

2024 gender pay gap report

Newton is a global investment management firm with offices in London, New York, Boston, San Francisco and Tokyo. The UK Government Equalities Office requires UK employers with 250 or more employees to publish certain information in respect of their gender pay gap. Below is our eighth report, covering the year to 5 April 2024. These figures focus solely on the UK branch of our business.

Gender pay versus equal pay

It is important to recognise that measuring the gender pay gap is not the same as measuring equal pay, but the difference between the average pay of all men compared to the average pay of all women in an organisation. Newton does not pay men and women differently for the same role, but in the 2023/24 reporting year we did have more men than women in UK-based senior positions, resulting in a gender pay gap for the year ending 5 April 2024.

At Newton, we strive for a culture that embodies the promotion of belonging and inclusion. We believe the best teams should foster different perspectives and schools of thought, with room for sharing and challenging one another in an open and inclusive environment. With these teams, we believe we will be better equipped to navigate today's market environment on behalf of all our clients. In an industry undergoing significant evolution, we harness as many opportunities as we can to create an equitable and balanced environment for all.

Newton's gender pay and bonus gap at 5 April 2024

	Mean		Median	
	2024	2023	2024	2023
Base salary pay gap	40%	31%	36%	34%
Bonus pay	61%	54%	55%	49%

Difference in mean and median pay and bonus between male and female UK employees.

Salary: In the year to April 2024, the mean salary gender pay gap increased by nine percentage points. The median salary gap increased by two percentage points.

This increase underscores that addressing the gender pay gap is not a straightforward process. It requires continuous and focused efforts and a thorough understanding of the factors contributing to it. A key factor is that there are still more men than women in senior, high-paid roles, while the percentage of men in the lower pay quartile has decreased.

Looking deeper into the data, the proportion of women in the upper pay quartile has remained stable. However, we have seen progress in the upper middle quartile where female representation has increased from 23% to 31%. This suggests positive movement in the pipeline of female talent progressing towards senior roles, which we recognise as an encouraging trend.

It is also important to note that this report specifically covers Newton's UK workforce, which represents only a portion of our overall employee population. With a UK headcount of just over 250 employees, even minor shifts in employee demographics and pay structures can lead to significant fluctuation in the data.

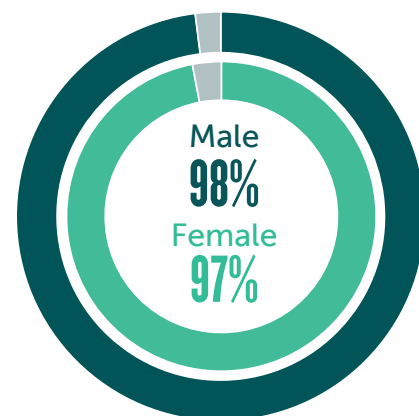
Bonus: During the same reporting period, bonus figures show that the median gap has increased by six percentage points and the mean gap by seven percentage points.

Women represent 43% of Newton's UK-based bonus population and 28% of the upper two quartiles (unchanged from the 2023 position), which is reflected in the bonus gap. Despite our continuing efforts to address gender equality, men continue to be more heavily represented in revenue-generating roles which typically offer larger performance-based bonuses.

Our bonus (and salary) pay gap is also influenced by the fact that significantly more women than men during the reporting period occupy part-time roles, where incentives are paid on a pro-rated basis. At Newton, 7% of the total UK workforce are part time and 91% of these are women. Part-time working may contribute to the bonus gap; however, we recognise its importance in enabling individuals to balance work and personal commitments and we are determined to continue offering flexible working arrangements to all our UK employees.

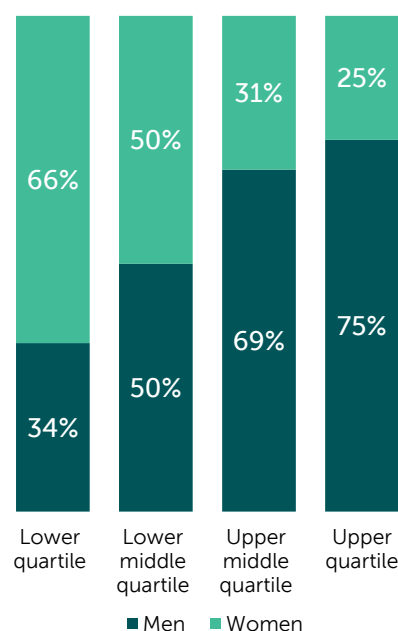
While progress may fluctuate, we remain committed to addressing pay disparities and taking action to create a more balanced and equitable workplace.

Proportion of UK employees receiving a bonus by gender



Gender distribution by pay quartile

The proportion of men and women in each pay quartile was as follows:



Addressing the pay gap

As an asset manager, we recognise the role we play in addressing the gap, directly through the standards we set with our own workforce and as investors on behalf of our clients.

For the reporting period, we have a higher proportion of men than women in senior roles. This is the norm across the asset management industry and affects somewhat the ability of any one manager to effect change.

Industry wide, the pay gap challenge persists. Citywire's 2024 [Alpha Female Report](#) revealed that across the UK, only 12.5% of portfolio managers are women. At Newton, during the reporting period women made up 28% of employees with the job title of portfolio manager.

Until there is a more equivalent balance of women to men in roles at all levels, the gap will continue.

Recruitment and leadership development

Talent is everywhere and when recruiting, we want to access the broadest group of appropriately skilled, qualified talent.

Our employees are offered development opportunities, including sponsorship, mentoring and reverse mentoring programmes. We also have a full suite of leadership learning content on our Learning Experience Platform to build capability and skill.

Our market-leading wellbeing and health-care provision and global, family-friendly policies help support our employees in moments that matter. We offer targeted access to confidential, mental health services through our provider, Spring Health. Our employees and their family household members, aged 8+, can access up to 12 sessions of individualised care annually at no cost. A care navigator monitors their progress and guides their support journey.

We support a network of employee resource groups coordinated by our parent company, BNY. These groups support our diverse workforce, provide opportunities for personal and professional development, and help ensure that a wide range of perspectives and rich experience contribute to our performance and ultimately our clients' success.

Belonging is integral to our business strategy, who we are as a company, what our people experience and the way we interact with all our stakeholders. It is good business sense to create an environment where all people feel welcome to bring their different perspectives, and where they feel treated fairly. By thriving together, we help create a high-performing culture that drives positive commercial outcomes.

I confirm the data reported is accurate.

Euan Munro

CEO, Newton Investment Management



Notes: It is worth noting that Newton's reportable population only marginally exceeds the minimum of 250 employees required for gender pay gap reporting. It is known that, at this size, small changes in the data can have a noticeable impact on results. These figures should be viewed within the context of the UK part of Newton's business only.

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