



Ethnicity Pay Gap Report

2021



Welcome

“ I am delighted to introduce our first ethnicity pay gap report. While there is no legal requirement for *PRS for Music* to report on ethnicity pay gaps, doing so enables us to better understand the *PRS for Music* team and to tailor our support for them. It is also important in meeting our commitment to the UK Music Ten-Point Plan.

Seventy-seven per cent of employees have chosen to disclose their ethnicity data, including a small number of people who told us they prefer not to give this information. The results show that we have both a pay gap and a bonus pay gap in favour of white colleagues. We have a mean pay gap of 20% and a median gap of 26%, in favour of white employees. Slightly more employees who identify as from a Black, Asian or ethnic minority background received a bonus (83% compared to 82%) compared to those who identify as white.

The format of this report deliberately mirrors that of our gender pay gap report, providing the data and analysis as well as the actions we are taking to build a more inclusive organisation and address the ethnicity pay gap. This first report will form the baseline from which to measure future progress at *PRS for Music*, and the whole music industry, as we deliver on our commitment of equality for everyone, irrespective of their ethnicity.”

Declaration: I confirm the ethnicity pay gap data contained in this report is accurate.



Andrea Czapary Martin – Chief Executive Officer



What this report shows

This report compares employees who identified their ethnicity as white or predominately white, to employees identifying from a Black, Asian or ethnic minority background. With 76.8% of employees informing us of their ethnic identity, this gives a workforce where 76.6% come from majority white backgrounds and 23.4% come from from a Black, Asian or ethnic minority backgrounds.

The data used here includes all employees who chose to disclose their ethnicity and excludes the small number of people who stated that they prefer not to disclose this.

Our ethnicity pay gap

We have a mean pay gap of 20.0% and a median pay gap of 26.3% in favour of white employees. The predominant driver is the proportion of employees from a Black, Asian or ethnic minority background in lower banded roles, which are less senior and also lower paid. We have more than double the number of Black, Asian or ethnic minority employees in the lower pay quartile than in the upper quartile; the latter being where our more senior roles are.

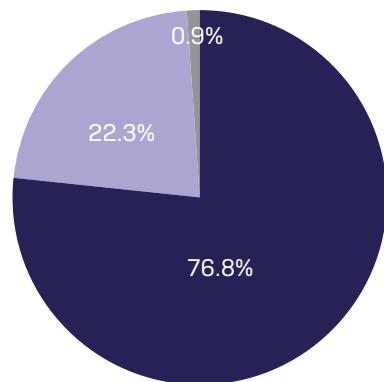
Our ethnicity bonus gap

The bonus gap of 58.4% and 42.7%, mean and median respectively, is caused by a smaller ethnically diverse population in senior roles. These roles come with a greater bonus opportunity (as a percentage of salary) and a higher base pay. This creates an even wider bonus pay gap.

A slightly higher percentage of employees from Black, Asian or ethnic minority backgrounds received bonus pay from April 2020 – April 2021. This is heavily influenced by when new starters join the business: those joining after 1 October are not eligible for a bonus in that financial year. All roles at all levels at PRS have the opportunity to earn a discretionary bonus.

Unlike for the gender pay gap report where 100% of employees have disclosed their gender, it is important to note that this report is based on an incomplete disclosure rate. The undisclosed 23% of the employee population is likely to have a significant impact on the pay gap figures. Future changes in the disclosure level will be likely to impact the ethnicity pay gap figures. Year-to-year, the mean pay gap may vary more widely than in comparison to the gender pay gap.

Diversity at PRS %



- Ethnicity data disclosed
- Ethnicity data not disclosed
- Prefer not to say

Our ethnicity pay gap

Year	Pay	
	Mean	Median
2021	20.0%	26.3%
% gap in favour of those identifying as white		

Our ethnicity bonus gap

Year	Pay	
	Mean	Median
2021	58.4%	42.7%
% gap in favour of those identifying as white		

Proportion of employees who received bonus pay

White	81.9%
Black, Asian or ethnic minority	83.1%

Pay quartiles



Addressing the ethnicity pay gap

Focus over the last 12 months

Over the last year, we have encouraged employees to share their diversity data with us. This helps us understand the composition of our organisation and be in a position to produce this pay gap report. As of April 2021, 76.8% of people had disclosed this information. Since running internal campaigns to encourage disclosure, we are now at over 80% and will continue to do so in order to make future ethnicity pay gap reporting as complete and accurate as possible.

Inclusive recruitment practices and career development are the fundamental route to increasing the number of colleagues from Black, Asian or ethnic minority backgrounds in senior roles, and to reduce the pay gap. We have trained all hiring managers on recruiting in a fair and inclusive way and increased our use of recruitment agencies who specialise in placing ethnically diverse candidates, with balanced shortlists. Internally, we are increasing the focus on nurturing ethnically diverse talent using talent reviews and career development plans, including coaching and management development.

We appointed a member of the Executive Leadership Team as ethnicity sponsor and created an employee-led network - the Black, Asian and Other Diverse Ethnicities Workstream - to help us identify and tackle cultural, procedural and systemic biases, as well as celebrating what different ethnicities bring to *PRS for Music*.

A key area has been to educate employees about diversity and inclusion. We delivered mandatory training to everyone, including Directors, on inclusive behaviour, biases and the impact of micro-aggressions.

Future priorities

We want to build a fuller picture on ethnicity with data, educate our people further and create more career opportunities. We will set out our ambitions for ethnic diversity in senior roles and regularly report on progress.

Two new, full-time posts have been created that will provide further expertise in equality and diversity: Head of Inclusion and Employee Experience, and Diversity & Inclusion and Culture Coordinator. These resources will support all our inclusion activities, covering recruitment as well as talent and development. This will help us to achieve our ambitions to embed a more diverse and inclusive culture.

We are introducing new recruitment technology to support greater fairness in the recruitment process and support improved metrics and reporting. New apprenticeships and work placements are targeted at under-represented groups starting their careers.

Our education of all employees to improve their understanding of diversity and inclusive working practices continues, with training on the power of active allyship and respect for individual differences.

Taking these steps will support our ambition to reduce our ethnicity pay gap in the coming years.



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