

Notes to the consolidated financial statements **cont.**

4. Employee expenses and information

A detailed analysis of Members' remuneration, including salaries and variable pay, is provided in the Members' Remuneration Report.

The direct costs of all employees, including Members, appear below:

	2022 £m	2021 £m
Aggregate gross salaries	92	83
Employer's National Insurance contributions	10	8
Employer's defined contribution pension contributions	6	5
Total direct costs of employment before exceptional items	108	96
Exceptional items (page 200)	17	-
Total direct costs of employment	125	96

The Executive Members are considered to be the key management of the Corporation. As disclosed in the Members' Remuneration Report on page 182, the total remuneration of the Executive Members before exceptional items for the year ending 31 December 2022 is £2,930,000 (2021: £2,544,000). After exceptional items, their total remuneration for the year was £3,321,000.

The salary multiple of highest paid Executive Member to employees in the 25th, 50th and 75th percentiles was as presented below. The Chief Executive was the highest paid Executive Member in 2021 and 2022.

	2022 £000	2021 £000
Total remuneration of highest paid Executive Member before exceptional items (page 182)	1,335	1,196
Total remuneration of employee at 75th percentile	88	86
Total remuneration of employee at 50th percentile	60	55
Total remuneration of employee at 25th percentile	42	40
Multiple of highest paid Executive Member to employee at 75th percentile	15.2	13.9
Multiple of highest paid Executive Member to employee at 50th percentile	22.4	21.7
Multiple of highest paid Executive Member to employee at 25th percentile	31.9	30.3

Total remuneration is defined as base salary, variable pay, employer pension contribution and other benefits. The total remuneration of employees in the 25th, 50th and 75th percentiles is calculated based on the methodology set out under Option A provided in the Companies (Miscellaneous Reporting) Regulations 2018.

The average monthly number of employees, including Executive Members, was as follows:

	2022 Number	2021 Number
Commercial	261	238
Creative	429	386
Operational	463	396
4Talent	44	24
Total	1,197	1,044

The headcount calculation reflects the actual proportion of hours worked in a week for each individual employee. The employee information disclosed in this note excludes a small number of on-screen talent who are remunerated via Channel 4's payroll.