

Evolving our people approach to support our growth

We're committed to creating an exceptional place to work – by building a safe, inclusive and diverse culture and developing market-leading people policies

Inspiring people to do their best

Our purpose at M&G is straightforward: to help people manage and grow their savings and investments, responsibly. We also have a big responsibility to do what's in the best interests of our colleagues.

Our ambition for M&G is to create an exceptional place to work: a positive environment where our colleagues enjoy each day and feel inspired to do their best for our clients. We want to make working lives at M&G engaging and fulfilling: we are creating a safe, inclusive and diverse culture, which encourages our core behaviours of inspiring others, embracing change and delivering success, while keeping things simple.

Our people approach is always adapting to reflect what our colleagues want and need. We are introducing new ways of engaging with colleagues so we can listen more effectively and gather more data on what they want. We are developing market-leading, progressive people policies that meet the various life stages of all our colleagues, and creating simplified ways of working through new internal processes. We are also increasing our external partnerships and ensuring we continue to build a diverse team.

We believe that a strong culture is key to our success. To ensure we maintain this, we constantly monitor different elements that we believe contribute to our culture: from our client-centric approach, to how we interact with our colleagues.

Our Code of Conduct ensures we conduct ourselves ethically, putting our values and behaviours into action every day with care and integrity, and in accordance with our policies and procedures, global laws and regulations.

Over 2022, we've continued to develop policies and people processes to live our behaviours every day, such as our new "Say Thanks" app, launched in 2022, which reinforces behaviours for everyone at M&G to call out great things colleagues have done and say thank you.

Our culture

- **Client-centric:** clients are at the heart of everything we do
- **Accountable:** everyone has ownership and responsibility for doing the right things and delivering for our stakeholders
- **One team:** aligned to a common purpose, strategy, and way of behaving
- **Inclusive:** embraced in all we do to ensure everyone can bring their true selves to work
- **Safe:** colleagues can speak up and feel able to challenge
- **Respectful:** we share a common understanding of how we should work

Engaging with colleagues to create positive change

We continually encourage, listen to and act on colleague feedback, so we can uncover opportunities to improve, as well as strengths to leverage, and create positive change. Our annual OneVoice survey helps us understand and drive action to improve colleague engagement at M&G.



Our performance in 2022 is testament to the hard work of our talented and dedicated colleagues, and our excellent culture.”

Andrea Rossi
Group Chief Executive Officer

Our response rate for this survey was 79% in 2022 (2021: 75%). We scored highly in awareness of culture and purpose, while colleague responses showed key areas to prioritise in 2023 are barriers to execution and team collaboration. With our simplified structure and refreshed strategy, we are removing processes that overcomplicate and hinder individual progress, such as barriers related to technology. In 2023, we will be expanding on-site IT support across UK offices to resolve IT issues more quickly.

We are focused on improving our data gathering and delivery of colleague feedback to evolve our people policies. In 2023, we're moving to quarterly employee engagement surveys with a new provider, which will provide us with more data to act more effectively on feedback, as well as giving colleagues an improved experience. Our new way of measuring engagement tracks how happy people are at work and whether they would recommend M&G as a great place to work. We believe short, simple feedback surveys taken more regularly will create more timely, accurate, and relevant insight into what our people want.

“Unwrapped”, our new TV-style programme for all colleagues, looks at what's changing in the world around us and what this means for M&G and our clients. Over the year, we've included Q&As with our management team and insights into different areas of the business, and our Board ran a series of interactive sessions to hear directly from colleagues. Our other engagement initiatives, such as town hall events, Colleague Forum meetings, and Q&A sessions with leaders, also help us to understand more about what our colleagues think and feel.

72

Employee sustainable engagement score.

Employee engagement is the degree to which employees invest themselves to drive positive organisational outcomes

Diversity and inclusion throughout M&G

We know that continuing to improve diversity at M&G makes good business sense. A key part of our growth strategy is investing in our talent and capabilities. We recognise that our industry has traditionally not been diverse and so we take a holistic approach to improving diversity across our talent management life cycle, as well as actively supporting industry-wide initiatives to develop diversity in the finance industry.

Increasing and celebrating diversity and inclusion (D&I) at M&G is embedded in how we work. We have a five-year plan, clear governance model, and different D&I reporting metrics to ensure process, planning and accountability. From building our leadership team to how we hire graduates, we have five global workstreams that support our ambition of building the most inclusive culture, covering disability, gender, ethnicity/nationality, life stages and LGBTQ+. Our recruitment process increasingly has our behaviours embedded within it: we now ask specific questions to ensure interviewees align with how we behave at M&G.

Our colleague-led diversity networks provide support and networking opportunities, and are aligned with our five global workstreams: Elevate, our gender network; Enable, our accessibility and neurodiversity network; Embrace, our ethnicity, nationality and faith network; Pride, our LGBTQ+ network; and Mind Matters, our mental health and well-being network.

Our mean gender pay gap for 2022 is stable at 29.2% (2021: 29.3%) and the mean ethnicity pay gap was 5.5% (2021: 5.7%). We are proud to have been one of the first companies in our sector to publish an ethnicity target in leadership and voluntarily publish ethnicity pay gap data. We are now reporting our third year of ethnicity pay gap data.

Act responsibly

Helping young people to reach their full potential in our industry

We sponsor Urban Synergy, an award-winning youth empowerment charity. In 2022, M&G created a bespoke programme of events to empower young people and help them to reach their full potential.

Over the past year, we've run different events and initiatives with Urban Synergy to give more young people the opportunity to learn more about our business and our industry:

- Work Experience Week with M&G: 11 students joined us for a week to improve their understanding of asset management, savings and investments, and highlight different career opportunities available at M&G. In December, our Apprenticeship Scheme Manager won the Urban Synergy Work Experience Hero award.
- Financial literacy: we linked up with Lemonade Reward, a financial well-being business, to deliver a session to provide young people with the skills and knowledge to manage money effectively, and to build foundations and understanding for improved financial decision making.
- Recruitment: we delivered recruitment masterclasses to give young people the best opportunity at starting their careers. These workshops focused on developing skills at different stages of the recruitment process, including interview skills, preparing for aptitude tests, and 'bringing your best' at assessment centres.
- Apprenticeship scheme: students visited our London office in March and December as part of an Industry Insights event, which included an introduction to our business, meeting colleagues, a tour of the building and finding out more about our apprenticeship scheme. Two students were recruited into M&G's 2022 apprentice intake and are now making great progress on their apprenticeship journey.

→ [Find out more about our D&I approach in our sustainability section on page 32](#)

→ [Find out more about our Board gender composition on page 97](#)



Measuring D&I at M&G

Our targets ensure we are focused on becoming more diverse and inclusive:

- **Diversity in senior leadership:** 40% women and 20% ethnic diversity in senior leadership by 2025: At end 2022: 37% women (2021: 35%); 12% ethnicity (2021: 13%) in senior leadership
- **Colleague Inclusion Index:** We aim for annual improvements in our Colleague Inclusion Index. From 2022, this is based on new questions and a different scoring methodology. Our 2022 score of 69 will be our baseline, and we will monitor this on a quarterly basis.

We are an active part of positive D&I change in our industry. We sponsor the Financial Services Skills Commission, resulting in the development of the Inclusion Measurement Guide, a framework that encourages the financial sector to consistently measure inclusion.

We are building partnerships with social mobility charities, including Urban Synergy, the Talent Foundry and Leonard Cheshire, improving diversity in our own talent pipeline and building our community outreach.

We hire using diverse job boards, and post all investment and asset management roles on Black Women in Asset Management and Evenbreak, a job board connecting disabled candidates with organisations. We have increased access to more diverse interns, graduates and apprentices. In 2022, 19 apprentices joined us in September (2021: 19), with 26% from Urban Synergy and Talent Foundry. We received more applications from male candidates (72%), but 42% of our cohort was female. We also increased the number of neurodivergent candidates and those from lower socio-economic backgrounds, as defined by the Social Mobility Index. Our apprenticeship programme retained a high ranking in the Top 100 Apprenticeship Employers League Table for the insurance, asset and investment management industries, and has been one of the leaders in our sector for the past three years.

Our Aspire career exploration programme is building diverse teams of colleagues in front office roles, while providing more opportunities for internal mobility:

- Our partnership with Everywoman, a global learning and development platform, provides access to educational resources, advice from senior women in business and a network of global organisations.
- Our membership of 100 Women in Finance, Black Women in Asset Management, and LGBT Great expands our ability to offer colleagues opportunities for mentoring, development and networking, to enhance their career growth.

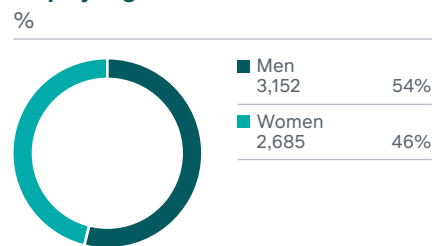
Redefining traditional approaches to colleague well-being

Looking after colleagues' health and well-being is at the centre of our ambition to make M&G an exceptional place to work. We are constantly looking at how to adapt, modify and introduce new technologies so our colleagues can access the support and resources they need, regardless of their location.

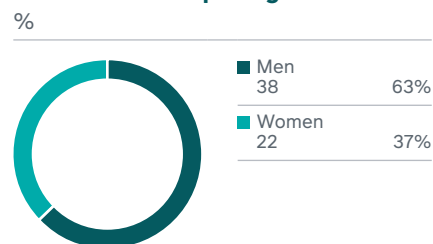
Our HR policies are evolving to support colleagues and give them the freedom to achieve a healthy work-life balance and positive well-being, while making sure we do what is best for clients. We have redefined the traditional definition of well-being to provide a more holistic approach: from physical support such as yoga classes; to mental well-being support, such as addressing the impacts of grief; and financial well-being, addressing economic pressures.

Our Inspiring Families policy evolved in 2022 to include neonatal support. We also launched our non-gender-biased menopause policy, covering menopause, perimenopause and hormonal imbalances, and signed the Menopause Pledge to demonstrate our commitment to providing greater menopause support.

Employee gender



Group Executive Committee and their direct reports gender



Employee profile gender diversity



Employee profile gender diversity



Under the Companies Act 2006 (the 'Companies Act'), we are required to report on the gender diversity of our employees, our 'senior managers' and our Board. The gender diversity of our employees is shown above and the Board data is shown on page 97. 'Senior managers' is defined by the Companies Act, as anyone who has responsibility for planning, directing or controlling the activities of the company, or a strategically significant part of the company, and must include the number of persons of each sex who were the directors of the undertakings included in the consolidation. Where such persons hold multiple directorships across the Group they are only counted once. For this purpose, 'senior managers' includes our GEC members (excluding those on the Board), our GEC direct reports and our 'Other senior managers' from the chart above. On this basis, we have 509 senior managers (337 male, 172 female).

The tough external environment in 2022 affected mental and financial well-being for many. We provide colleagues with 24/7 access to well-being support via our well-being hub. Our “Well-Being Wednesday” sessions expanded in 2022 to provide colleagues with resources on topics including financial well-being, menopause and men’s health. Over 2022, colleague usage of the M&G well-being OnDemand channel was up 87%.

As a Living Wage employer, we committed to a one-off non-pensionable payment in 2022: all UK colleagues earning under £50,000 received £1,200, while Eurozone colleagues earning under €60,000 received €1,200. We have promised to continue monitoring the situation our colleagues are facing, and our approach to the 2023 UK salary review was weighted towards providing financial support to colleagues in the lower and middle ranges of our salary bands.

We are integrating well-being into our broader approach to ESG: covering inclusion, global warming, environment and community. Our GO-vember international well-being challenge did just that – involving over 670 colleagues. Over 120 million steps that we recorded during November 2022 contributed towards planting over 700 trees in partnership with The Tree Council, funding resources in schools for disadvantaged students and refurbishing homes for those experiencing homelessness. Find out more on how we engage with local communities to create social impact on page 52.



Working at M&G, you very quickly recognise the importance of your work and our duty of care to do our best for our clients.”

Nina Bamford,
Global People Development team

Developing learning and development to match needs

Our aim is to ensure that our colleagues have access to high-quality learning solutions and experiences aligned with changing needs, enabling them to develop and perform at their best.

Our online solutions enable our colleagues to access learning from anywhere, at any time that suits them.

We recognise that one of the most critical things in creating the right working environment is how we recruit and develop managers, and we have changed our approach: we now have specific assessment tools we use for recruitment.

We want to make sure that every colleague is led by an exceptional people manager who can help them fulfil their potential. We’ve launched an expectations model – a common language across M&G setting out the exceptional behaviours that all colleagues can expect from our people managers. We’ve also continued to invest in developing our people managers: 98% (1,318) have now joined our People Manager Academy, gaining access to targeted learning and resources and the opportunity to connect and collaborate with other people managers globally. Over 10,000 academy learning hours were delivered across 2022.

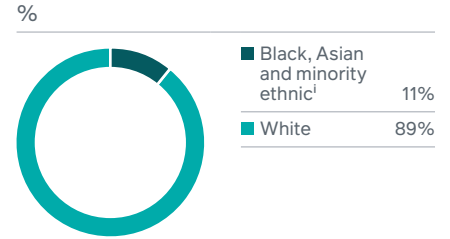
During the year, over 1,250 colleagues enrolled in workshops aimed to ensure they felt connected, included and engaged within a hybrid working environment.

We also simplified our end of year performance review process and provided training for colleagues and managers, to ensure they get the best out of their performance conversations.

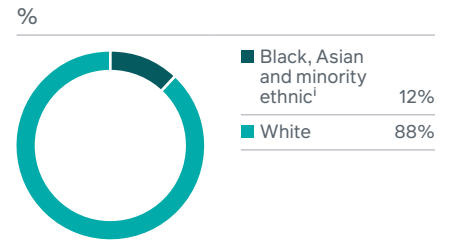
Accreditations and awards

- LGBT Great gold standard
- Became members of the Armed Services Covenant and received Silver Level employer recognition
- Top 75 Employer in the Social Mobility Index
- Fabiana Fedeli, Chief Investment Officer – Equities, Multi Asset and Sustainability at M&G, was named one of Financial News’s 100 Most Influential Women in Finance

Employee ethnicity



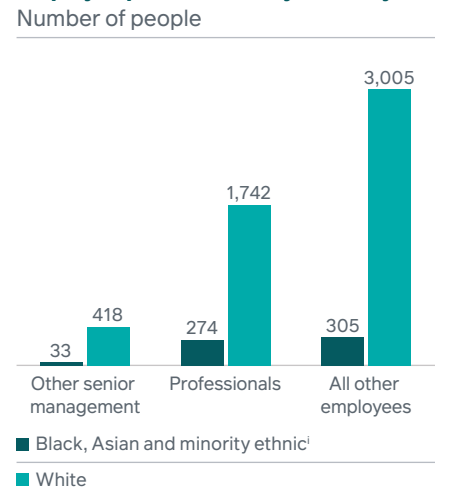
Group Executive Committee and their direct reports ethnicity



Employee profile ethnicity diversity



Employee profile ethnicity diversity



ⁱ Includes our undisclosed population.

All data in graphs as of 31 December 2022.