

DIVERSITY DATA AND PAY GAP REPORTING

JULY 2025



THE SIX PRINCIPLES

PREAMBLE TO THE PRINCIPLES

As institutional investors, we have a duty to act in the best long-term interests of our beneficiaries. In this fiduciary role, we believe that environmental, social, and governance (ESG) issues can affect the performance of investment portfolios (to varying degrees across companies, sectors, regions, asset classes and through time). We also recognise that applying these Principles may better align investors with broader objectives of society. Therefore, where consistent with our fiduciary responsibilities, we commit to the following:

- 1** We will incorporate ESG issues into investment analysis and decision-making processes.
- 2** We will be active owners and incorporate ESG issues into our ownership policies and practices.
- 3** We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- 4** We will promote acceptance and implementation of the Principles within the investment industry.
- 5** We will work together to enhance our effectiveness in implementing the Principles.
- 6** We will each report on our activities and progress towards implementing the Principles.



PRI's MISSION

We believe that an economically efficient, sustainable global financial system is a necessity for long-term value creation. Such a system will reward long-term, responsible investment and benefit the environment and society as a whole.

The PRI will work to achieve this sustainable global financial system by encouraging adoption of the Principles and collaboration on their implementation; by fostering good governance, integrity and accountability; and by addressing obstacles to a sustainable financial system that lie within market practices, structures and regulation.

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INTRODUCTION

Diversity, equity and inclusion (DEI) lie at the heart of the PRI's values. We are committed to a long-term plan to ensure we are a fully equitable organisation. Our efforts are built around inclusion and ensuring that all our employees feel valued and respected, reinforcing the importance of creating opportunities for all.

This report sets out our diversity data and pay gap information. This is the third time we have reported this data on a voluntary basis, as part of our ongoing efforts to be data driven in our approach.

We continue to work closely with our leadership team to develop organisation-wide and team-level actions to drive accountability for our progress at every level. Our efforts are focused on creating equal opportunities. We do not discriminate based on personal characteristics in any employment practices such as hiring, promotions or pay. Similarly, we monitor DEI outcomes, but DEI performance does not affect remuneration.

We are proud of our progress and strive to ensure consistency in all our processes. Furthermore, our culture charter now forms the foundation of our core competencies so we have true accountability for creating inclusive teams.

This year, for the first time, we conducted a DEI impact analysis as part of the annual pay review process. Valuable insights from this exercise supported decision-making around pay, and we will continue to conduct these analyses in future. After some increases in pay gaps for women and Black, Indigenous and People of Colour (BIPOC) employees during changes to our operating model in 2023–2024, it is promising to see from our pay transparency data that the gap now seems to be reducing.

Moving the needle takes time, and we still have a long way to go – but it is well worth the effort. A PRI where all perspectives are valued and all colleagues feel equally safe to contribute is one that is well suited to serving our diverse signatory base. I look forward to continuing this important work over the years ahead.

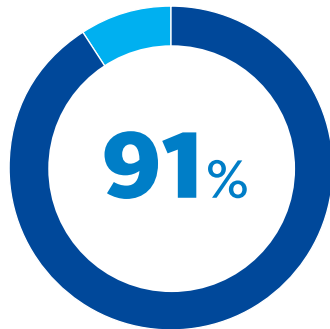


David Atkin
CEO, PRI

DEMOGRAPHIC MAKEUP OF OUR WORKFORCE

Collecting employee diversity data helps us to understand how well represented different demographic groups are across the organisation, what evidence-based actions we can take and how we can track the effectiveness of our programmes over time. Hiring and promotions data is from 2024, whilst demographic data is accurate as of June 2025.

KEY FINDINGS



The PRI continues to have extremely high completion rates from employees for demographic data, with **91% completion** across all fields (including those who select “prefer not to say”).



57%
of promotions in 2024 were women.



We continue to see a relatively even split between men and women at every level, and more women than men in our executive team.



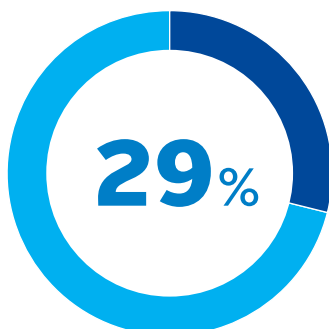
30%
of promotions in 2024 were BIPOC employees.



We have seen an increase in the proportion of BIPOC employees in 2025, now at 29%.



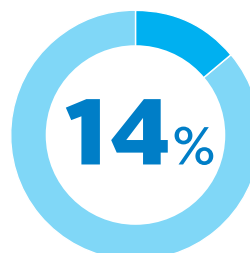
20%
of those promoted responded “prefer not to say” to the question about ethnicity so the true number may be higher.



BIPOC hires made up **29% of all new hires in 2024**. The true percentage may be slightly higher, as around a quarter of new hires did not share data on their race/ethnicity with us.



9%
The proportion of employees who identify as LGBTQ+ has remained steady at 9% in 2024.



The proportion of employees who report as having a disability remains steady at 14% in 2025.

See the demographic data in full in the [appendix](#).

OUR UK PAY GAP DATA

In the UK, employers that have 250 or more UK-based staff must comply with regulations on gender pay gap reporting. While we are not legally obliged to report our gender pay gap, we want to share this information in line with our commitment to transparency and walking the talk. The data below is as at 31 March 2024.

GENDER PAY GAP VS EQUAL PAY

The **gender pay gap** is the difference between the average (mean or median) pay of men and women across all jobs in a workforce. It is an indication of whether women have an equal opportunity to progress their careers and earnings and be included in the highest pay quartiles – often roles of influence.

Equal pay is the legal obligation under the UK Equality Act requiring employers to give equal pay to people employed to do similar work. The PRI is fully compliant with equal pay legislation.

As we only have a very small number of employees that identify outside of the binary male/female distinction, this analysis is only able to report in those terms. However, we recognise that not everyone's gender identity fits within this binary distinction.

ETHNICITY PAY GAP

Ethnicity pay gap reporting is the difference in average pay between employees from different ethnicities – typically expressed as how all BIPOC employees compare as a group to White employees. The UK has no legal requirement for organisations to report ethnicity pay gaps. Most organisations that are reporting voluntarily are adapting the methodology used for gender pay gap reporting.

BIPOC

BIPOC stands for Black, Indigenous and People of Colour. It is a broad, umbrella term that reflects the way we group the data shared by employees to inform this reporting.

OUR DATA

Table 1: Gender pay gap

	Difference in hourly pay		% of women in each pay quartile			
	Mean	Median	Lower	Lower middle	Upper middle	Upper
2023	9.9%	10.4%	61.7%	70.2%	55.3%	50.0%
2024	9.0%	10.2%	58.7%	71.7%	58.7%	52.2%

Table 2: Gender pay gap at director level

	Difference in hourly pay	
	Mean	Median
2023	-3.1%	-10.2%
2024	9.3%	8.9%

Table 3. Ethnicity pay gap

Ethnic group	Number of employees		% of the workforce		Mean hourly pay		Mean pay gap compared to White		Median hourly pay		Median pay gap compared to White	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
White	107	111	57.8%	59.3%	£34.43	£38.62	n/a		£30.77	£33.65	n/a	
All other ethnic groups	54	50	29.2%	26.7%	£28.68	£31.86	16.7%	17.3%	£27.08	£28.29	12.0%	15.9%
Not disclosed	24	26	12.9%	13.9%	n/a		n/a		n/a		n/a	
Total	185	187										

METHODOLOGY

Our analysis covers all PRI employees who are working under UK contracts. We cannot include global data because:

- pay scales differ vastly based on local markets;
- many employees outside the UK have non-UK contracts, which legally exclude them from pay gap analysis;
- some countries have legal restrictions on the publication of pay data.

We have calculated the mean/median hourly pay for men, subtracted the mean/median hourly pay for women, and expressed the resulting gap as a percentage of men's pay. Pension salary sacrifice is deducted from basic pay. We have also included new information on a pension pay gap observed for colleagues working under UK contracts later in this report.

In accordance with legislative guidance, we have excluded those currently on leave if they are not receiving full pay. (In the event of a birth or adoption, employees with two or more years' service are offered six months of fully paid leave, regardless of gender.)

We are proud of the increases in female representation in both the upper-middle and upper pay quartiles, indicating that women are being supported to reach more senior roles, leading to more balanced representation at higher decision-making levels. The PRI also compares favourably to the financial and insurance industry, where data indicates a 23% gender pay gap according to Isio.¹ This demonstrates we are meeting a high standard in terms of gender representation.

Our pay gap at director and executive level has increased significantly due to changes at this career level which resulted from changes to our operating model.

We are disappointed to see an increase in our ethnicity pay gap, which we believe may also have been impacted by changes to our operating model. However, the DEI analysis in pay reviews that is detailed in the pay transparency section of this report has had a positive impact. In 2023, White colleagues received average pay increases of 14% compared to 10% for BIPOC colleagues. Pay increases in 2024 were smaller, but the disparity between what White colleagues and their BIPOC counterparts received has been reduced to 0.3%. We believe that continuing with this intervention is key to ongoing work to close the pay gap.

As we have a relatively small workforce, there can be instances where small sample sizes reveal pay gaps that are due to legitimately differing roles within a small sample of employees, rather than indicating a trend or discriminatory pay gap.

WHAT DOES OUR DATA SHOW AND WHY DO WE HAVE A PAY GAP?

We are pleased to see a reduction in our overall gender pay gap. Our gender pay gap was previously driven by a higher proportion of women in the lower and lower-middle pay quartiles. We now have a majority of women in each pay quartile, though the proportion of women in the lower pay quartile has gone down, in part due to promotions. However there is still further work to do to continue to address the remaining gap.

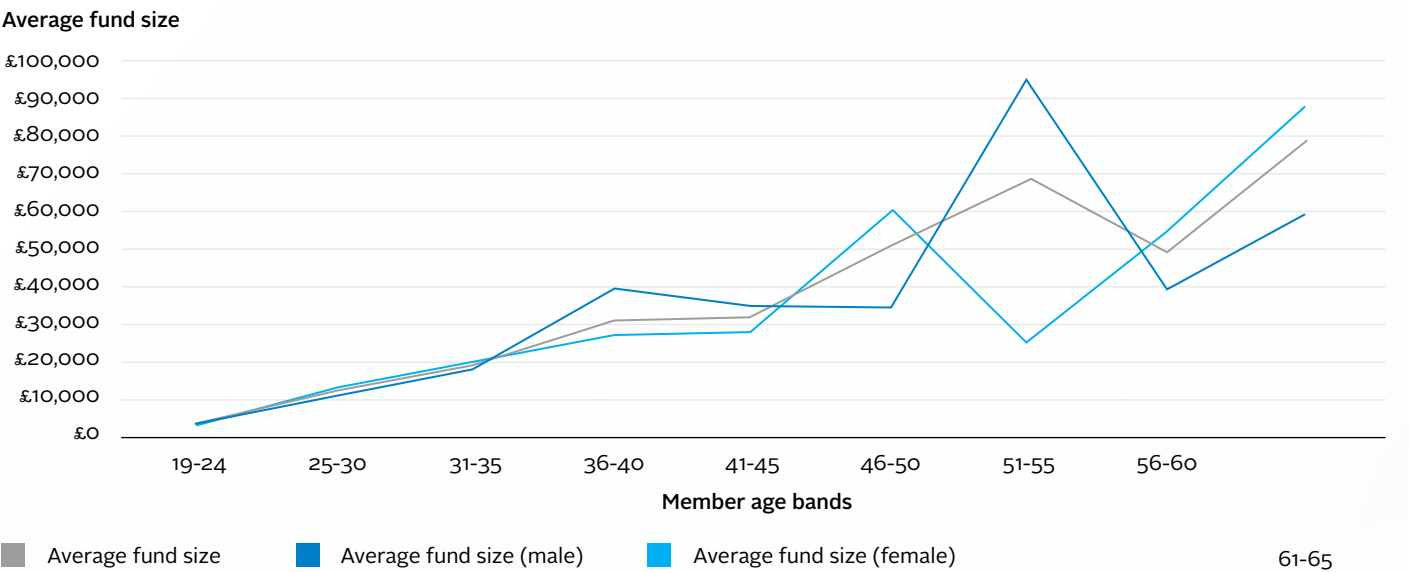
¹ Isio (2024) [It will take 40 years to close the Gender Pay Gap, Isio analysis reveals](#)

PENSION GAP

Building on the information we shared in our previous report, we have continued to explore what data is available to assess potential gaps in pension contributions. There is no statutory requirement to report on pension gaps, however we recognise the importance of transparency and want to be as thorough as possible in our analysis.

Pension data is based on the March 2024 pay period and originates from our pension provider and our payroll records for that month. Data provided by Legal and General only breaks down information into male and female categories.

Figure 1: Average fund size by age band and gender



The data highlights the differences in the average pension fund size by age and gender. As would be expected, the average fund size tends to increase with age up to the 51–55 age bracket. In this age group, we see a sharp increase in the average fund size for males which could be due to increasing contributions or consolidating pensions before beginning to withdraw from age 55 onwards. The dip in the average fund size of females in the 51–55 age category may be a result of this group representing a fairly small number of employees who have a shorter tenure with the PRI and who have not chosen to consolidate pensions from previous

employment. However, we can see that this gap closes with women having larger fund values from the age of 56 upwards.

Reporting of this kind is subject to external limitations in relation to the General Data Protection Regulations (GDPR), so we are unable to share any information on the pension gap between different ethnic groups. We continue to have conversations with our pension provider Legal and General to understand the possibilities for future reports.

PAY REVIEW TRANSPARENCY DATA

Building on the additional pay transparency reporting introduced in 2023, we have conducted a further pay transparency exercise following the July 2024 annual pay review process.

The exercise enables us to look at pay through a global lens and take into account the pay of our entire employee population. As part of the action plan we shared in last year's report, we committed to introducing an additional step in our pay review process to review the gender and race/ethnicity split of proposed pay increases across teams in order to pick up any discrepancies early. During this new step in the moderation process, we encouraged managers to look at their trends and use this information to aid final decision making.

We saw a smaller budget awarded to the July 2024 pay review process due to financial constraints; this meant that the average increase was 3.54% including promotions and 3.12% excluding promotions.

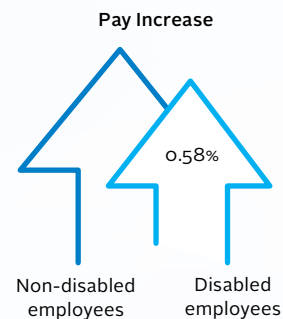
We reviewed the pay increases by gender and found that female colleagues received, on average, a greater increase than those identifying as male or other.

We also looked at the data by race/ethnicity and saw that the pay increase received by BIPOC employees was 0.3% lower than that received by White colleagues.

This gap has reduced significantly since last year.

We remain committed to building equity into our processes and decision-making and will continue to work to ensure that this happens.

Disability pay gap reporting is not yet mandatory in the UK, but we have chosen to share the information we have on this as part of our pay transparency work. We compared the data for those who do consider themselves to have a disability and those who do not.



The PRI will continue to work to reduce this gap, by sharing information on workplace adjustments, resourcing our internal disability network and running allyship training to encourage colleagues to tackle non-inclusive behaviours. It should be noted that, as we have a relatively small workforce and colleagues who consider themselves to have a disability are much smaller in number than other groups in this analysis, this gap could be in part due to a small sample size and legitimately differing roles.

DEI STRATEGY AND ACTION PLAN

Our ongoing DEI strategy, which will enhance the equity of all our core processes including pay, is based on four key areas of work.

- **Inclusive culture:** enabling all colleagues at the PRI to feel respected and valued, and that they can actively participate in building an inclusive culture.
- **Strong governance:** building the structures, policies and processes to embed accountability for DEI across the organisation.
- **Measuring our impact:** developing a framework for DEI at the PRI so we can transparently benchmark our progress and take a data-driven approach.
- **Tell our story:** ensuring that all employees understand our shared values and vision for an inclusive workplace.

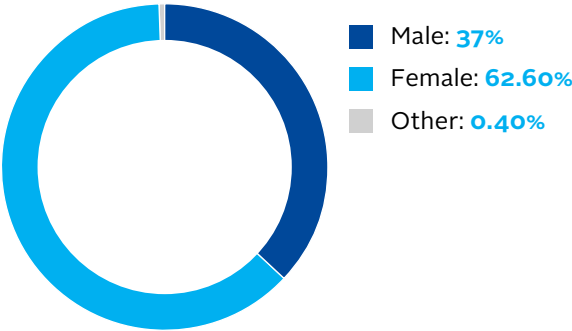
Our plan to address the challenges identified is already underway as part of our existing strategy. Actions include:

Targeted sourcing and inclusive recruitment	<ul style="list-style-type: none"> ■ Continue to use external partnerships to diversify our recruitment pipeline and consider a wide range of candidates for all roles, ensuring that we are recruiting the skills needed to deliver the organisational strategy. ■ Continue participation with foundations and initiatives to provide paid work experience and a strong pipeline of candidates from under-represented groups.
Equitable core processes	<ul style="list-style-type: none"> ■ Continue to review the gender and race/ethnicity split of proposed pay increases across teams in order to pick up any discrepancies early. The process worked well this year and we will repeat it in future years where budget allows for anything above a flat increase for employees. ■ Continue to embed and promote our new Dignity at Work policy, encouraging colleagues to use the examples to identify inequitable behaviours and processes. ■ Introduce a new performance management system to encourage ongoing feedback and regular reviews of progress against objectives, as well as space for discussions around development and wellbeing. We will also be introducing 360 feedback into our annual performance and development cycle which will enable the collection of feedback from a wider pool of colleagues. ■ Review options for learning and development opportunities for under-represented groups. ■ Identify opportunities for collaboration with already established employee networks internally and assess whether additional networks are needed to ensure that thoughts and reflections from other under-represented groups are considered.
Embed inclusive team leadership	<ul style="list-style-type: none"> ■ Work closely with our Leaders' Forum, made up of directors and experts globally, to ensure DEI is embedded in all team activity, including work allocation, development opportunities and succession planning. ■ Provide further guidance and education to our people managers on inclusion and psychological safety through management training.
Use transparency to drive accountability	Maintain transparency around pay to hold ourselves accountable, including average increase data being shared with employees each year after our annual pay review cycle.

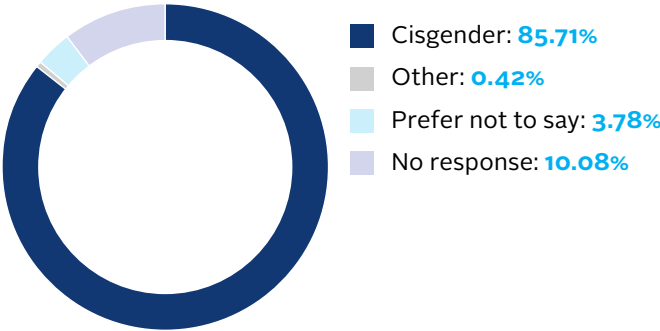
APPENDIX: DEMOGRAPHIC DATA

Data as of June 2025.

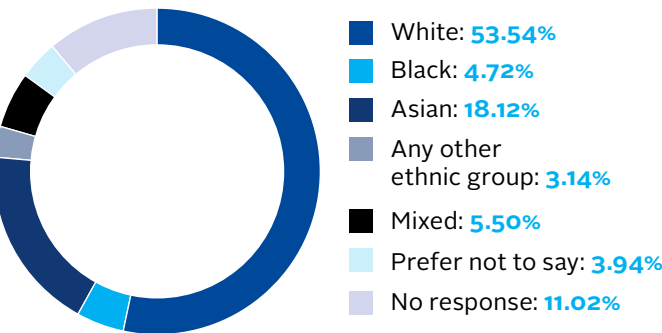
Legal gender



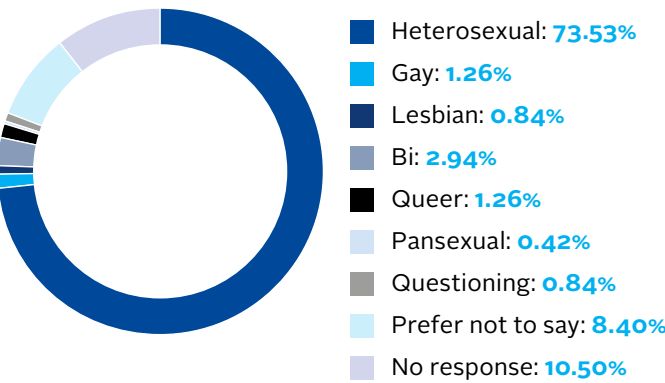
Gender identity



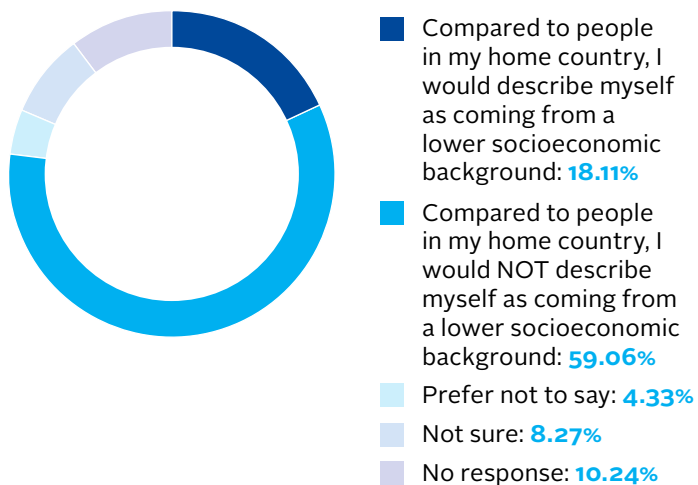
Race/ethnicity



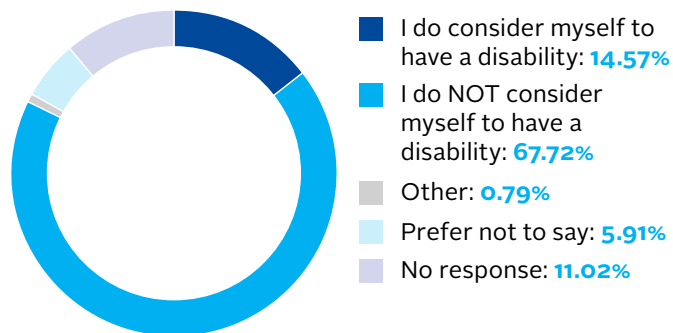
Sexual orientation



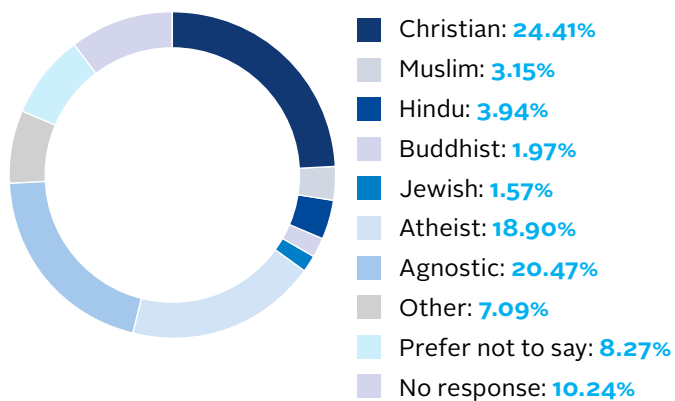
Socioeconomic status



Disability



Religion



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The Principles for Responsible Investment (PRI)

The PRI works with its international network of signatories to put the six Principles for Responsible Investment into practice. Its goals are to understand the investment implications of environmental, social and governance (ESG) issues and to support signatories in integrating these issues into investment and ownership decisions. The PRI acts in the long-term interests of its signatories, of the financial markets and economies in which they operate and ultimately of the environment and society as a whole.

The six Principles for Responsible Investment are a voluntary and aspirational set of investment principles that offer a menu of possible actions for incorporating ESG issues into investment practice. The Principles were developed by investors, for investors. In implementing them, signatories contribute to developing a more sustainable global financial system.

More information: www.unpri.org



The PRI is an investor initiative in partnership with UNEP Finance Initiative and the UN Global Compact.

United Nations Environment Programme Finance Initiative (UNEP FI)

UNEP FI is a unique partnership between the United Nations Environment Programme (UNEP) and the global financial sector. UNEP FI works closely with over 200 financial institutions that are signatories to the UNEP FI Statement on Sustainable Development, and a range of partner organisations, to develop and promote linkages between sustainability and financial performance. Through peer-to-peer networks, research and training, UNEP FI carries out its mission to identify, promote, and realise the adoption of best environmental and sustainability practice at all levels of financial institution operations.

More information: www.unepfi.org



United Nations Global Compact

The United Nations Global Compact is a call to companies everywhere to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption, and to take action in support of UN goals and issues embodied in the Sustainable Development Goals. The UN Global Compact is a leadership platform for the development, implementation and disclosure of responsible corporate practices. Launched in 2000, it is the largest corporate sustainability initiative in the world, with more than 8,800 companies and 4,000 non-business signatories based in over 160 countries, and more than 80 Local Networks.

More information: www.unglobalcompact.org

