



2023 UK Gender Pay Gap Report

What is the Gender Pay Gap?

- The gender pay gap is the **difference in average hourly pay of all men and all women** in an organisation regardless of role or level.
- The gender pay gap is **not the same assessment as equal pay**, which compares pay between men and women in similar roles.
- The mean is the **average of a dataset**.
- The median is the **middle value of the dataset** when arranged in ascending order.



At T. Rowe Price, our people are our greatest asset. We thrive because our company culture is built on collaboration and the diversity of backgrounds, perspectives, talents and experiences of our associates.

Our commitment to diversity, equity and inclusion (DEI) is rooted in a multiyear intentional strategy designed to grow and support our diverse workforce; engage and develop our associates, sustain and enhance our inclusive culture and communicate our commitment and progress to key stakeholders.

Embracing DEI at T. Rowe Price extends to every aspect of our organisation, including compensation practices. Fair and equitable pay is fundamental to our ability to attract, retain and develop the best talent who can deliver superior results for our clients. To demonstrate this ongoing commitment, we engage respected third-party consultancies to support our evaluation of internal and external pay equity and address any anomalies within that performance year. This analysis has helped us to validate that we have equal pay for equal work across the organisation.

UK Gender Pay Gap reporting can be helpful to see our pay data at a specific point in time, but as with all averages, it smooths out any nuance and does not account for differences in specific job roles, performance history, working arrangements, organisational structure or differing compensation structures between firms and roles. As with all data, it must be analysed in the context of our business, the industry and workforce gender participation trends. For example, the raw data do not account for legacy stock awards, new joiners or associates transferring into the UK receiving pro-rated compensation, part-time working or associates taking time out of work to care for children or for other reasons.

Gender pay gaps are associated with representation gaps, meaning that there are more men than women in the organisation and in more senior and higher-paying positions. This is due, in part, to an industry legacy of not attracting and retaining women into financial services and investments careers.

OUR 2023 DATA SHOW FAVOURABLE PROGRESS MADE IN THREE OUT OF FOUR METRICS SINCE OUR LAST REPORT.

Pay and Bonus Gap

	Mean Pay Gap	Median Pay Gap
2022	27.8%	33.8%
2023	23.7%	30.5%
	4.1 Percentage Points Improvement YOY	3.3 Percentage Points Improvement YOY

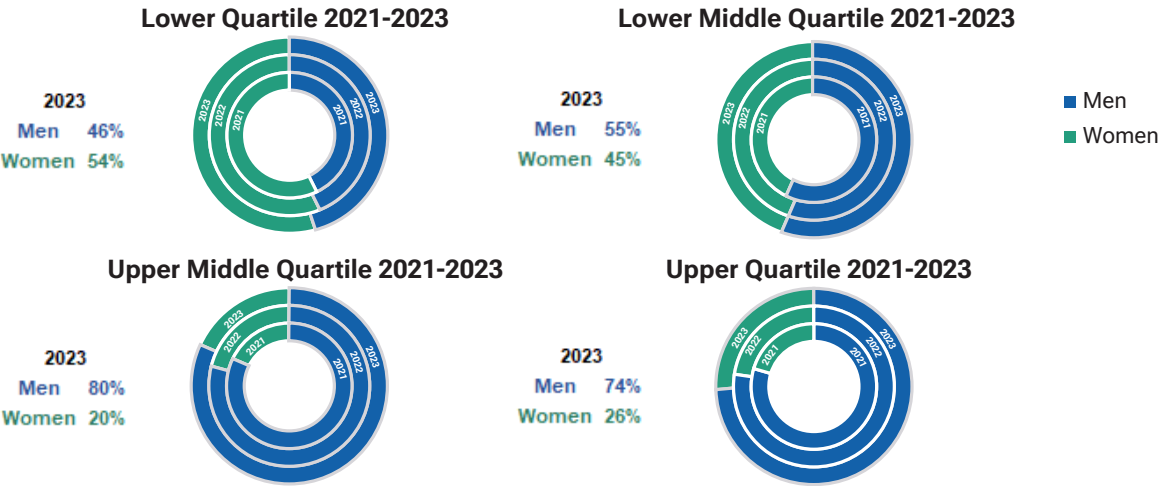
	Mean Bonus Gap	Median Bonus Gap
2022	62.8%	38.3%
2023	57.7%	41.6%
	5.1 Percentage Points Improvement YOY	3.3 Percentage Points Decline YOY

How to read the differences:

Positive figures show when men are paid more than women on an aggregated basis.

Positive year-over-year (YOY) figures show that there has been a narrowing (improvement) of the gap compared with the last annual report.

Pay Quartiles Graph



The above graphic illustrates that we have a larger proportion of women in the lowest pay quartile and fewer women represented at the higher-paid or senior levels. This difference in distribution across the pay quartiles is the key driver of our gender pay and bonus gaps. Whilst we have pronounced female representation gaps in the upper middle and upper quartiles, our **female representation has increased in these quartiles from 2021**. We have long-term representation goals in place as well as targeted diversity programmes to drive our continued focus on increasing the representation of women in senior roles.

According to our 2023 data, **our mean and median gender pay gaps improved** from our 2022 figures by 4.1 and 3.3 percentage points, respectively. There has been an increase in the proportion of females in all pay quartiles, and **notably a five-percentage-point increase in female representation in our upper pay quartile from 2021–2023**, which is contributing to the narrowing of the pay gaps.

Our **mean bonus gap improved by 5.1 percentage points**. The average bonus decreased more for men (at -36%) than for women (at -28%). The male median bonus increased slightly (at 3%) whilst our female median bonus decreased at the same rate (at -3%). There has been an increase of women receiving bonuses—**notably, 84% of women received a bonus versus 80% of males**.

As with the drivers of the gender pay gap, our gender bonus gap has improved by increasing the number of women in senior and higher-paid roles. We are aiming to increase the representation of women in senior roles to 33% by 2025.

Proportion of Associates Receiving a Bonus

Bonus Table

Receiving a Bonus	Women	Men
2021 Receiving a bonus in the period	90%	82.5%
2022 Receiving a bonus in the period	89%	92%
2023 Receiving a bonus in the period	84%	80%

A slightly higher proportion of female associates received a bonus in 2023 compared with men. Bonus eligibility is largely impacted by the timing of when an associate joined and separated from the firm.

Long-Term Trends

Whilst we continue to see a positive bonus gap trend over time, significant head count changes and stock option activity have caused fluctuations in the gender pay gap over the last six years. Our UK population increased by 457 associates (129%) between 2017 and 2023, and it is therefore difficult to draw a clear year-on-year comparison. We continue to expand our business in strategic areas requiring specialised skills. This includes hiring from the technology market, where only 22% of roles are currently held by women, which will impact our ability to source female talent.¹ We are working to mitigate these hiring challenges through our Investments and Technology early career programmes, where we strive to achieve a balanced gender slate, and through our community outreach and internal coding skills programs.

We anticipate seeing further fluctuations in our data due to possible stock option exercises from existing/historical grants and ongoing regulatory change in our industry, notably Investment Firms Prudential Regime, which significantly impacts the compensation mix for those in risk-taking roles.

We continue to invest in and develop our people, understanding that significant and fundamental change takes time to realise results. As a firm headquartered in the United States, our footprint in the UK has traditionally been focused on sales and investment roles that historically are male dominated. We continue to grow and add regional capability in strategic areas. This scaling up means new opportunities for a more varied base of roles and operations with a better balance of genders.

Continuing Our DEI Journey: Addressing Gender Representation

T. Rowe Price is committed to achieving a more balanced gender representation throughout our organisation. We will continue to prioritise attracting, retaining and developing female talent, investing in our early career pipeline and building robust succession plans.

We are committed to reducing our representation gap through meaningful and targeted investments in our talent, including:

- **The Leadership Framework**, which is grounded in the belief that all associates are leaders, regardless of whether they manage people. We encourage associates throughout the year to grow as a leader by leading outcomes, change or people and culture. Not only will this help associates' personal and professional development, but it will ensure that all associates take accountability for the firm's success. Associates can demonstrate their leadership capabilities throughout the year by making effective decisions, challenging the status quo and leveraging diverse perspectives, regardless of whether they have direct reports.

- **Women in Sales, Investments and Technology programmes.** These programmes are designed to increase representation, create a more gender-inclusive culture and develop female talent. Using research-based solutions, our goal is to solve for the challenges that women face in the financial services industry and specific disciplines and throughout their career journey. This includes executive coaching circles, caregiver and parental transitional support and career break talent programmes, hiring toolkits and inclusive leadership group discussions. We are dedicated to continuing and refining these programmatic efforts to maximise their impact globally.
- **Aspire**, an internal programme designed to develop our associates' capability and confidence as leaders so that mid-senior-level women can contribute more to the wider business, be prepared for expanded, stretching opportunities and progress their careers.
- **Broadening our talent acquisition strategies** through early career talent programmes in our Technology and Investments businesses; partnerships with job boards, including Black Young Professionals, Diverse Talent Networks, TechnoJobs and myGwork and continuing to work with the Bright Network, Investment20/20, UpReach and Girls Are INvestors on our apprenticeship and internship programmes to enhance the diversity of our talent pipeline.
- **Expanded mentoring and networking activities** for women and diverse employees through internal mentoring programmes and external partnerships, including LGBT Great, the Diversity Project, Moving Ahead Gender Equity programmes and UpReach Investment Springboard programme for students.
- **Inclusion training** completed by 88% of people leaders in the EMEA region and increased resources for and awareness of the importance of **male allyship** in progressing gender equity.
- Internal and external communication campaigns on key diversity and inclusion topics showcasing **diverse employee role models** and thought leaders.



¹ <https://www.mckinsey.com/capabilities/mckinsey-digital/our-insights/women-in-tech-the-best-bet-to-solve-europes-talent-shortage>

Diverse Employee Networks

Our global associate-led business resource groups are key to advancing our diversity and inclusion efforts and are essential in maintaining our collaborative culture. Each group develops opportunities to increase engagement, promote education and present commercial opportunities for associates and the firm that are aligned to our DEI strategy. **WAVE** (for women and allies, providing mentoring, education and networking opportunities at T. Rowe Price), **MOSAIC** (supporting ethnically and culturally diverse associates and allies), **THRIVE** (for associates with and caregivers of persons with disabilities and allies) and **PRIDE** (supporting LGBTQ+ associates and allies) drive our gender equity agenda by applying an intersectional lens to their initiatives and membership programmes.



“

This report details our 2023 data, which we can confirm is accurate. Diversity, equity and inclusion is not just a business imperative, it's a **cultural** imperative at T. Rowe Price. Our progress is rooted in an intentional multiyear strategy. As we continue to make **strides towards gender parity**, we are **dedicated** to holding **ourselves accountable** by **growing** and **supporting** a **diverse** workforce, **enhancing an inclusive culture**, engaging our associates, and communicating our success to key stakeholders.

Cochairs of EMEA Diversity, Equity, and Inclusion Steering Committee



Emma Beal
*Head of EMEA Legal,
Managing Legal Counsel*



Sarah Knightsbridge
Head of HR – EMEA