



# **GENDER & ETHNICITY PAY GAP REPORT 2023**

**“ The positive actions captured within our Gender and Ethnicity Pay Gap Report, underscore our continued commitment to fostering an inclusive organisation that values and embraces diversity. By sharing our progress annually, we aim to provide transparency into our initiatives and highlight the strides we are taking in our transformative journey. I am a strong believer that embracing diversity, in all its forms, is crucial for high-performing businesses, bringing with it creativity, innovation, enhanced decision-making and problem solving. Diversity of thought also contributes to a dynamic and resilient company culture. As a global organisation navigating international markets, it is our people at the epicentre who make what we do possible and drive our success.**

**We still have some distance to go until we reach true parity and the pay gap is closed. In this past year, we have seen positive improvements in key areas, and I am pleased to share that we are moving closer to achieving our target of 50% gender and 30% ethnicity representation across roles.**

**Our commitment to improving our company culture is still embedded at the heart of the organisation, in both our core business objectives and strategy. We will continue to deliver the best possible service to our members and celebrate the people making it happen.** ”



**Andrea Czapary Martin,**  
CEO, PRS for Music

**“ This year’s gender and ethnicity report shows that we continue to advance towards our five-year diversity targets. We have delivered against our plans throughout the year and have implemented changes that will hopefully yield long-term and sustainable results for PRS.**

**We have a particular focus on internal progression and seek to fill at least 25% of our roles internally. To support this growth, we offer a range of learning and development opportunities to help upskill our employees and support their career aspirations. Our early careers initiatives, development programmes and succession plans are designed to fulfil both the existing needs of the business as well as the needs of the future, with the aim that each of these will contribute to favourable results next year.**

**With inclusive recruitment practices at the heart of our hiring processes, our team consistently and successfully source talent from a wide range of diverse networks, delivering high-quality candidates who have the potential to be our future leaders. ”**



**Suzanne Hughes,**  
Chief People and Transformation Officer,  
PRS for Music

## FOREWORD

We remain ambitious and take pride in the fact that we are becoming a more progressive organisation that embraces diversity and believes in the value of inclusion, equity and belonging. That is why we publish not only the gender pay gap, but our ethnicity pay gap too, although there is no obligation for us to do so. This year marks the seventh year that PRS for Music has reported on the gender pay gap and the third year we have reported on the ethnicity pay gap. Whilst we are on target to achieve our five-year target of 50% gender balance and 30% ethnicity, resolving inequity in access to leadership positions based on gender and race, remains a focus for us. This is why we continue to report on our progress, providing transparency for the changes we see and the actions we take to narrow the gap, as we strive to level the playing field.

Ensuring that we hire and retain women and people from ethnic backgrounds at all levels within our business has a direct impact on pay gap, as well as our ability to increase representation in leadership roles. We believe that taking the right actions at the right time for the right reasons must be central to our strategy.

We continue to prioritise improving all forms of diversity as set out in our report last year, moving towards creating a more inclusive working environment that enables everyone to thrive. The case for a diverse and inclusive organisation is well established within PRS and across the industry, with varying examples of tangible progress which underpins the PRS strategy. The positive impact on employees across our increasingly diverse organisation, and the advantages of searching within the widest pool of talent is a priority for us. We acknowledge the benefits of being able to understand and connect with both the people we employ as well as the members we serve, helping us to make better decisions and improve our business outcomes.

# How to navigate this report

## Gender

This report took into consideration the gender binary: male and female. Subsequent reports will evolve to include survey results which acknowledge the wider gender spectrum, including non-binary, transgender and intersex identities.

## Ethnicity

'Ethnic communities' refers to a dataset within this report that includes individuals from Black and Asian backgrounds and/or anyone who does not identify as White.

## Mean vs Median

The 'mean' of a dataset is also known as the 'average' and is found by adding all numbers in a dataset and then dividing by the number of values in the set. The 'median' is the middle value when a dataset is ordered from least to greatest.

It is important to report both mean and median, as we have done in our report, to allow for proper scrutiny of the data. The median generally gives the most appropriate idea of the data distribution.

## Quartiles

In statistics, a 'quartile' is a type of measurement which divides the number of data points into four parts, or quarters, of more-or-less equal size. The data must be ordered from smallest to largest to compute quartiles; as such, quartiles are a form of order statistic.



# GENDER



## Gender

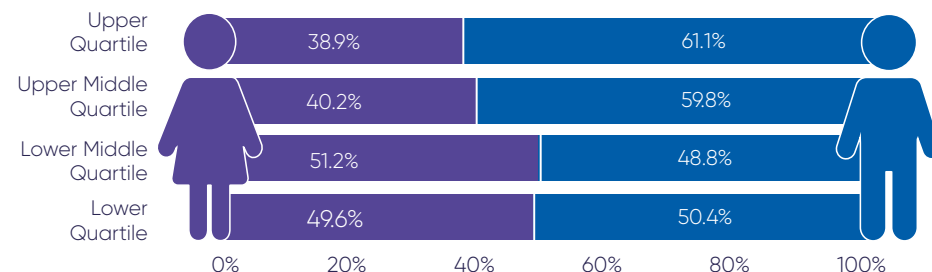
		2022	2023
<b>Pay Gap</b>	Mean	<b>14.5%</b>	<b>7.1%</b>
	Median	<b>20.3%</b>	<b>12.6%</b>

This year, the mean pay gap, in favour of men, has decreased from 14.5% in 2022 to 7.1%. The key drivers of this improvement were:

- An increase in the proportion of women in the headcount rising from 43% in 2022 to 45% in 2023, in conjunction with the overall reportable headcount on the snapshot day also increasing.
- An increase in the number of women in senior roles rising from 37% in 2022 to 41% in 2023.
- An increase in the remuneration of senior women during the period, which has contributed to a reduction in the pay gap.
- The pay gap calculation contains a pro-rata element of our annual bonus pay. The bonuses paid in 2022 (and included in the 2022 Pay Gap Report) were reduced due to the recovering nature of the 2021 performance year and the COVID-19 pandemic. There was no reduction to bonuses paid in 2023, improving the pay gap when combined with the increased female population.

The median pay gap has improved from 20.3% last year to 12.6% this year due to the increase in female representation in senior roles and female distribution in the Upper and Upper Middle Quartiles of hourly pay.

### Pay quartiles - by gender



## Bonus gap - by gender

		2022	2023
<b>Bonus Gap</b>	Mean	70.4%	20.3%
	Median	49.8%	32.4%

There continues to be an influence from the pandemic on the 2023 bonus gap, which considers bonuses paid for the 2021 performance year. The mean bonus gap is significantly influenced by this due to:

- All employees being eligible to participate in the 2021 bonus scheme, albeit with the bonus pool adjusted down to reflect the recovering nature of the business following the COVID-19 pandemic. This is compared to the 2020 bonus scheme which did not run.
- Bonus targets are influenced by seniority and the increase in females at senior levels to 41% also contributed.
- In contrast, those not eligible for a bonus payment in April 2022, due to their start date for the 2021 performance year, skews the bonus payments marginally towards males, with 51% of non-eligible employees being female.

The median bonus gap shows a smaller decrease from 49.8% to 32.4%. The greatest driver of this improvement relates to the 2021 bonus scheme running, compared with 2020 when the scheme did not run. The difference is smaller however, due to the impact of the median calculation removing the effect of outliers in the data, which had a greater impact on the mean bonus pay gap between the two years. Further improvements from previous years are similarly driven by the change in headcount and percentage of female representation increasing, and the increase in female distribution at the higher bands from 2022, but also from 2021.

### Proportion of employees who received bonus pay



# ETHNICITY



## Ethnicity

		2022	2023
<b>Pay Gap</b>	Mean	<b>17.6%</b>	<b>14.9%</b>
	Median	<b>14.6%</b>	<b>13.1%</b>

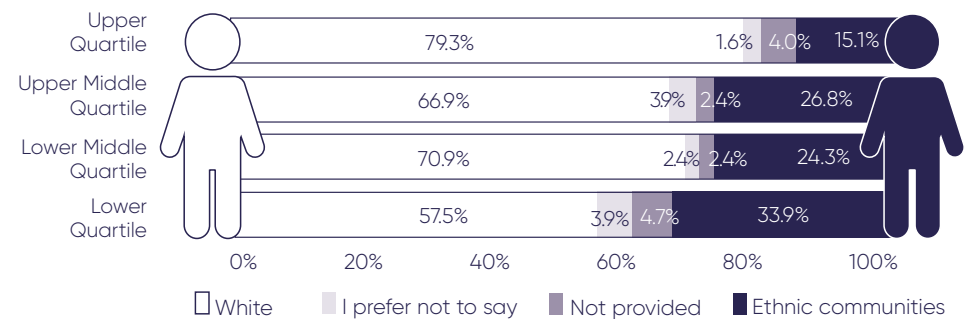
*% gap in favour of those who have identified as White*

A further improved rate of diversity data disclosure from 92.3% to 96.6% this year has resulted in a more complete set of data and therefore more accurate reporting.

This year, both the mean and median ethnicity pay gap have reduced to 14.9% and 13.1% respectively.

The slight improvements we have seen are driven by a greater representation of ethnic communities. Within this year's report, 40% of the new employees who were not in last year's dataset represent ethnic communities. In the company overall, the representation of ethnic communities increased to 25% from 21% in 2022. This was combined with a reduction in representation of White employees to 69% from 71% in 2022.

### Pay quartiles - by ethnicity



## Bonus gap – by ethnicity

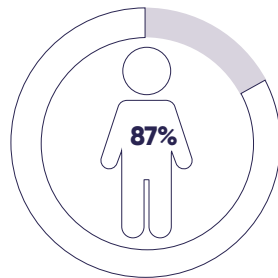
		2022	2023
<b>Bonus Gap</b>	Mean	<b>72.2%</b>	<b>37.2%</b>
	Median	<b>45.5%</b>	<b>28.0%</b>

*% gap in favour of those who have identified as White*

The improvements to the ethnicity mean bonus gap are caused by many of the same factors as the gender bonus gap, which considers the bonus payments paid in the year-to-date, to the snapshot date (5 April 2023). The significant bonus payments made in this period are the April 2022 annual bonus payments, for the 2021 performance year. As a result, the most significant factor influencing the ethnicity bonus gap is that all employees were eligible to participate in the 2021 bonus scheme, which was paid in April 2022 – albeit with the bonus pool being adjusted down to reflect the recovering nature of the business following the COVID-19 pandemic. An increase in ethnic communities in senior roles, which are roles that have a greater bonus opportunity, along with greater base pay, also magnifies the improvement in the gap.

The increase in our ethnic community representation resulted from improved recruitment statistics. There is a minimum length of service required to be eligible for a bonus and this has skewed the proportion of employees who received a bonus this year. All employees are eligible to participate in our discretionary companywide bonus scheme.

### Proportion of employees who received bonus pay



White



Ethnic communities





# OUR ACTION PLAN

## **Holistic diversity strategy**

Our holistic approach to diversity promises to go beyond ethnicity and gender. This ethos remains central to all that we do, although we recognise the need to take targeted actions as necessary to ensure equity for the groups that require the most urgent attention.

We have modified and updated our diversity data categories so they are more expansive, inclusive, and representative of the composition of our business. This is to support data-led business decisions to ensure no group is overlooked.

## **Recruitment**

In late 2022, we launched our recruitment technology to help track and source talent, providing the opportunity to monitor the diversity and effectiveness of our talent attraction methods. The system also allows for redacted CV filtering to help remove bias when shortlisting candidates.

Our recruitment team and hiring managers are trained in inclusive recruitment and take positive action to target advertising within specific networks and diverse talent pools, to source representative groups of talent. In addition to this, we launched our brand-new work experience programme, which supports individuals of varying ages, including those from underprivileged backgrounds, ex-offenders and those who are long-term unemployed. We have also maintained our longstanding relationships with internship and apprenticeship providers and continue to utilise this avenue for new talent.

## **Learning & Development**

We have implemented development plans and identified a broad range of successors, paying particular attention to gender and ethnicity to ensure we can improve representation at senior levels in line with our five-year targets.

Our partnerships continue with Music Leaders Network and Small Green Shoots to provide opportunities for young people from underrepresented groups.

At the end of 2023, we launched a refresh of our company competencies to ensure a fair measurement and assessment of talent across our business. This essential project helps to remove subjectivity and potential bias from our processes and will complement the required technical skills for each role and level. The updated competencies will become the way in which we align and assess skills for development or career progression when opportunities arise within the organisation.

In 2023, we also launched the Be Seen programme. This course is available for all to access, but was particularly pitched at individuals from any under-represented background to help bridge the gap in common challenges faced at work which were barriers to career progression. Specific modules on the course included 'building confidence' and 'developing a personal brand'.

## **Equity, Diversity, Inclusion and Belonging initiatives**

We have implemented a variety of policies, tools and processes that support our Equity, Diversity, Inclusion and Belonging (EDIB) commitments as tangible ways we can drive and sustain change. Our EDIB policy and strategy are in place to specify the ways in which the organisation can embed equity, diversity, inclusion and belonging into the business.

We also launched an allyship toolkit that can be used as a reference guide for individuals to speak up for themselves or others. This includes definitions of the different types of allyship and as well as a glossary of outdated terms and phrases that are no longer deemed as acceptable to use. In addition to this, we have achieved the Disability Confident Employer Accreditation status, and are working on becoming accredited as a menopause-friendly employer to better support women experiencing menopause during this important stage in life.

We continue to promote and fill job vacancies within PRS for Music, ranging between 25% and 30% internal appointments. We appointed our first Black female Director of Talent, Culture and Experience, which is a further illustration of our progress. We are also proud to report that we have delivered on all areas of UK Music's Ten-Point Plan, and we remain committed to continuing this work through the launch of UK Music's Five Ps (People, Partnership, Progress, Purchase, Policy), which aligns well with PRS's EDIB strategy.



**Janeace (Jay-T) Thompson,**  
Director of Talent, Culture and Experience,  
PRS for Music

## Top Employer Certification

PRS for Music has been recognised as a Top Employer 2024. The certification, awarded by the Top Employer Institute, recognises a company's dedication to a better world of work exhibited through its HR practices and evaluation across: People Strategy, Work Environment, Talent Acquisition, Learning, Diversity, Equity & Inclusion, Wellbeing and more.

The Top Employer Institute programme is widely acknowledged as the global authority on recognising excellence in people practices. PRS for Music is one of just 2,300 employers across 121 countries to have been recognised.



**“ Our gender and ethnicity pay gap data indicates that the changes we have made to our recruitment and talent attraction processes over the past year, which focus on skills-based hiring and performance over qualifications and job titles, have been effective in helping to remove bias from our processes. The result has been a more fair and equitable process for all. The appetite for inclusion remains high at PRS for Music, and, fundamentally, our people want to do the right thing. This is evidenced by who we hire, the experience they have as an employee, and how we support their progression. This speaks to the culture we are building at PRS for Music. I believe that if you get the culture right, then diversity, inclusion and belonging will be the outcome. ”**