happens after hiring: ensuring women in technical roles have visible career pathways, active sponsorship, and equal access to development opportunities.

2. More women in Operational roles

An outsized proportion of our female employees are in lower-paid operational roles, particularly in Claims and Customer Care. These roles typically have lower earning potential and fewer pathways into higher-paying positions. Clearer career paths and progression linked to pay will give us an opportunity in this area, however, it's likely that a significant number of employees in these roles will continue to be represented in our lower pay quartiles.

Addressing our pay gap

The table below compares our 2025 figures against the previous year's snapshot date:

	5th April 2024	5th April 2025	Movement
Mean hourly pay gap	26.36%	30.07%	+3.71%
Median hourly pay gap	33.35%	39.42%	+6.07%

Our pay gap has widened year-on-year. While this reflects structural factors, we recognise the importance of addressing this trend and are focused on the areas where we can have the greatest impact. The upper middle pay quartile women percentage has remained broadly flat (45% in 2024 vs 44% in 2025). The increase in our pay gap is primarily driven by a widening of the median hourly pay gap, reflecting the concentration of men in higher-paid roles. While more women are receiving bonuses than men (81.37% vs 73.96%), the mean bonus gap has increased due to senior roles being disproportionately held by men.

What are we doing well

- **Salary ranges** - since 2022, we have maintained transparent, structured salary ranges that are published internally and communicated directly to employees. This ensures that everyone at Marshmallow understands how pay decisions are made and where they sit within our framework. This has set a foundation for ensuring pay equity across gender and other demographics.
- **Calibration and performance ratings** - our performance calibration ensures that decisions about performance ratings are consistent, fair and anchored in what genuinely great performance looks like at Marshmallow. By holding a high bar across the organisation and applying it consistently, calibration protects against bias while reinforcing a culture where performance is recognised and rewarded on merit leading to fairer outcomes on salary, bonus and promotions.

Where there is opportunity to impact our gender pay gap

- Increasing female representation in engineering hiring through targeted sourcing, partnerships, and interview process improvements
- Increasing female representation at senior levels across the organisation
- Driving career progression in our lower level Claims roles
- Continue to enhance our parental leave and fertility benefits
- Audit parental leave uptake by gender

- Improve our hiring process - gender balanced interview panels and training to reduce bias

In conclusion

Our 2025 gender pay gap report reflects both the progress we've made and the work still ahead of us. Our structured salary ranges, calibration processes, and regular pay reviews give us a solid foundation. But there is still a gap in average earnings between men and women, and it has widened year-on-year.

The primary drivers are well understood: an underrepresentation of women in Product and Tech (particularly in Engineering) and a concentration of women in lower-paid operational roles in Claims and Customer Care. These are structural challenges that won't be resolved quickly, and we're not going to pretend otherwise. Closing this gap meaningfully will require sustained effort across hiring, progression, and how we develop talent at every level. There are things we can point to with genuine pride. and a greater proportion of women received bonuses this year than men.

Our focus going forward is where we can have the greatest impact: increasing female representation in engineering and product hiring, creating clearer progression pathways for women in operational roles, and continuing to foster an environment where talent is recognised and rewarded fairly.

We are committed to reporting transparently on this each year because accountability and impact matters at Marshmallow.

Appendix

Marshmallow's hourly pay gap in comparison to other UK Fintechs

Marshmallow's hourly pay gap can be contextualized by comparing it to other UK fintechs. We've linked the latest versions of their pay gap reports to provide a frame of reference for both the level of detail and the extent of commentary we might consider.

Marshmallow	2024	2025
Median	33.3%	39.42%
Mean	26.4%	30.07%

Monzo

	2018	2019	2020	2021	2022	2023	2024	2025
Median	14%	20%	14%	4%	9%	8%	6%	9%
Mean	18%	19%	16%	16%	18%	18%	17%	19%

- [Link](#) to latest gender pay gap report
- TLDR: Monzo's median gender pay gap widened in 2025, driven by greater male representation in senior tech roles. Progress is being made within individual teams, but closing the overall gap remains dependent on growing the pipeline of women in tech.

Revolut

	2018	2019	2020	2021	2022	2023	2024	2025
Median			31%	26%	22%	18%	13%	13%
Mean			23%	24%	25%	20%	14%	13%

- [Link](#) to latest gender pay gap report - Gov version only currently
- 2024 TLDR: Revolut UK reduced their mean gender pay gap by 5% and its median by 6% driven by more women progressing into higher paid roles. A trend they attribute to stronger hiring, promotion processes, and their RevUp women's mentorship scheme.

Wise

Wise	2018	2019	2020	2021	2022	2023	2024	2025
Median		29%	24%	20%	19%	16%	19%	19%
Mean		23%	23%	20%	16%	15%	14%	16%

- [Link](#) to latest gender pay gap report
- TLDR: Wise's pay gap is, driven by significant pay growth among senior men in tech roles. The gap is primarily structural — men make up 70% of their higher-paying technical teams. Wise is focused on growing their senior women's pipeline through

targeted hiring, mentorship, and their WiseWomenCode programme, with an ambition to reach 35% senior women leaders by 2028.

Amazon

AMAZON UK SERVICES LTD	2018	2019	2020	2021	2022	2023	2024	2025
Median	0%	0%	2%	0%	0%	2%	2%	0%
Mean	1%	2%	1%	1%	-2%	-2%	-2%	-3%

- [Link](#) to latest gender pay gap report
- TLDR: Since the pay gap is minimal and balanced, Amazon simply sets out the data for their specific entities without any detailed analysis or initiatives.

Zopa

	2018	2019	2020	2021	2022	2023	2024	2025
Median			36%	36%	37%	38%	37%	41%
Mean			27%	27%	26%	26%	27%	28%

- [Link](#) to latest gender pay gap report
- TDLR: driven by the concentration of men in higher-paid tech and product roles and women in customer operations. They've achieved 50% female representation in entry-level tech hiring, which they expect will narrow the gap over time as those hires progress, though it has had a temporary widening effect this year.

Starling Bank

	2018	2019	2020	2021	2022	2023	2024	2025
Median	35%	20%	16%	10%	9%	9%	8%	6%
Mean	30%	28%	21%	16%	12%	18%	20%	17%

- [Link](#) to latest gender pay gap report
- TDLR: One of the lowest among UK banks. They attribute this to consistently prioritising gender equality since founding, 40% of senior managers are women and 2 in 5 new tech hires in 2025 were women. They have set an ambition of 50% women in senior positions by 2027.