



# Gender and ethnicity pay gap report

2024



At M&G, we're committed to building a diverse and inclusive workplace because it makes business sense. By creating an exceptional place to work where people feel valued and included, we support our ambition to give everyone real confidence to put their money to work.

We are targeting 40% female representation in senior leadership by 2025. Over the past year, we have made several strategic changes to our business model to best align M&G for future delivery and growth. While these changes have resulted in a 1% drop in the proportion of women in senior leadership to 36% (2023: 37%), there was no overall decrease in the number of women in this group.

We are actively managing our gender and ethnicity pay gaps as an integral component of our diversity and inclusion strategy. In 2024, I'm delighted to report a 5% improvement in our gender pay gap (23.4%) compared to 2023 (28.5%), and that our ethnicity pay gap improved by more than 4% to -0.9% (2023: 3.2%).

The improvements in our gender pay gap reflect our active approach to talent management with the recruitment and promotion of women into senior roles. Shawn Gamble joined our Group Executive Committee (GEC) as Chief Risk and Compliance Officer and we are pleased to see the promotion of colleagues into more senior roles in 2024 via

our talent accelerator programme (TAP), including Alessandra Fumarola and Mansi Shukla who became Private Markets Chief Operations Officer and Chief Controls Officer for Asset Manager, respectively.

The percentage of colleagues in senior leadership from minority ethnic backgrounds remains steady at 7% and we acknowledge that we have a way to go towards reaching our target of 20%.

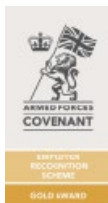
To ensure we continue to make progress past our 2025 targets, the M&G Executive Committee have agreed to an even more ambitious goal of 45% female representation and a continued ambition toward our goal of 20% ethnicity in senior leadership by 2027.



We are further exploring the most effective way to permanently embed our ongoing commitment to diversity in senior leadership as a standard for M&G's talent management processes from 2027 onward.

Building an inclusive environment is as important as the diversity of our organisation, and we want to make certain our colleagues have what they need when they need it, from our forward-looking and family-friendly policies to our Well-being Hub. To read more about how we embed diversity and inclusion across M&G in our Move it Forward Together white paper, [click here](#).

It's encouraging to see the impact we are already having and the progress we are making towards our goals while recognising there is still work to be done.



# Overview – gender data

The gender pay gap shows the difference in the average pay and bonus between female and male colleagues across an organisation, irrespective of role and seniority. This is different to equal pay, which is the legal requirement to pay the same to people who are doing work of equal value.

M&G is made up of a number of UK reportable entities with more than 250 employees. While we manage our diversity strategy at a Group level, and all policies and action plans apply to all parts of the organisation, the UK Gender Pay Gap Reporting legislation requires us to report separately for each of our reportable entities, as set out on the right-hand side.

## Gender pay gap: April 2023 to April 2024

The 2024 data<sup>†</sup> presented here represents 4,223 UK-based employees as at April 2024. The mix of people in our UK workforce is currently 45% women and 55% men.

	Pay										Bonus			
	Mean gender pay gap (hourly rate) (%)	Median gender pay gap (hourly rate) (%)	Upper quartile (%)		Upper middle quartile (%)		Lower middle quartile (%)		Lower quartile (%)		Mean gender bonus gap (%)	Median gender bonus gap (%)	Proportion with a bonus (%)	
			F	M	F	M	F	M	F	M			F	M
M&G plc (all UK entities)	23.40	22.70	28	72	33	67	50	50	59	41	64.70	46.90	96.37	96.91
M&G FA Limited	23.00	23.80	25	75	28	72	49	51	57	43	69.30	47.10	96.87	97.58
Prudential Distribution Limited	21.50	22.80	31	69	37	63	49	51	61	39	53.20	50.70	95.70	95.49
Prudential UK Services Limited	13.70	12.20	36	64	42	58	49	51	59	41	26.70	25.10	97.07	96.79
IFDL	18.80	2.60	35	65	46	54	45	55	55	45	38.20	4.50	96.20	95.60
M&G Corporate Services Limited	28.10	29.10	33	67	38	62	60	40	66	34	65.50	55.10	96.05	97.92

F = Female M = Male

<sup>†</sup>It should be noted that changes in smaller employee populations, such as leadership position changes, can produce significant shifts in the demographic/diversity data.

Our mean gender pay gap across the business for 2024 continues to improve to 23.4% from 28.5% in 2023. This 5.1% decrease is our single largest year-on-year improvement since reporting at the plc level began in 2020. It is largely due to a balance in the number of senior women that have been hired and the number of long-serving senior men that have left or retired from the business over the past few years. Our average bonus gap improved to 64.7% from 66.6% in 2023.

The number of women in senior leadership positions at M&G plc has remained steady compared to 2023, but due to structural changes to better align the business for growth, women now make up 36% of this group, a reduction of 1% since last year. However, we remain committed to achieving our target of 40% by 2025. This target is part of our performance scorecard, and is tied to leadership performance compensation for the Group Executive Committee (GEC) and their direct reports. Our progress is regularly reviewed by M&G's GEC, Board of Directors and Remuneration Committee.

We are committed to achieving greater gender parity across all of our global operations. We have been a signatory of the UK HM Treasury Women in Finance Charter for seven years and are

signatories of the Women in Finance Charter in Ireland and the diversity charters in France, Italy and Luxembourg, showing expanded support for this ambition internationally.

As we position our business for future growth, we want to ensure that regardless of shifts in our leadership population, we focus on this goal, with support from industry partnerships including Everywoman, Women in Data, City Hive and 100 Women in Finance. These all provide women at M&G with additional networking, mentoring and career development opportunities.

### The difference between median and mean

The mean pay gap is calculated by adding up all of the pay of M&G plc's UK employees and dividing it by the number of employees. The pay gap is an expression of the difference between the mean for men and for women.

The median gender pay gap is calculated by lining up all of M&G plc's UK employees' pay and finding the midpoint for men and for women. The difference between those two midpoints is the median gender pay gap.





# Overview – ethnicity data

Our ethnicity pay gap data is calculated using the same calculation methodology as our gender pay gap reporting, based on colleagues who declared their ethnicity. Colleagues who did not share ethnicity information have been included in the undisclosed population data.

This is the fourth year we have voluntarily published ethnicity pay gap data and we are proud to have been one of the first companies in our sector to do so. We believe that transparency is key to driving real change, which is why we have chosen to report our ethnicity pay gap in the same way that we report our gender pay gap data: by UK entities that have more than 250 employees as set out on the right.

## Ethnicity pay gap: April 2023 to April 2024

The 2024 data<sup>†</sup> presented here represents 4,223 UK-based employees as at April 2024. The ethnic mix of employees is currently 15% Black, Asian and minority ethnic, and 85% white.

	Pay										Bonus			
	Mean ethnicity pay gap (hourly rate) (%)	Median ethnicity pay gap (hourly rate) (%)	Upper quartile (%)		Upper middle quartile (%)		Lower middle quartile (%)		Lower quartile (%)		Mean ethnicity bonus gap (%)	Median ethnicity bonus gap (%)	Proportion with a bonus (%)	
			BAME	W	BAME	W	BAME	W	BAME	W			BAME	W
M&G plc (all UK entities)	-0.90	-8.30	18	82	18	82	21	79	11	89	31.10	3.50	95.22	96.84
M&G FA Limited	10.20	6.20	18	82	20	80	26	74	25	75	47.20	9.70	97.21	97.41
Prudential Distribution Limited	-23.10	-35.40	17	83	16	84	11	89	3	97	24.20	-23.90	93.58	95.70
Prudential UK Services Limited	4.80	-2.50	18	82	19	81	16	84	20	80	44.10	22.50	94.00	97.67
IDFL	33.50	19.40	4	96	4	96	12	88	13	87	64.00	26.60	81.82	90.10
M&G Corporate Services Limited	51.70	53.10	0	100	0	100	5	95	20	80	81.10	62.00	94.44	97.27

BAME = Black, Asian and minority ethnic    W = White

<sup>†</sup>It should be noted that changes in smaller employee populations, such as leadership position changes, can produce significant shifts in the demographic/diversity data.

The ethnicity pay gap shows the difference in the average pay and bonus between Black, Asian and minority ethnic colleagues and White colleagues across an organisation, irrespective of role and seniority.

Increasing Black, Asian and minority ethnic representation in senior leadership is key to our diversity and inclusion (D&I) strategy. The percentage of individuals who identify as Black, Asian or minority ethnic for GEC and GEC direct reports remains flat at 7% at the end of 2024. However, this still represents an increase of 5% from our 2019 baseline of 2%.

The Board and Executive Committee remain fully committed to continuing to increase diversity at M&G by attracting the broadest range of leaders. We recognise that we need more time to achieve our ambitious target of 20% minority ethnic diversity within senior leadership.

We have a number of initiatives to progress ethnic diversity at a senior level, including increasing our use of job boards targeting diverse candidates, such as Black Women in Asset Management and Black Professionals UK. We are also building our succession pipeline with a greater focus on the broader diversity of colleagues joining our early careers schemes, including interns, graduates and apprenticeships.

In 2024, our Group mean ethnicity pay gap improved to -0.9% from 3.2% in 2023.

### The difference between median and mean

The mean pay gap is calculated by adding up all the pay of M&G plc's UK employees and dividing it by the number of employees. This pay gap is an expression of the difference between the mean for white colleagues and that for Black, Asian and minority ethnic colleagues.

The median ethnicity pay gap is calculated by lining up all M&G plc's UK employees' pay and finding the midpoint for Black, Asian and minority ethnic colleagues, and for White colleagues. The difference between those two midpoints is the median ethnicity pay gap.

# How we are narrowing the pay gap?

## Recruitment

We have ambitious targets to ensure fair representation of women and individuals from Black, Asian and minority ethnic backgrounds throughout M&G.

Our commitment to improving the diversity of our talent pipeline is far broader than this. We actively encourage and welcome applications regardless of age, sex, gender / gender identity, sexual orientation, ethnicity/nationality, disability or military service, as well as those who have taken career breaks or are from differing socio-economic backgrounds.

### Recruitment sources – gender and ethnicity

Diversifying our candidate pool is ensuring we have better access to the breadth of talent in the market, while helping us to create more balanced representation at all levels of our business. This approach can drive changes that contribute to reducing our pay gaps over time. To more effectively achieve greater diversity at M&G, we use multiple recruitment sources designed to give us the widest selection of talent available:

- Diversity-focused search firms, which deliver shortlists of candidates for senior roles that are at least 33% diverse.

- Job boards hosted by Black Women in Asset Management (BWAM) and Black Professionals UK for roles in Asset Management, Technology and Finance.
- Our Career Returners programme, in partnership with Women Returners, aimed at giving talented individuals a pathway back to work after a career break. We have had a 100% conversion to permanent or full-time contracts for the previous two programmes and in 2024, two of our three returners are now in permanent roles, with the remaining colleague having their contract extended.

Our appointments of Zahabiya Officewala as Managing Director and Head of M&G Global Services, Amy Cho as Head of Asia-Pacific and Lesley Lo as Head of Institutional Distribution for Asia Pacific, are recent examples of this approach having a positive impact at the global level.







### Further expanding our reach

Specific recruitment initiatives to increase diversity more widely at M&G include the following:

- Early careers programmes, including our graduates, summer internships and our apprenticeship scheme, are supported by partnerships with Talent Foundry, Urban Synergy and Investment 2020 to broaden the diversity of potential candidates in terms of gender, ethnicity, neurodiversity and social mobility.
- Advertising roles on Evenbreak's job board and partnering with Leonard Cheshire and its Change 100 internship programme increases our ability to attract more candidates who identify as a person with a disability.
- Our partnership with LGBT Great Careers, aims to encourage those who identify with the LGBTQ+ community to apply for roles at M&G.

### Encouraging diversity: early careers

In 2024, our efforts to reach the broadest talent market ensured a diverse intake in our early careers programmes, and we welcomed:

- 30 interns from 5,849 applications:
  - 46.7% female
  - 50% ethnically diverse
  - 26.7% first-generation University
  - 56% based in Scotland
- 17 apprentices, including 12% from Urban Synergy and Talent Foundry:
  - 42% of the cohort identified as Black, Asian or from minority ethnic backgrounds
  - 41% were female
  - 46.7% came from non-Russell Group universities
  - 13.3% were on free school meals
- Of the 20 graduates in our 2024 graduate programme:
  - 68% of those hired were sourced from our 2023 internship programme
  - 55% of the cohort identified as female
  - 35% identified as Asian, Black or mixed ethnicity

## Retaining colleagues

To help us narrow our gender and ethnic pay gaps, retain a diverse workforce and reach our diversity targets, we are focused on creating an inclusive, flexible and family-friendly culture, with employee-related policies that support work-life balance and well-being for all colleagues.

One of the aims of the Life Stages pillar of our diversity and inclusion (D&I) strategy is to enable colleagues to achieve their career ambitions at M&G plc. We do this by listening to colleagues and addressing barriers which might otherwise cause colleagues to leave or take lower-paying roles.

## Inclusive policies

Our HR policies and strategies are constantly evolving to help colleagues balance work with personal life responsibilities and commitments, while making sure we still do what is best for our clients.

For example, we continue to expand our support for colleagues who are experiencing perimenopause and menopause, including providing access to our online menopause community and facilitating sessions on menopause on our Well-being Live and Well-being On-demand platforms. In 2024, in conjunction with our Elevate gender network, we provided menopause-related events for colleagues, including advice on how to recognise and manage symptoms, how someone may be affected by menopause, and the support available both at work and outside work.

We have also become signatories to Unite's Period Dignity Charter in 2024, which encourages employers to provide sanitary products and reduce the stigma surrounding periods.

## Supporting flexibility and inclusion – our key policies

- Gender-neutral Inspiring Families Policy, which covers, for example, those going through fertility treatment
- 'Take Time When You Need It' Policy, which supports those needing time off, such as for bereavements
- Carer's Policy
- Working Flexibly Policy
- Menopause Policy

## Promoting well-being at M&G

All colleagues at M&G have access to our constantly expanding Well-being Hub, where they can get support on anything from financial well-being to staying fit and healthy. Our Well-being Wednesday programme provides a weekly opportunity for colleagues to focus on different aspects of their well-being. In 2024 topics included a series on cancer, neurodiversity, mental health, physical health and financial well-being. More than 2,500 colleagues registered for an event in 2024.

In 2024 M&G hosted its first annual global Well-being Day, to further encourage colleagues across all offices globally to actively manage their well-being. Over 1,190 colleagues took part in a broad array of in-person and virtual events, addressing mental health, physical health, financial well-being and general well-being.

We offer our colleagues a 24/7 Employee Assistance Programme, and in 2024 we introduced a new employee discount programme to support financial well-being and address some of the pressure felt from economic uncertainty.

Our five employee-led D&I Networks are another source of support for all colleagues. Examples include Embrace (promoting racial, ethnic, social, faith and cultural diversity) and Enable (for anyone impacted

by physical or mental health, caring responsibilities, neurodiversity and different abilities).

Internally, our OneVoice survey which measures colleague engagement on a regular basis remains stable with a three-year average score of 70, and reflects our core values of care and integrity.

In addition to our internal approach we also employ external benchmarks to monitor our progress against industry-wide data. In 2023, for example, we received National Equality Standard (NES) re-accreditation. Our score of 145/175 puts us above comparable businesses in financial services and businesses across all sectors that are a similar size. In achieving accreditation, we also gain valuable guidance on areas where we can improve.

## Recognising our successes

In addition to the NES accreditation, we measure ourselves against specific external accreditations, including:

- Social Mobility Index Employer top 100 employer.
- Gold Financial Services Standard Award in the LGBT Great's Inclusion Index Benchmarking Tracker.
- Disability Confident Leader Level 3, the highest level recognised under the Department for Work and Pensions Disability Confident Scheme.

## Developing colleagues

We recognise that women and people from Black, Asian and minority ethnic backgrounds remain in the minority throughout UK financial services and at senior levels in our business. We are committed to developing all colleagues at M&G with a focus on female and minority ethnic talent to redress this imbalance.

### Advancing talent from within

Over the past year, we have increased our focus on internal talent development to help decrease gender and ethnicity pay gaps, with more internal candidates taking on senior roles across the business.

We are showing positive improvement in building diversity in the broader talent pipeline with 56% of GEC-1 leadership teams (those who report directly to the GEC) already have achieved or exceeded our 40% target and 61% of GEC-2 teams (those reporting to GEC-1 leadership) achieving or exceeding 40%. Through continued commitment and focus, we aim to reach our goal of 40% women in senior leadership positions at M&G by 2025.

In 2024, Kelly Hébert was promoted to Head of France and BeLux. Alessandra Fumarola and Mansi Shukla, two participants in our Talent Acceleration Programme (TAP), were appointed as Private Markets Chief Operations Officer and Chief Controls Officer for Asset Management, respectively.

Our Aspire Career Exploration programme identifies, develops and nurtures our existing diverse talent and maximises our own internal talent pipeline. This development programme is open to everyone, but is specifically targeted towards Black, Asian and minority ethnic colleagues who want to explore careers in distribution or client-facing investment roles. In 2024, 57% of those participating in the programme were from Black, Asian and minority ethnic backgrounds, 29% were White, and 14% did not disclose their background. 29% were female, and 71% were male.



## External partnerships

Additional resources are available through our external partnerships, which focus on development opportunities for female and minority ethnic colleagues to build the skills and confidence to support them in advancing their career ambitions, including the following:

- Our memberships of 100 Women in Finance and Black Women in Asset Management (BWAM) provide female colleagues with opportunities for mentoring, development and networking, and enhancing their career growth.
- In October 2024, we hosted the annual Stretch conference in partnership with Career Master Class, attended in person and online by participants from seven countries. This opportunity offers professional development, inspirational career talks, workshop sessions and practical tips that are targeted at Black, Asian and minority ethnic professionals' career growth. Sereena Johal was recognised in the Career Masterclass Stretch list 2024.

- We have strong links with Black Professionals UK (BPUK), which aims to bring greater visibility to Black, Asian and minority ethnic groups across financial services. In 2024, we sponsored their inaugural #IAmBlack Conference and the Black Scottish Awards.
- In conjunction with our gender employee network Elevate, our partnership with the Everywoman platform gives our female colleagues links to educational resources, advice from senior women in business and access to a network of global organisations.
- In 2024, for the fourth year in a row, M&G sponsored the Everywoman Global Summit, with over 1,000 women and male allies joining us from 36 countries as far afield as Australia, Egypt and Chile. We also partnered with WeAreTheCity and We Are Tech Women to run our first ever Women in Data event as part of Tech Week.

## Driving a culture of performance

In 2024 we launched our new simplified personalised one-stop shop digital learning solution – available to all colleagues globally. This investment supports colleagues with their career and personal growth and development, giving them access to high quality learning via our partners LinkedIn and Go1.

Winning Behaviours is an all-colleague learning experience designed to build belief and capability in our values and behaviours. All colleagues have access to keynote speakers and skills development sessions, and we have received over 5,000 enrolments to date. In addition, colleagues met in their teams across the year to commit to actions they would take to display these behaviours which are integral to performance management expectations at M&G.



# Declaration

I can confirm that the information contained in this report is accurate.

A handwritten signature in black ink, appearing to read 'Andrea Rossi', with a stylized flourish at the end.

**Andrea Rossi**

Group Chief Executive Officer, M&G plc



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