



UK Gender Pay Gap

Report 2019





John Foley
Chief Executive, M&G plc

Our ambition for M&G plc is to create an exceptional place to work, with a fully diverse and inclusive culture. Unlocking the value of a balanced, diverse and representative workforce requires sustained focus.

While progress is evident across our organisation, let me be clear, we have more work to do.

Our gender pay gap demonstrates the challenges faced by our organisation and within our industry. Simply put, the underrepresentation of women in

senior leadership roles is a global long-term challenge that we are committed to addressing.

As an independent company we are working hard to reset the culture of our business, introducing simplified people policies that modernise the way we work and introducing greater flexibility to colleagues at all stages of their career.

We have also announced our Global Diversity and Inclusion Strategy, that puts in place the strategic framework, success measures, leadership commitments and goals across five strategic pillars; Gender, LGBT+, Disability, Ethnicity/Nationality and Life Stages.

A key focus of this strategy, and of my leadership team, is the continued development of gender balance and greater diversity in our senior leadership.

We are committed to delivering year-on-year improvement in the representation of gender in senior leadership, with the goal of 40% women at Executive Committee and their direct reports by 2025.

This goal alone, aligned to our commitments to the Hampton Alexander Review and HM Treasury Women in Finance Charter, won't address the issue of representation. Which is why, at all levels, we

have committed to operational changes in the way we connect more women to senior opportunities, develop talent from within and foster a culture where everyone can thrive.

We are committed to closing our gender pay gap – which is why, moving forward, we will not only publish the pay gap data for all men and women, across our four business entities with 250 or more employees, but also M&G plc in total.

John Foley
Chief Executive, M&G plc

Gender pay gap reporting

The **gender pay gap** is a measure of the difference between the average pay and bonus of men and women across an organisation irrespective of role and seniority.

This is different to **equal pay**, which is the legal requirement to pay the same to men and women who are doing work of equal value.

Who this data includes

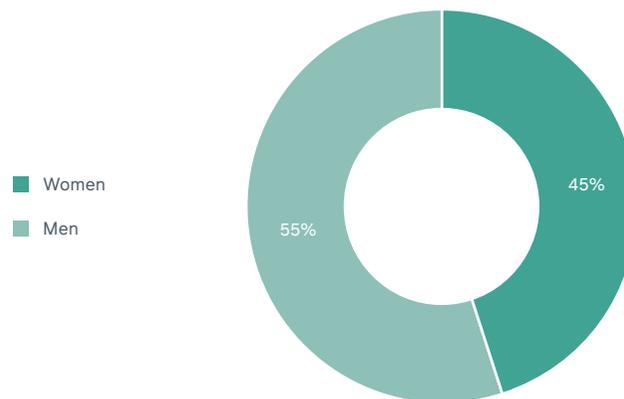


The data presented in this report is for M&G plc's 4,573 UK-based colleagues.

For the purposes of the gender pay gap reporting requirements, M&G plc comprises the following entities with more than 250 people as of April 2019:

- M&G Limited
- Prudential Distribution Limited
- Prudential Financial Planning Limited
- Prudential UK Services Limited

M&G plc UK colleagues



“ Diversity is fundamental to the commercial success of our business. Having diverse backgrounds, thought and opinion enables us to deliver innovative solutions, uncover new ways of thinking and better serve our customers and clients.

Clare Bousfield
Chief Financial Officer, M&G plc

M&G plc's 2019 UK gender pay gap

Fixed pay including salaries and cash allowances

The average (mean) hourly rate of fixed pay received by male employees is **25.0%** more than the average (mean) hourly rate received by female employees.

The midpoint (median) of the range of rates of hourly fixed pay received by male employees is **24.7%** more than the midpoint (median) of the range of rates of hourly fixed pay received by female employees.

Bonus pay including bonuses and long-term incentives

The average (mean) value of bonus pay received by male employees is **72.1%** more than the average (mean) value of bonus pay received by female employees.

The midpoint (median) of the range of the values of bonus pay received by male employees is **53.4%** more than the midpoint (median) of the range of the values of bonus pay received by female employees.

93.5% of male employees and **93.7%** of female employees received a bonus.

Proportion of males and females by pay quartile

The charts below show the gender balance of UK employees in each pay band (dividing our UK employees into four equal bands):



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

John Foley
Chief Executive, M&G plc

M&G Limited's 2019 UK gender pay gap

Fixed pay including salaries and cash allowances

The average (mean) hourly rate of fixed pay received by male employees is **29.8%** more than the average (mean) hourly rate received by female employees.

The midpoint (median) of the range of rates of hourly fixed pay received by male employees is **28.5%** more than the midpoint (median) of the range of rates of hourly fixed pay received by female employees.

Bonus pay including bonuses and long-term incentives

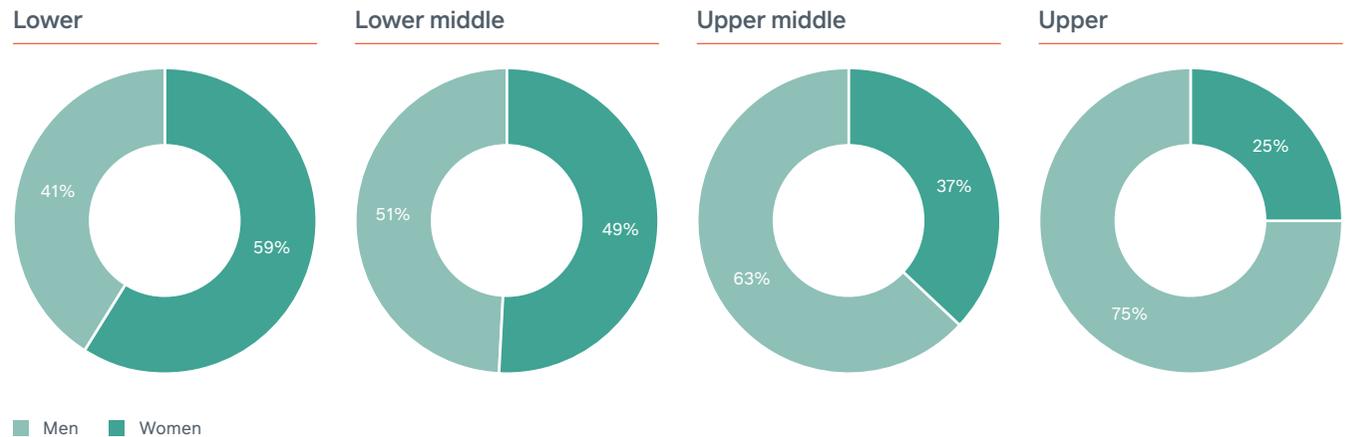
The average (mean) value of bonus pay received by male employees is **78.5%** more than the average (mean) value of bonus pay received by female employees.

The midpoint (median) of the range of the values of bonus pay received by male employees is **60.0%** more than the midpoint (median) of the range of the values of bonus pay received by female employees.

93.6% of male employees and **93.1%** of female employees received a bonus.

Proportion of males and females by pay quartile

The charts below show the gender balance of UK employees in each pay band (dividing our UK employees into four equal bands):



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John Foley
Chief Executive, M&G plc

Prudential Distribution Limited's UK 2019 gender pay gap

Fixed pay including salaries and cash allowances

The average (mean) hourly rate of fixed pay received by male employees is **22.4%** more than the average (mean) hourly rate received by female employees.

The midpoint (median) of the range of rates of hourly fixed pay received by male employees is **27.9%** more than the midpoint (median) of the range of rates of hourly fixed pay received by female employees.

Bonus pay including bonuses and long-term incentives

The average (mean) value of bonus pay received by male employees is **62.1%** more than the average (mean) value of bonus pay received by female employees.

The midpoint (median) of the range of the values of bonus pay received by male employees is **46.2%** more than the midpoint (median) of the range of the values of bonus pay received by female employees.

92.2% of male employees and **95.0%** of female employees received a bonus.

Proportion of males and females by pay quartile

The charts below show the gender balance of UK employees in each pay band (dividing our UK employees into four equal bands):



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Clare Bousfield
Chief Financial Officer, M&G plc

Prudential Financial Planning's 2019 UK gender pay gap

Fixed pay including salaries and cash allowances

The average (mean) hourly rate of fixed pay received by male employees is **6.3%** more than the average (mean) hourly rate received by female employees.

The midpoint (median) of the range of rates of hourly fixed pay received by male employees is **2.5%** less than the midpoint (median) of the range of rates of hourly fixed pay received by female employees.

Bonus pay including bonuses and long-term incentives

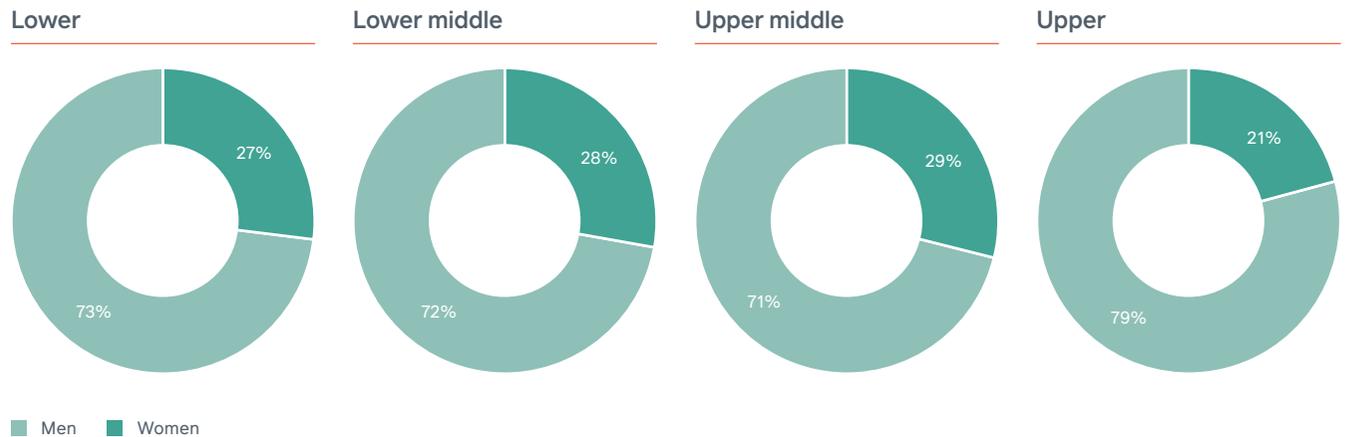
The average (mean) value of bonus pay received by male employees is **3.7%** more than the average (mean) value of bonus pay received by female employees.

The midpoint (median) of the range of the values of bonus pay received by male employees is **9.3%** more than the midpoint (median) of the range of the values of bonus pay received by female employees.

91.5% of male employees and **87.3%** of female employees received a bonus.

Proportion of males and females by pay quartile

The charts below show the gender balance of UK employees in each pay band (dividing our UK employees into four equal bands):



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

Chris Haines
CEO, Prudential Financial Planning

Prudential UK Services Limited's 2019 UK gender pay gap

Fixed pay including salaries and cash allowances

The average (mean) hourly rate of fixed pay received by male employees is **17.8%** more than the average (mean) hourly rate received by female employees.

The midpoint (median) of the range of rates of hourly fixed pay received by male employees is **14.6%** more than the midpoint (median) of the range of rates of hourly fixed pay received by female employees.

Bonus pay including bonuses and long-term incentives

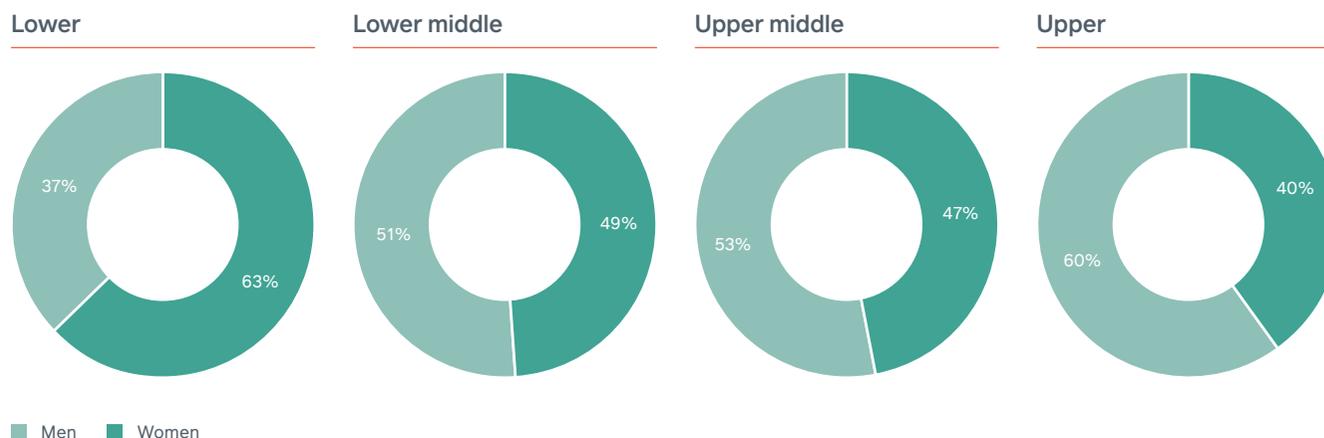
The average (mean) value of bonus pay received by male employees is **35.4%** more than the average (mean) value of bonus pay received by female employees.

The midpoint (median) of the range of the values of bonus pay received by male employees is **32.5%** more than the midpoint (median) of the range of the values of bonus pay received by female employees.

93.2% of male employees and **93.1%** of female employees received a bonus.

Proportion of males and females by pay quartile

The charts below show the gender balance of UK employees in each pay band (dividing our UK employees into four equal bands):



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Simon Moffatt
HR Chief Operating Officer, M&G plc

The reasons for the gender pay gap



These figures demonstrate the demographic challenges facing our UK businesses and the financial services sector as a whole:

- There are more men than women in leadership, investment management, sales and senior operational roles; and
- There are more women than men in administrative and support roles

The gap in bonus pay is higher than the gap in fixed pay because:

- There are more men than women in those roles with higher incentive opportunities, that is, leadership, investment management and sales roles; and
- Our part-time colleagues receive bonuses which are adjusted to reflect the hours that they work. However, this is not recognised in the calculation of the gender bonus gap

The majority of part-time staff are women;

M&G Ltd

Women



Men



Prudential Distribution Ltd

Women



Men



Prudential Financial Planning

Women



Men



Prudential UK Services Ltd

Women



Men



■ Part-time ■ Full-time

Closing the gender pay gap

In order to narrow the gender pay gap we are committed to achieving better representation of women in all roles at all levels of our organisation, especially in leadership positions.

There is no single or quick solution to the gender imbalance which exists in our business and across our industry, particularly given our low rate of colleague turnover. There are, however, several specific steps we are taking across M&G plc to improve the technology we employ to report, monitor and track the gender pay gap in real time.

This visibility improves leader accountability and enhances the way we recruit, retain and progress colleagues.

Building a strong pipeline of female leadership in investment and commercial areas of our business

- Connected Leaders, our new leadership development programme, develops the broader leadership capability of our most senior roles, offering bespoke development opportunities that reinforce their strategic position in the organisation. One-third of the colleagues on the programme are senior female leaders
- Within our Customer and Distribution team we have launched an advisory board that supports the development of 15 women in high profile roles through senior leader sponsorship. The board enhances development and increases diversity of perspective through constructive challenge, representation and dual ownership of business-critical activity
- For the second year we have offered a Career Returners Programme to support those who have taken an extended career break. The programme offers successful applicants a paid placement for six months aimed to equip them with skills, knowledge and experience to transition back into the work place and help them in their search for a permanent role



“ Through our advisory board, Customer and Distribution is taking targeted action to close the gender pay gap. Our aim, through sponsorship, targeted development and networking, is to improve the pipeline of senior women identified as future leaders while increasing diversity of thought within our senior team.

David Macmillan

Chief Customer and Distribution Officer, M&G plc ”

Developing talent to strengthen the leadership pipeline

- We work with diversity-focused search firms with clear guidance and monitoring to ensure shortlists of candidates are at least 33% diverse
- We operate a strengths-based recruitment approach to give every candidate the opportunity to shine. We also recruit from a very broad range of universities, without requiring any specific degree subject to be accepted onto our graduate and internship programme
- We have a gender-balanced intake of talent on our graduate and apprenticeship programmes. 44% of the 2019 graduate intake is female (2018: 56%; 2017: 43%; 2016: 42%)
- M&G plc was recognised as a Top 75 employer for social mobility in 2019
- Our apprenticeship scheme ranked fourth nationally in RateMyApprenticeship's Top 100 UK Employers – in London we ranked first
- In 2019 74% of our apprenticeship intake was female
- M&G plc is a member of 100 Women in Finance, providing networking, mentoring and development opportunities for women at all levels of the organisation. M&G plc also sponsor 100 Women in Finance's annual gala
- In 2019 we hosted the everywoman in Risk Forum – an event that highlighted the power of mobilising graduates, new recruits and upward mentoring to influence cultural change within the Risk function
- We host Women in Investment Management events that target female undergraduates considering a career in investment management
- Elevate, M&G plc's new colleague-led gender network, launched globally with chapters in the UK, Europe and in Asia
- Colleagues have access to an online development resource provided by everywoman. This global development platform provides colleagues with advice from influential women in business and experts in career progression

“ M&G plc's career returners programme gave me the confidence and support I needed as a new parent to resume my career in financial services. The placement allowed me to rebuild my confidence, get up to speed with the regulatory landscape and empowered me to realise the value that I bring to the organisation.

Lee Lafferty
Principal Auditor

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Supporting families and flexible working

- Our new people policies position M&G plc as a leading, inclusive, flexible and family-friendly employer. One of the key parts of this affords any parent, regardless of gender, 26 weeks of paid leave
- We continue to support enhanced flexible working practices and more agile ways of working, enabled by improvements to the technology we employ, which allow our people more control over when, where and how they work
- A 'Future of Work Community' has come together to consider how we should adapt our working practices more broadly across our businesses to meet the future needs of our employees as our workforce becomes increasingly diverse, multigenerational and digitally-enabled
- We are a member of Cityparents, supporting City professionals who have a shared interest in balancing home/family life with a progressive career through networking, events, seminars and coaching
- M&G was awarded Workingmums.co.uk's Top Employer Award for Family Support in 2018 with the judges singling out our mental health awareness network, Mind Matters



Well-being at M&G plc

The health and well-being of colleagues at M&G plc is a key priority. Through our well-being approach we are committed to helping find the right balance and support to manage our colleagues' health and well-being.

Initiatives in the past year have included:

- Becoming a signatory of the campaign to end Period Poverty
- Increasing menopause awareness in the workplace
- A focus on mental health and well-being in the workplace. From colleague support through our mental health first aiders, to awareness campaigns such as This is Me, the introduction of the Talk it Out technique, and support through our employee assistance programme
- A focus on physical health is achieved by offering on site classes such as yoga, Pilates and healthy cooking. While colleagues have also established walking and running groups who take advantage of coming together during the day to network and exercise

- As well as our gender network Elevate, we also have a number of strong networks across the business, including:
 - CAN (cultural awareness)
 - Enable (disability)
 - Future of Work (life stages)
 - Mind Matters (mental health)
 - Pride (LGBT+)



“ My apprenticeship with M&G plc opened up new and exciting opportunities and kick-started my career in the investment industry. With a clear vision of what I want from my career, I am confident the path I’m on will open up new opportunities in the future.

Celine Vadher

Credit Analyst Assistant

M&G plc apprentice scheme graduate



