

THE
INVESTMENT
ASSOCIATION



IA TALENT REPORT: A DEMOGRAPHIC SNAPSHOT OF THE UK INVESTMENT MANAGEMENT INDUSTRY

November 2025



ABOUT THE IA

The Investment Association champions UK investment management, supporting British savers, investors and businesses. Our 250 members manage £10 trillion of assets, and the investment management industry supports 123,300 jobs across the UK. Our mission is to make investment better. Better for clients, so they achieve their financial goals. Better for companies, so they get the capital they need to grow. And better for the economy, so everyone prospers. Our purpose is to ensure investment managers are in the best possible position to:

- Build people's resilience to financial adversity
- Help people achieve their financial aspirations
- Enable people to maintain a decent standard of living as they grow older
- Contribute to economic growth through the efficient allocation of capital.

The money our members manage is in a wide variety of investment vehicles including authorised investment funds, pension funds and stocks and shares ISAs. The UK is the second largest investment management centre in the world, after the US, and manages 35% of all assets managed in Europe.

ABOUT PwC

PwC's purpose is to build trust in society and solve important problems. We're a network of firms in 155 countries with over 284,000 people who are committed to delivering quality in assurance, advisory, and tax services. Find out more and tell us what matters to you by visiting us at www.pwc.com



THE INVESTMENT ASSOCIATION (IA)

10 Norton Folgate, London E1 6DB

www.theia.org

@InvAssoc

November 2025

© The IA (2025). All rights reserved. No reproduction without permission of the IA.

CONTENTS

ABOUT THE SURVEY	4
FOREWORD FROM THE IA	5
FOREWORD FROM PwC	6
EXECUTIVE SUMMARY	7
1. EQUITY, DIVERSITY AND INCLUSION STRATEGY	8
1.1 Ongoing Alignment with EDI Values	8
1.2 Shifting Responsibility for EDI Implementation	12
1.3 Increasing Emphasis on EDI as a Risk Area	13
2. EMERGING TRENDS IN DEMOGRAPHIC DATA COLLECTION	14
2.1 Investment Managers are Collecting Data on a Wider Range of Demographic Characteristics in 2024	14
2.2 Employee Disclosure Rates – Stability in Core Data	16
2.3 Reinforcing Trust in Data Collection	17
3. EMPLOYEE DEMOGRAPHICS	18
3.1 Disability and Neurodiversity	20
3.2 Sexual Orientation	20
3.3 Socio-economic Background	20
4. RECRUITMENT, RETENTION AND ADVANCEMENT	21
4.1 Workforce Trends and Technological Transformation	22
4.2 Recruitment	23
4.3 Turnover	24
5. SPOTLIGHT FOCUS: GENDER, PARENTAL LEAVE AND PAY GAPS	26
5.1 The Gender Pay Gap: Progress but persistent imbalance in highest paying roles	26
5.2 Gender, Seniority and the Career Pipeline: An intersectional view	27
5.3 Parental Leave Uptake and Career Impact	29
5.4 Extending Pay Gap Reporting to Other Characteristics	30
APPENDIX 1: INDUSTRY DEMOGRAPHIC CHARACTERISTICS (2023 vs. 2024)	31

ABOUT THE SURVEY

Now in its third year, the Investment Association surveyed members to collect 2024 demographic data on UK investment management employees. Our report draws on data, survey responses and interviews to provide a detailed analysis of the demographic profile of people working in UK investment management and to offer insights into how firms are responding to key trends year-on-year.

These trends reflect the types of data being collected, changes in employee response rates, the way these measures develop over time, and the evolving attitudes and approaches to equality, diversity and inclusion (EDI).

The survey findings are based on:

- **Questionnaire responses from 45 UK investment management firms, employing around 29,000 people directly in the UK investment management industry.**
- **Qualitative feedback gathered from industry working groups, HR and Talent leaders and CEOs.**
- **Interviews conducted with participating firms.**
- **Data sourced from third-party organisations, where specified.**

The survey's methodology is strengthened by a nearly 78% overlap from the previous year, with 35 firms participating in both the 2023 and 2024 surveys.

Our survey data is gathered from firms of different sizes and with parent groups from the UK, North America and Europe. Some of the key features of firms participating in the survey are outlined below:

- **Firm size by AUM (45 firms):** 22% of participants are smaller firms with less than £15 billion of AUM, 28% are medium-sized firms managing between £15 billion and £50 billion, and 46% are large firms managing more than £50 billion of AUM.
- **Firm size by number of UK employees (45 firms):** 41% of firms responding to the survey have fewer than 250 employees, 34% employ between 250 and 999 people, and 25% employ 1,000 or more.
- **Firm profile by parent company:** The majority of participating firms have UK parent companies (c.70%). Of those headquartered overseas (c.30%), around 16% are North American and around 11% are European, with a small proportion classified as Other (2%).

Please note that the response rate differs across questions. This report is best used as a snapshot of industry demographics and where possible, we have made year-on year comparisons. Numbers in the charts and tables are presented in the clearest possible manner for the reader. At times this may mean that numbers do not add to 100%, or do not sum to the total presented, due to rounding.

THE IA AND PwC WOULD LIKE TO EXPRESS THEIR GRATITUDE TO MEMBER FIRMS WHO PROVIDED DETAILED QUESTIONNAIRE INFORMATION AND TO THOSE WHO TOOK PART IN THE INTERVIEWS. WE WOULD ALSO LIKE TO THANK THE MEMBERS OF THE TALENT SURVEY ADVISORY GROUP.

FOREWORD FROM THE IA

The investment management industry is navigating a period of significant change. Economic uncertainty, geopolitical tensions, intergenerational workforce shifts and rapid technological advancements are reshaping organisational structures and how work is performed, while also influencing the composition and capabilities of our workforces. At the heart of this transformation are the people who drive our industry forward – their skills, experiences and perspectives are essential to building firms that are resilient, innovative and competitive.

Demographic data play a key role in helping us understand who is working in our industry and how that picture is evolving over time. By collecting this information consistently, we can establish a clear baseline of the current workforce in UK investment management and monitor changes year-on-year.

We are delighted to publish our third report and, for the first time, to be partnering with PwC on this important work. We thank our member firms sincerely for their active participation and openness, without which the report and the valuable insights it delivers would not be possible.

The IA Talent Report provides the most comprehensive data set on workforce demographics in UK investment management. This year we see the sector's ongoing alignment and support with equity, diversity and inclusion values, despite intensified public debate and polarisation on EDI and recent US policy shifts, ensuring that people from different backgrounds can access careers in the industry, progress professionally and feel a sense of belonging. The industry is also advancing its approach to data collection. Nearly three quarters of firms now gather information across at least six of eight key characteristics, despite no regulatory mandate – following the FCA's decision not to proceed with its proposed D&I reporting proposals. High disclosure rates for core characteristics, such as age, gender and ethnicity, reflect growing trust and transparency. Meanwhile, lower disclosure rates for more sensitive characteristics highlight the ongoing challenge of building confidence and ensuring privacy.

By continuing to share these findings, we aim to support transparency and deepen understanding across the industry, creating an environment where talent from all backgrounds has the opportunity to thrive.



FOREWORD FROM PwC

The landscape of work and inclusion is evolving rapidly, reshaping the investment management industry. As global, technological and social shifts accelerate, firms have an opportunity to unlock the full potential of their people by not only adapting to change but driving it. Those that use data-driven insights, foster equitable workplaces and embed inclusion within their business strategy will be best positioned to succeed in the years ahead.

At PwC, our people are our greatest asset. So, fostering an inclusive environment with diverse talent at all levels remains a strategic business priority for us. A commitment to ensuring every individual feels valued, respected and empowered to succeed is at the heart of our culture. We believe this unlocks innovation, drives productivity and deepens engagement.

We believe that fully unlocking the potential around equity, diversity and inclusion (EDI) starts with understanding where organisations are today, where barriers remain and where opportunities exist. Collecting and analysing workforce data provides the foundation for that understanding. It enables firms to identify patterns, measure impact and make informed decisions that lead to meaningful and lasting change. The industry's ongoing commitment to transparency and accountability is encouraging. However, to shift the dial, the data needs to be used to create evidence-based insights that are used to drive action.

We would like to thank the IA for their continued collaboration in producing this report, as well as the IA members who provided their responses and invaluable insights and feedback. Together we are helping to build a more inclusive and high-performing investment management industry that reflects the clients and communities it serves.



EXECUTIVE SUMMARY

The 2025 IA Talent Report provides a comprehensive demographic snapshot of the UK investment management industry, highlighting the sector's ongoing support for EDI amid a rapidly evolving business and regulatory landscape.

- Industry Support for EDI:** The industry continues to align with EDI values, with nearly all firms maintaining or planning to implement formal EDI strategies. This commitment persists despite external pressures, including heightened regulatory scrutiny and shifting societal attitudes, underscoring EDI's status as a core business priority.
- The Industry's Demographic Profile Remains Broadly Stable,** with only marginal year-on-year shifts in gender and ethnic representation at senior levels. This underscores the need for sustained, long-term investment in talent attraction, retention, and progression strategies.
- Fostering a Positive and Inclusive Culture:** The primary motivation for collecting demographic data continues to be to foster a positive and inclusive culture. Surveyed firms consistently rank this as the leading driver for EDI strategy, followed by the desire to recruit and retain a broader pool of talent and to improve business performance.
- Expansion of Data Collection:** Data collection efforts are expanding across a wider range of demographic characteristics, even in the absence of a regulatory mandate. Nearly three-quarters of firms now collect data on at least six of eight core characteristics, demonstrating a sector-wide commitment to data-driven approach to inclusion.
- Deepening Integration of EDI Risk and Business Strategy:** EDI is increasingly integrated into risk management and business strategy. Firms are embedding EDI within enterprise risk frameworks and aligning talent strategies with business objectives, reflecting a shift towards risk-informed and business-aligned approaches while maintaining a values-led foundation.
- Declining Non-Disclosure Rates and Growing Trust:** Non-disclosure rates are declining for most demographic characteristics, suggesting growing employee trust in how their data is used. However, disclosure remains lower for more sensitive characteristics such as disability, sexual orientation, and neurodiversity, highlighting the need for continued efforts to build confidence.
- Gender Representation: Mid-Career Decline:** There is a noticeable decline in female representation in the 45–64 age group, leading to a widening gender gap as women progress in their careers. While women make up a relatively even percentage at entry level, their representation drops significantly in mid-career and senior roles, reflecting persistent barriers to career progression.
- Gender Pay Gap is Narrowing:** The gender pay gap has shown meaningful improvement, with both mean and median measures narrowing. However, women remain underrepresented in the highest-paid quartiles.

1. EQUITY DIVERSITY AND INCLUSION (EDI) STRATEGY

KEY FINDINGS

- Ongoing alignment with EDI values:** Almost all (91%) firms currently have, or plan to implement in the next year, a formal EDI strategy. Support for external EDI initiatives show little change, with 92% of firms reporting consistent involvement over the past 12 months. This suggests that firms are maintaining their fundamental approach to EDI amid a shifting geopolitical landscape.
- Strategic recalibration of EDI:** Heightened legal and political scrutiny, particularly in the US, is prompting firms to adjust language, framing and emphasis to manage reputational and legal risk. This reflects strategic adaptation, not a retreat from EDI principles.
- Risk and business integration are deepening:** EDI is increasingly integrated into risk controls and talent strategies, reflecting a growing emphasis on risk informed and business aligned approaches, while maintaining a values-led foundation.
- Leadership accountability remains strong:** Strategic ownership continues to sit with CEOs and Boards, while operational responsibility remains with HR and dedicated EDI functions.

1.1 ONGOING ALIGNMENT WITH EDI VALUES

Over the past year and a half, public debate on EDI has intensified amid deepening ideological polarisation, concerns that such initiatives may create division rather than unity, and recent US government policy shifts against EDI.

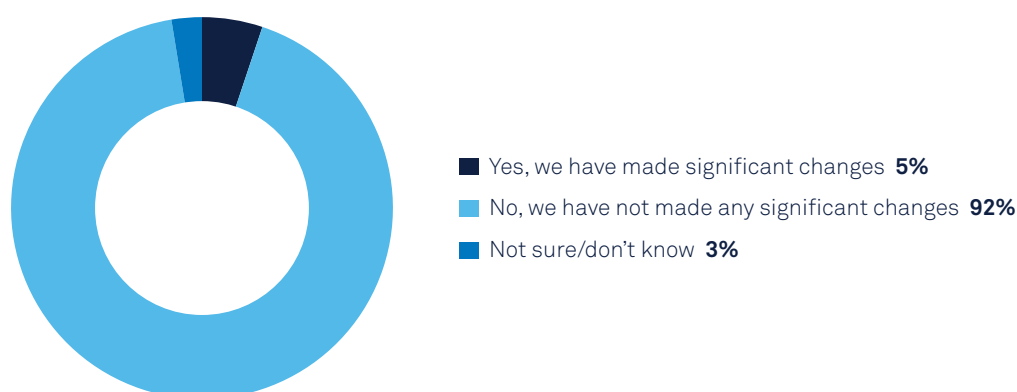
However, this year's survey shows that support for the core principles of EDI – ensuring that people from different backgrounds can access careers in the industry, progress professionally and feel a sense of belonging – remains important to firms aligning with other recent research on commitment to EDI in recruitment¹.

These core principles are values-led and our survey and conversations with industry leaders suggest that values and company culture remain an important foundation of their approach to EDI. However, our research also points to a clear shift toward viewing EDI through a risk and business lens. As firms navigate evolving political and legal environments, EDI is becoming more firmly embedded within risk controls and broader business strategies, reflecting a move toward risk-informed and business-aligned approaches while preserving a values-led foundation.

¹ Institute of Student Employers: Student Recruitment Survey 2025

CHART 1: THE PERCENTAGE OF INVESTMENT MANAGERS THAT MAINTAIN STANDALONE EDI STRATEGIES

Source: The Investment Association & PwC, Does your organisation have a formal strategy to support equity, diversity and inclusion (EDI)?

CHART 2: THE PERCENTAGE OF INVESTMENT MANAGERS THAT MADE CHANGES TO THEIR INVOLVEMENT IN EXTERNAL EDI INITIATIVES OVER THE PAST YEAR

Source: The Investment Association & PwC, Have you made any changes to your involvement in these external EDI-related initiatives in the last 12 months?

Chart 1 shows that 89% of firms have an EDI strategy in 2024, with a further 2% stating that they intend to implement one within the next 12 months. Only 5% of firms surveyed have no strategy and no plans to introduce one, demonstrating that most firms remain committed to the principles of EDI.

Furthermore, as Chart 2 shows, support for involvement in external EDI initiatives, such as commitments to government and industry wide initiatives to improve diversity, for example improving gender balance in financial services, remains steady, with 92% of firms stating that their level of involvement has not changed over the past 12 months. Only 5% of firms reported a change in their level of involvement.

This year, we asked firms to tell us what the top three drivers of EDI strategy are and to rank them in order of importance. Our survey findings show that the main driver of EDI activity continues to be its contribution to fostering a positive and inclusive culture. Recruiting and retaining a broad range of talent was another key driver of EDI strategy, which links to the third most cited reason, ‘to improve business performance’ suggesting that firms see a link between a positive culture, accessing a wide range of talent and improved business performance. The top three drivers together accounted for 87% of the total weighted priority score, indicating that firms’ motivations for implementing EDI strategies are highly concentrated around these three core factors.

TABLE 1: WHAT ARE THE MOST IMPORTANT DRIVERS OF EDI STRATEGY?

Rank	Drivers of EDI strategy	Weighted score (%) ²
1	To foster a positive and inclusive corporate culture	37%
2	To recruit and retain a broader pool of talent	26%
3	To improve business performance	24%
4	To meet expectations of customers	5%
5	To meet expectations of employees	4%
6	To bolster brand reputation	1%
7	Other	2%
8	To align with the expectations of investee companies	1%
9	None of the above	0%
	Total	100%

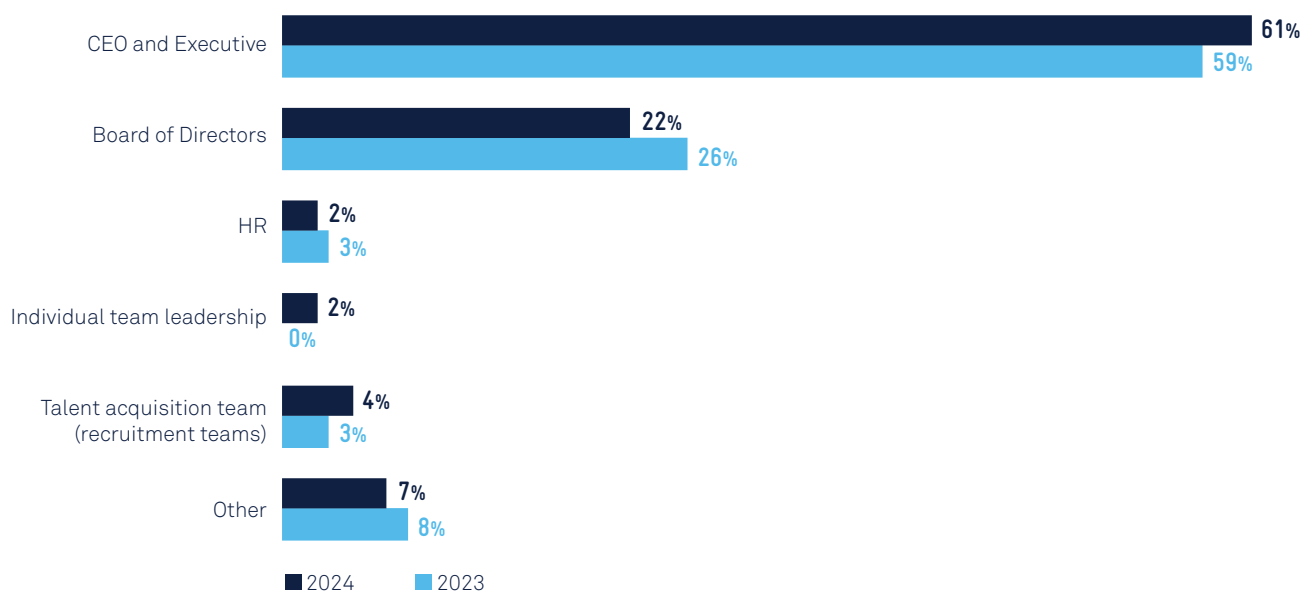
Source: The Investment Association & PwC

“We recently refreshed our strategy as part of a planned update. Importantly, we have reframed how we talk about this work, particularly in terms of language. ... Our approach remains firmly rooted in our company values – which have not changed – and the connection between those values and our approach to culture and inclusion remains the same. Therefore, the core of this update is a reframing of our strategy, rather than a fundamental change in direction.”

² Weighted scores reflect the relative ranking of each driver across all participating firms, with higher weights assigned to higher-ranked priorities.

Looking at who is accountable for EDI strategy within investment management firms, our data show that ultimate responsibility for EDI continues to rest with the most senior people in organisations. Chart 3 shows that the majority (83%) of firms continue to place this responsibility with their CEO or Board.

CHART 3: WHO IS ULTIMATELY ACCOUNTABLE FOR EDI STRATEGY (2023 vs. 2024)



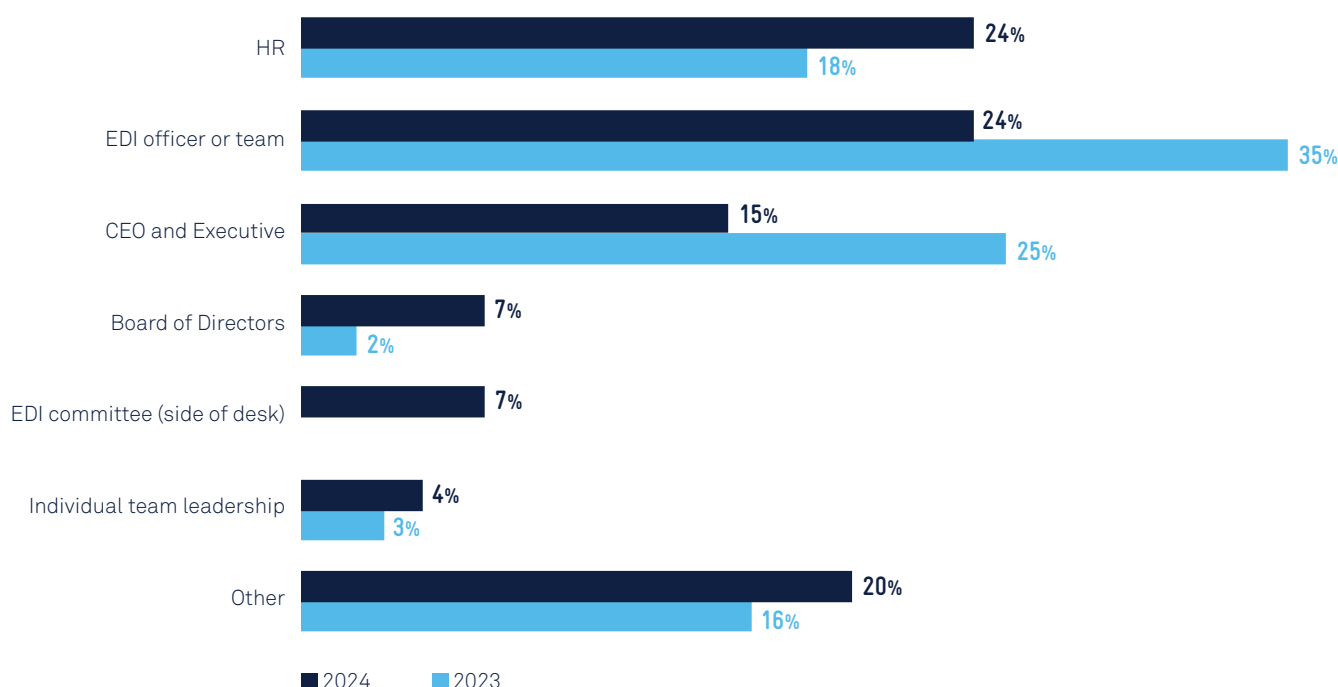
Source: The Investment Association & PwC, Who (in terms of teams or individuals) is ultimately accountable for EDI at your organisation?

1.2 SHIFTING RESPONSIBILITY FOR EDI IMPLEMENTATION

While senior leaders remain ultimately accountable for EDI, responsibility for implementation is increasingly being shared across all levels of seniority and within different functions at investment management firms. In 2024, a greater proportion of firms are embedding EDI within HR functions rather than relying solely on a dedicated EDI officer or team, reflecting a more integrated operational approach. The data show that the proportion of firms assigning implementation responsibility to HR increased by 6 percentage points, from 18% in 2023 to 24% in 2024. There was also an 11-percentage-point rise over the same period in firms assigning responsibility to a dedicated EDI officer or team.

In terms of profile, around one-third of these firms were US-headquartered and roughly half were large global firms – similar to last year – suggesting that the shift is not driven by geography or firm size, but by a broader structural trend toward embedding EDI within HR and business operations. While ultimate accountability for EDI strategy remains with CEOs and the Board, we have seen a 10-percentage-point decrease in CEO and executive implementation responsibility, as shown in Chart 4.

CHART 4: WHO IS RESPONSIBLE FOR EDI IMPLEMENTATION? (2023 vs. 2024)



Source: The Investment Association & PwC, Who (teams/individuals) is responsible for EDI implementation?

1.3 INCREASING EMPHASIS ON EDI AS A RISK AREA

This year, in our conversations with investment managers, we have observed a noticeable shift in how firms approach EDI risk. Historically, EDI has tended to be incorporated within broader risk frameworks, largely due to compliance requirements, such as pay gap reporting, as well as investor expectations around building diverse workforces from Board-level down. This also links to ESG scoring of companies. However, our discussions suggest that many firms are now more explicitly defining and monitoring EDI as a standalone area of potential litigation and reputational risk. This change is largely driven by rising public debate around EDI. In the US in particular, recent government policy shifts and increasing legal and political scrutiny have made firms more risk aware, prompting efforts to avoid public criticism or investigation, including by government agencies.

In response, firms are aligning EDI strategies more closely with compliance and firm-wide risk controls, involving closer collaboration between HR, Legal and Compliance teams. While initiatives continue to be values-led according to our data, firms are increasingly framing EDI within the context of reputational risk and their ability to deliver against business objectives. As the following quote illustrates, initiatives must have clear objectives and demonstrate value, reflecting a stronger focus on aligning EDI strategies with business goals.

“Previously, some activities may have been considered a ‘nice to have’. There is now a higher level of scrutiny to ensure that every initiative has a clear purpose, defined outcomes, and measurable impact.”

In response to increased legal uncertainty, following change in US policy to EDI, some firms have adjusted where EDI responsibilities are managed. Some firms have moved EDI functions to the UK or other jurisdictions with clearer and more stable legislative frameworks. This approach allows firms with operations in the US to maintain the scope of their programmes while reducing exposure to legal risk.

“Greater responsibility for diversity and inclusion has shifted to the UK, with D&I leadership roles now located here. Additional responsibilities have been allocated across business lines, supported by team members in both the UK and US.”

Some firms are consolidating EDI policy design, external communications and strategic planning in jurisdictions like the UK, where equality legislation is clearer and more established. This consolidation has been accompanied by a shift in operational language toward more neutral and legally defensible concepts such as “talent management” and “culture”, which emphasises inclusion for everyone rather than directed at particular groups that are less well represented. This reflects a means to reduce legal risk while maintaining support for global inclusion objectives over the long term. The language used across filings, websites and communications reinforces this direction, emphasising universal principles such as fairness, access to opportunity and effective use of skills and signalling a shift towards less prominent public advocacy of EDI.

“We’ve recently made a strategic pivot as a team, rebranding ourselves, moving away from ‘Diversity and Inclusion’. This change was driven by feedback indicating that some individuals have an aversion to the term ‘diversity’. While our programmes and initiatives remain unchanged, the new label reflects our commitment to fostering inclusion for everyone, alongside a focus on well-being.”

Firms also continue to navigate external market expectations. EDI is not only an internal cultural priority but also a material factor in commercial strategy, where client and investor scrutiny influences organisational action. Some institutional investors and asset owners frequently request detailed diversity data as part of their due diligence and Request for Proposals (RFPs), making this information a prerequisite for securing or retaining investment mandates. According to some member firms, this remains particularly strong in the European market.

“There is still strong demand in this area, with some of our largest clients continuing to use our diversity and inclusion performance as a key factor when evaluating potential partnerships. This has been noted in conversations with senior leadership in the US, who recognise that, despite the current environment there, firms – particularly those headquartered in the US – may need to adapt their strategy or external messaging to meet expectations in other markets.”

2. EMERGING TRENDS IN DEMOGRAPHIC DATA COLLECTION

KEY FINDINGS

- **Data collection is expanding:** Nearly three-quarters of firms now collect information across at least six of eight core demographic categories – a significant increase over the past three years. This reflects the ongoing commitment to developing data-driven strategies, even in the absence of a regulatory requirement to collect and report demographic data.
- **Disclosure remains uneven:** High disclosure rates for age, gender and ethnicity contrast with lower levels for potentially sensitive characteristics such as disability, sexual orientation and neurodiversity. Rising political and legal scrutiny and prominent news coverage of the so-called ‘culture wars’ may be making some employees more hesitant to disclose sensitive data.
- **Trust is pivotal:** Employees increasingly want clarity on why data is collected and how it is used. Firms are responding with stronger communications, data campaigns and proof points (e.g. voluntary pay gap reporting) to build confidence.

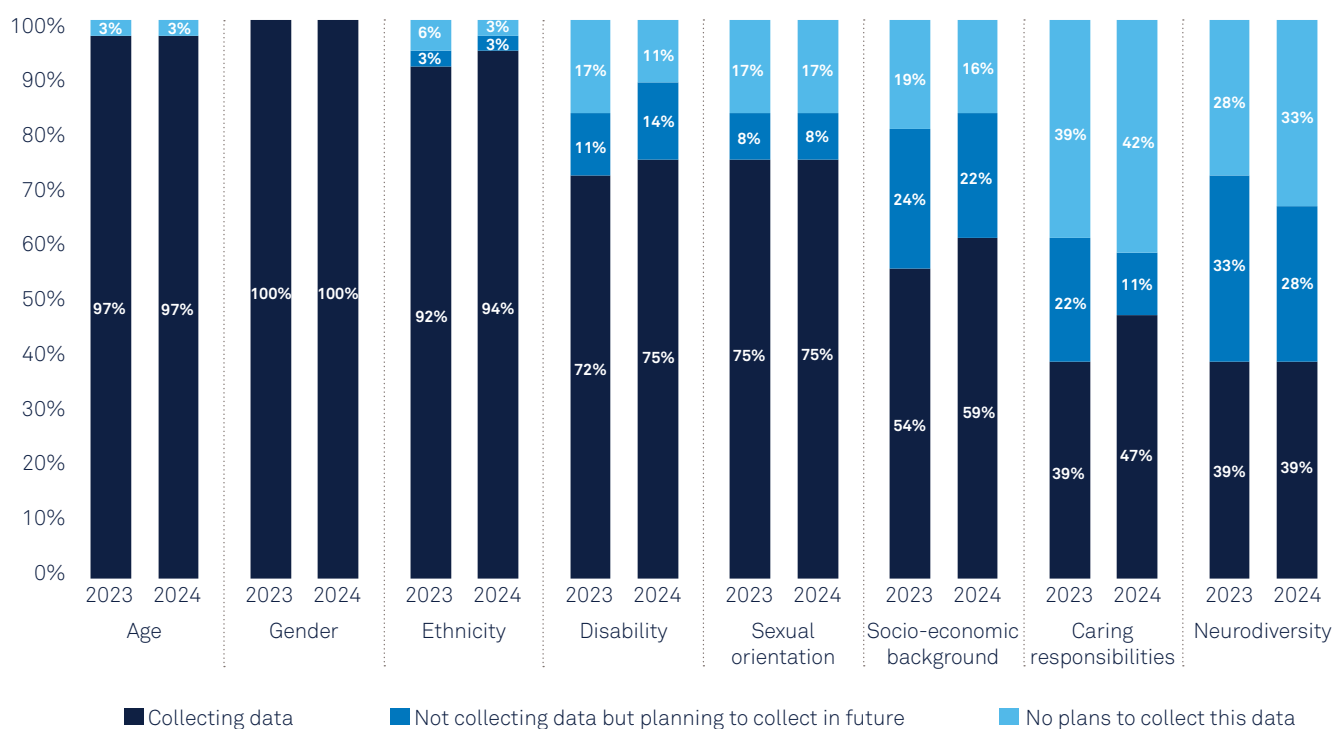
2.1 INVESTMENT MANAGERS ARE COLLECTING DATA ON A WIDER RANGE OF DEMOGRAPHIC CHARACTERISTICS IN 2024

Over the past three years, we have asked IA member firms if they collect employee data across eight characteristics: age, gender, ethnicity, disability, sexual orientation, socio-economic background, caring responsibilities and neurodiversity. We have seen a steady increase in demographic data collection across the industry, moving from a narrower focus on a few core characteristics to an approach covering a broader range of employee characteristics. This growth shows that firms are conducting more detailed workforce composition analysis and there is an industry-wide commitment to data-driven strategies, given there is no regulatory requirement to collect demographic data from employees.

Almost three-quarters (75%) of respondents now collect data across at least six of the eight characteristics (up from 64% last year and 58% in 2022). We make the following observations in Chart 5:

- Nearly all firms collect age, gender and ethnicity data.
- Collection of data on socio-economic background, caring responsibilities and neurodiversity remains concentrated among firms with 250+ employees.
- Neurodiversity data collection held steady at 40% in both 2023 and 2024. However, the share of firms planning to collect this data increased, indicating growing recognition of the importance of neurodiversity monitoring.

“Our demographic data continues to improve, but it remains an ongoing challenge. It’s important to consistently remind colleagues why this work matters. Ultimately, it comes down to having clear proof points. We voluntarily disclose our ethnicity pay gap data, so employees are able to connect sharing their data with how we use it.”

CHART 5: DATA COLLECTION RATES AGAINST KEY CHARACTERISTICS (2023 vs. 2024)

Source: The Investment Association & PwC, 'Please indicate which of the following data your organisation collects.'



2.2 EMPLOYEE DISCLOSURE RATES – STABILITY IN CORE DATA

Chart 6 illustrates average response rates against key characteristics.³ Employee response rates to data differ significantly between well-embedded categories (such as age, gender and ethnicity) and those introduced more recently, where disclosure rates are more variable. These shifts provide important insights into where employees feel most confident sharing personal information and where further trust-building and clarity may be needed.

- **High disclosure for core demographic**

characteristics: Disclosure rates remain highest for age (94%), gender (92%), and ethnicity (82%), with only marginal year-on-year movement. These three characteristics are the most established within workforce data strategies and are often the focus of regulatory or voluntary reporting requirements. The consistently strong response rates year-on-year

suggest that employees are familiar with why this information is collected and trust how it will be used.

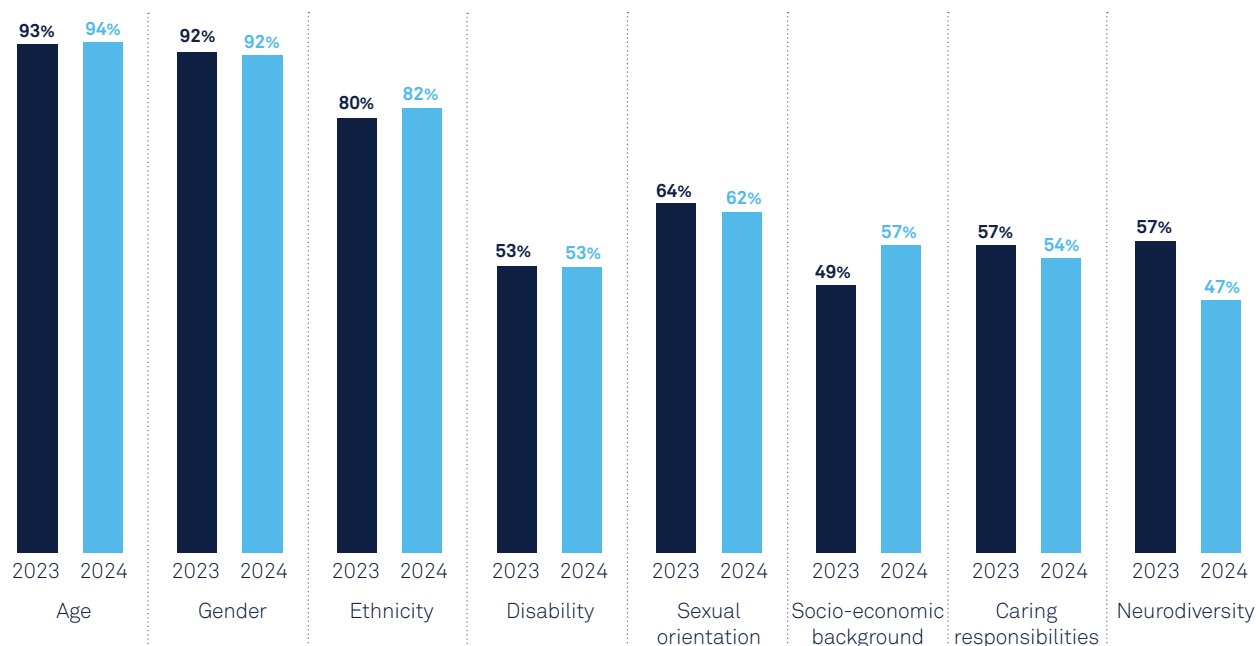
- **Stability in disability and sexual orientation disclosure:**

Disclosure for disability (53%) and sexual orientation (62%) has remained relatively stable year-on-year but remains notably lower than the percentage of employees disclosing their age, gender and ethnicity.

- **Growth in socio-economic background reporting:**

Socio-economic background data collection shows the most positive movement, increasing from an average response rate of 49% to 57%. As a result, it is no longer the characteristic with the lowest response rate – neurodiversity had the lowest rate in 2024 at 47%.

CHART 6: AVERAGE RESPONSE RATES AGAINST KEY CHARACTERISTICS (2023 vs. 2024)



Source: The Investment Association & PwC, What is the current data collection response rate for each of the following characteristics?

³ Note: Chart shows response rates based on a matched sample of firms that reported in both 2023 and 2024. Workforce disclosure percentages cited later in this report reflect the full dataset, which has higher disclosure rates.

2.3 REINFORCING TRUST IN DATA COLLECTION

As demographic data collection becomes more standardised and wide-ranging across the industry, firms are shifting their focus from what data is collected to how it will be used. While disclosure rates remain high for core characteristics, such as age, gender and ethnicity, employees continue to be more hesitant to share information that is more personal or sensitive. Disclosure rates for these characteristics – sexual orientation (62%), disability (53%) and neurodiversity (47%) – have consistently been lower than for age or gender. Building and maintaining employee trust is a prerequisite for data quality, meaningful analysis and the design of effective interventions.

We spoke to a number of senior leaders about the factors contributing to this trust gap. Heightened political and legal scrutiny of EDI initiatives, such as in the US, has created a more cautious environment that affects global data collection. Some firms report declines in disclosure for more personal metrics, such as sexual orientation. While this survey does not collect data on religion, organisations that do have observed similar concerns among employees from specific religious communities. These concerns extend beyond privacy, with some individuals citing fears of potential retribution or safety risks associated with being identified. Younger recruits aged 18–24 tend to be particularly cautious about sharing personal data, as noted in last year's report.⁴

This climate of uncertainty has led to a degree of 'data paralysis', with some firms delaying campaigns designed to encourage disclosure. Firms are increasingly focused on communication and assurance – developing campaigns that explain why data is being collected and providing employees with clear proof points that personal data will be used responsibly and solely to drive positive organisational change, rather than for punitive purposes or bias.

“We definitely recognise that some people removed data on gender identity and sexual orientation following the US executive orders. Sexual orientation, in particular, is the attribute where our firm has seen a slight dip in disclosure rates – it was never great, but there has been a noticeable decline.”

“We run an annual data campaign that reinforces the confidentiality and security of the information collected. Employees can feel confident that their data is handled with care and stored securely. There is minimal risk in participating and submitting data does not influence managerial decisions or introduce bias. The process is designed to be fair, transparent and trustworthy.”

“Our demographic data continues to improve but it's an ongoing challenge. It's essential to keep reminding colleagues why data collection matters, and to provide proof points that demonstrate its value. For example, we voluntarily disclose our ethnicity pay gap. This is followed up with pay gap reporting to show colleagues that we are serious about our work and are driving accountability through data and metrics. As a result, when we now ask colleagues to check or update their personal data in the system, there's little question about why it's important. They can see the positive use of the data for themselves.”

⁴ IA Culture, Talent and Inclusion Report 2025

3. EMPLOYEE DEMOGRAPHICS

KEY FINDINGS

- **Workforce profile remains stable:** The UK investment management workforce continues to be mostly male (58%) and White (63%), with employees aged 35-54 making up the largest share (54%).
- **Female representation declines from mid-career:** Representation falls from around 56% at entry level to about 36% at senior management, showing a gap in the talent pipeline, which our interviews suggest may reflect women's greater share of caring responsibilities for children and parents.
- **Demographics broadly stable:** Representation across age, gender and ethnicity remained largely unchanged year-on-year, with only marginal changes noted.

The data in this section provides a snapshot of the UK investment management workforce as of December 2024. This year's survey captured employee information across eight demographic characteristics – age, disability status, ethnicity, gender, neurodiversity, sexual orientation and socio-economic background – along with data on employees' caring responsibilities. As in previous years, we also provide an intersectional view of the industry, looking at the breakdown of the workforce by age and gender and gender and ethnicity.

The data in figure 1 show the profile of UK investment management employees in 2024 by age, gender and ethnicity, the characteristics with the highest collection and disclosure rates.

- **Age:** A third (30%) of employees are under 35 years old, with the majority of younger employees in the 25-34 range at 25% of the total workforce. Just over half (54%) of all investment management employees are aged 35-54. One in ten (11%) are aged between 55 and 64 and a further 2% are over the age of 65. The age profile of the workforce has remained broadly stable between 2023 and 2024.
- **Gender:** Just under three-fifths (58%) of the workforce is male, while 41% are female (the remaining 1% did not disclose their gender or selected 'other'). This represents a slight year-on-year increase in female representation and a corresponding decrease in male representation. Disclosure rates for gender are 99%, providing a high degree of confidence in the accuracy of the figures.
- **Ethnicity:** Ethnicity data remains relatively stable year-on-year, with a marginal increase in White representation from 62% to 63% and another slight increase in the Asian population from 10% to 11%. Black (3%), Mixed (2%), and other ethnic groups (3%) remained unchanged year-on-year. There has been a slight year-on-year decrease in disclosure rates. However, non-disclosure remains higher than for age and gender, indicating that some employees may still feel less comfortable in sharing this information. The overall representation by ethnicity is broadly stable between 2023 and 2024.

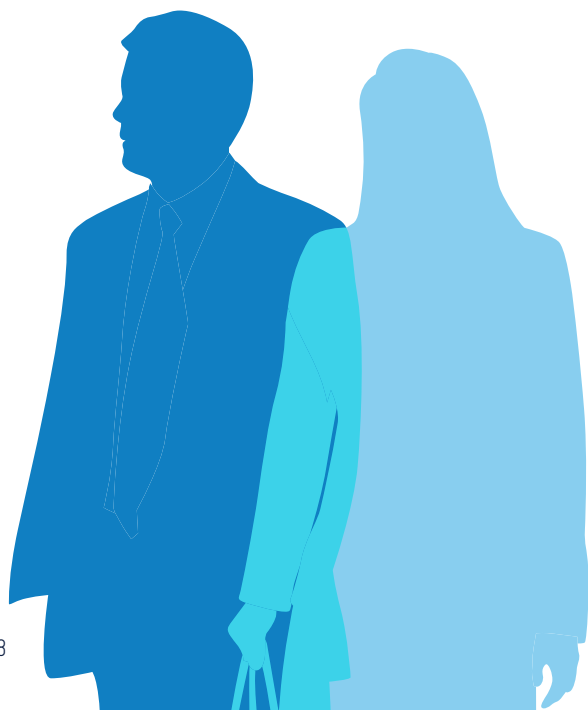
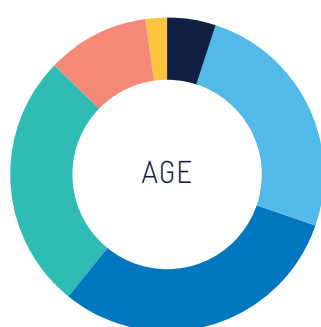
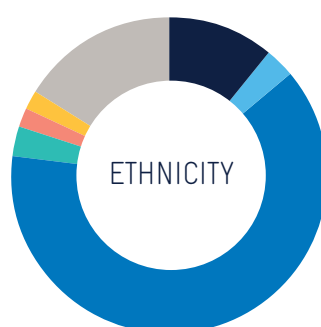


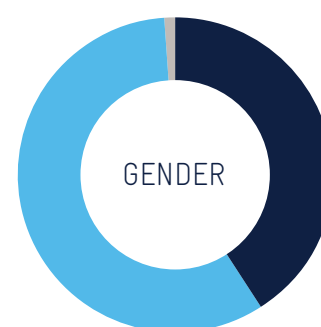
FIGURE 1: PROFILE OF UK INVESTMENT MANAGEMENT EMPLOYEES



■ 18-24 years old **5%**
 ■ 25-34 years old **24%**
 ■ 35-44 years old **29%**
 ■ 45-54 years old **25%**
 ■ 55-64 years old **10%**
 ■ 65+ years old **2%**



■ Asian/ Asian British **11%**
 ■ Black/ African/ Caribbean/ Black British **3%**
 ■ White/ White British **63%**
 ■ Other ethnic groups (including Arab) **3%**
 ■ Mixed/ Multiple ethnic groups **2%**
 ■ Prefer not to say **2%**
 ■ Not disclosed **16%**



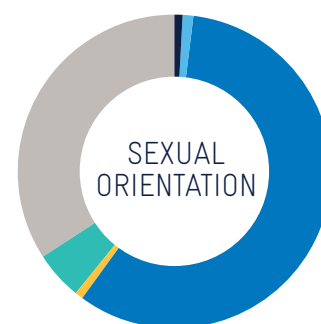
■ Female **41%**
 ■ Male **58%**
 ■ Other **0%**
 ■ Not disclosed **1%**



■ Disclosing a disability **4%**



■ Staff from a low socio-economic or working-class background **17%**



■ Bisexual **1%**
 ■ Gay/Lesbian **1%**
 ■ Heterosexual/Straight **58%**
 ■ Other LGBTQ+ orientation* **1%**
 ■ Prefer not to say **5%**
 ■ Not disclosed **34%**

3.1 DISABILITY AND NEURODIVERSITY

The proportion of staff disclosing a disability remained stable, moving slightly from 4.4% in 2023 to 4.3% in 2024. Disclosure of neurodiverse conditions also remained steady at 3.0% over the same period. Decimal places are used here to illustrate these incremental year-on-year changes. When comparing the 2024 figures with the same group of firms that participated in 2023, reporting levels appear broadly stable overall. Nationally, 23% of the working-age population reports a disability, highlighting the gap between national figures and industry disclosure rates.

3.2 SEXUAL ORIENTATION

As illustrated in Chart 5, the proportion of firms collecting data on employees' sexual orientation remained stable at 75% this year, consistent with the previous year (see Chart 5 on page 15). This reflects the steady growth of demographic reporting, although, as discussed in section 2, sexual orientation remains a more sensitive area compared with age and gender.

3.3 SOCIO-ECONOMIC BACKGROUND

- Collection of socio-economic background (SEB) data has expanded, with 59% of firms reporting that they now collect this information, up from 54% the previous year. A further proportion of firms indicated plans to introduce SEB data collection in future. Smaller organisations remain less likely to collect SEB data, citing concerns around sample size and validity.
- Parent or guardian's occupation during childhood is the most commonly collected measure, used by the majority of firms. Other metrics such as type of school attended and eligibility for free school meals, are collected less frequently.
- Based on response rates provided, our survey shows that 17% of staff identify as coming from a low socio-economic or working-class background in 2024, compared with 16% in 2023.
- It is important to note that there is a high non-disclosure rate for SEB (43%).



4. RECRUITMENT, RETENTION AND ADVANCEMENT

KEY FINDINGS

- **Employee turnover remains stable overall but women and black employees are seeing a rise in turnover.** Industry turnover stood at 7%, below the wider financial services average of 13%, perhaps an indication of a less active jobs market against a backdrop of ongoing cost control measures. Among ethnic groups, turnover was highest among Black employees (15%). By gender, turnover was highest for women (10%). This highlights ongoing retention challenges among groups with lower levels of representation.
- **Younger employees have the highest levels of turnover:** Employees aged 18–24 experienced the most turnover (7%), reflecting early-career mobility and structural factors such as availability of permanent roles after entry programmes.
- **Ongoing commitment to EDI amid cost pressures.** Data from the IA's Investment Management Survey⁵ show that firms continue to see a decrease in operating margins falling from 31% in 2019 to 18% in 2024. Despite this most firms continue to protect the amount they are spending on EDI priorities. Firms have implemented cost cutting measures with 39% implementing redundancies and 20% pausing recruitment. However, all but one firm responding to the survey in 2024 has maintained a consistent level of spending on EDI-related initiatives.
- **AI is transforming work, not replacing people.** Firms are using Artificial Intelligence (AI) to streamline processes and support decision-making, while maintaining human oversight and continue to rely on people for critical judgement. Rapid adoption of AI is driving a significant skills gap, with firms investing in training to build employee capability. Digital skills are also a priority, with training focused on building data literacy, coding capability and practical proficiency in using new technologies.

⁵ IA Investment Management Survey 2024–25 (2024)

4.1 WORKFORCE TRENDS AND TECHNOLOGICAL TRANSFORMATION

Our latest Investment Management Survey, a comprehensive study of the investment management industry, paints a picture of an increasingly challenging operating environment for investment managers in 2024. While growth in assets under management drove a 10% increase in net revenue, profitability continued to weaken (falling to 18%, from 31% in 2019) as operating costs climbed 14% over the year. Firms have responded with a stronger focus on efficiency, cost control and technology investment to sustain competitiveness.

Employment trends reflect this recalibration. The investment management industry directly employs 44,900 people – a 2% fall from 2023. Much of this modest decline has occurred in operations and fund administration roles, as automation and outsourcing reduce the need for large back-office teams. By contrast, the proportion of employees in front-office investment roles – including asset allocation, research and dealing – has grown to 29% of the workforce, underscoring the continued need for high calibre employees in direct revenue generating roles.

Data from this survey show that while 46% of firms reported no formal cost-saving measures in 2024, 38% implemented redundancies and 20% paused recruitment. This shows that firms are using cost control measures in an environment of falling operating margins. However, firms are not reducing their spend on EDI initiatives. Notably, only one firm reduced EDI-related initiatives as a cost saving measure, suggesting that firms remain committed to their EDI goals even amid tighter budgets.

The industry is undergoing a technological transformation as firms seek to unlock a competitive advantage and reduce their costs. Most firms are investing in AI, not only to unlock greater productivity from employees and to automate more manual tasks but also to increase competitiveness in areas such as investment research where AI algorithms can substantially improve the analysis of large data sets undertaken by analysts to support investment teams. AI is therefore reshaping the skills needed across the workforce. Although some reports suggest that AI could

automate up to a quarter of entry level tasks⁶, many of the firms we spoke to see little immediate impact on overall headcount. Instead, AI is being deployed to streamline research, automate reporting and enhance client communication, allowing employees to focus on higher-value, judgment-based work. Crucially, human oversight remains central. Firms emphasise that AI outputs are reviewed and interpreted by experienced professionals, ensuring quality, accountability and good governance.

However, this technological shift is contributing to the most significant skills gap in over 15 years⁷. Rather than reducing the need for human capability, AI is making skills such as relationship management and critical thinking more important as it takes over lower value manual tasks – these skills are often developed with experience. As a result, most employees now require training to use new technologies effectively and confidently, alongside a baseline understanding of data and digital tools. Firms are responding by integrating AI and technical training into development programmes and expanding access to coding and analytics skills. One firm, for example, found that female portfolio managers with Python skills were more likely to succeed, leading them to incorporate Python training into their preparatory programmes.

Beyond technical skills, firms are also focusing on cultural adaption. Training initiatives aim to preserve institutional knowledge, encouraging adaptability and build a culture of empowerment rather than fear of change, ensuring employees feel equipped to work effectively alongside AI.

“We need to train people to use AI more effectively. I don’t believe it will ever be the main driver in reducing headcount. Instead, it can enhance the way roles are performed – helping individuals become more efficient. The question then becomes: can we enable people to achieve more with less? It’s not as simple as saying, ‘We’ve got Copilot now, so we no longer need five people.’ It’s more about improving efficiency in the tasks we already do.”

⁶ BSI-*Evolving Together: Flourishing in the AI Workforce*

⁷ Nash Squared: *Digital Leadership Report*

4.2 RECRUITMENT

Looking at industry recruitment overall, the data show that a very small proportion of new hires (0.4%) were into executive leadership positions, senior management represents 7.5% of new hires and 12.6% of new employees joined the workforce in entry level roles. The vast majority (79.4%) of new employees fall into the category of 'all other employees'.

The intersectional data collected through the survey allows us to look into recruitment at different levels of seniority to see how the split of new hires by gender and ethnicity is evolving

Hires by gender and seniority

In 2024, women represent 37% of senior management hires compared with 55% men, with 8% not disclosed. At entry level, the proportion of female hires is almost equal to men at 5.3% of hires for women and 6.4% for men, while 0.6% did not disclose their gender. The

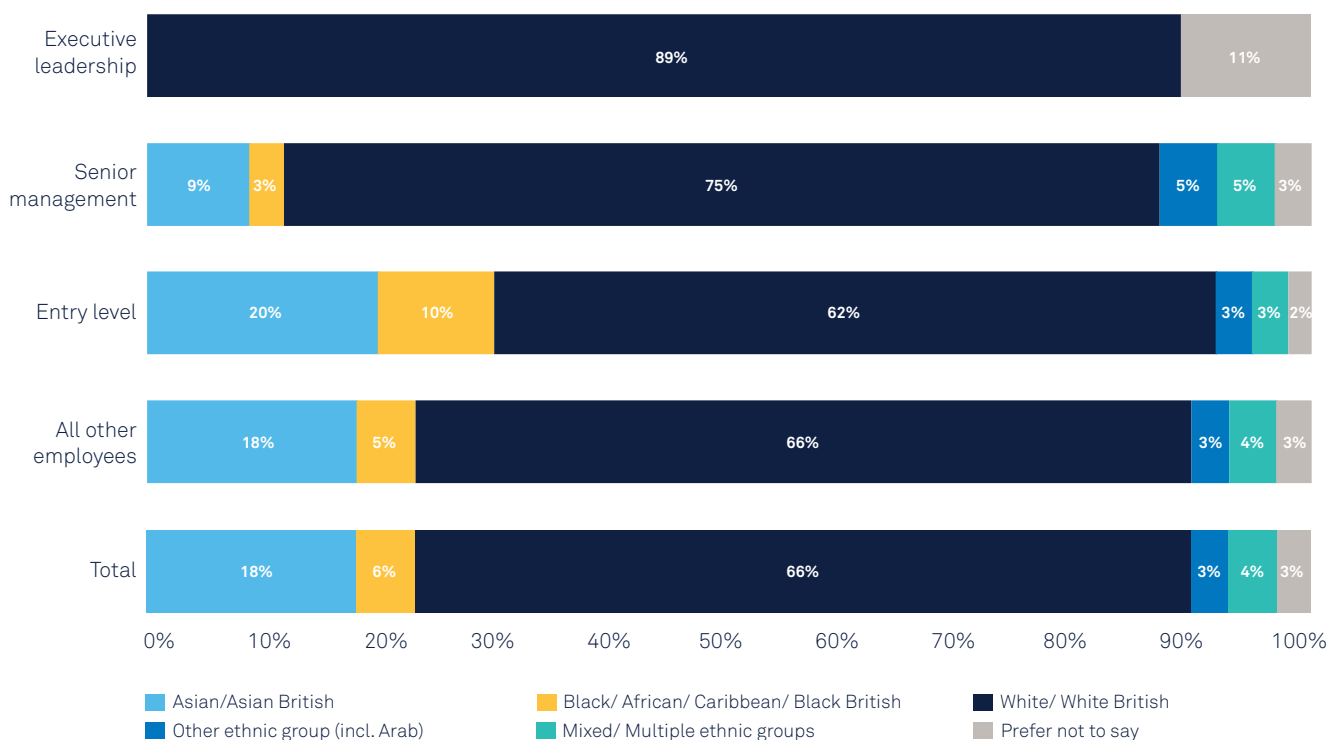
largest share of hiring was in the 'all other employees' group, where 34.3% of hires were women and 42.6% were men, with 2.3% not disclosed. This compares with 2023, when women accounted for 38.0% of hires in this group and men 43.3%. The 2024 figures therefore show a slight decline in female recruitment of around four percentage points, while the drop in male recruitment was marginal. Overall, this points to a modest narrowing in gender balance among new hires at this level, while senior and entry level hiring remained comparatively stable.

Non-disclosure rates were relatively low at senior levels but higher in entry level and 'all other employees', highlighting the importance of engaging newer staff on the purpose of data collection during onboarding.

Chart 7 illustrates the following trends in hiring by ethnicity:

- Of the hires who provided ethnicity data, 66% were White, while 18% were Asian, 6% Black, 4% mixed ethnicity, and 3% from other ethnic groups. Non-

CHART 7: HIRES BY ETHNICITY AND SENIORITY



Source: The Investment Association & PwC, Number of hires made in 2024

disclosure of ethnicity data remains a challenge with one third (33%) of new hires not disclosing this characteristic.

- **Executive leadership hires:** Hiring at the executive level remains very limited in absolute numbers. Of executive leaders recruited in 2024, most were White (89%), with small representation across Asian, Black and mixed ethnic groups. Given the low volume of roles at this level, annual changes are subject to significant variability.
- **Senior management hires:** Among senior management, 75% of hires were White, with Asian hires at 9%, Black at 3%, mixed ethnicity at 5% and other ethnic groups at 5%. Non-disclosure accounted for 28%.
- **Entry level hires:** Entry level roles reduced to around one in eight of total hires in 2024, from just over one in four the previous year, aligning with trends across the wider economy⁸. Ethnic representation was broadly stable year-on-year with approximately 20% Asian, 10% Black, 3% mixed, 3% other, 62% White, with non-disclosure rates slightly lower for entry hires at 23%. Minor variations reflect reduced entry level hiring and improved disclosure rates rather than a material change.

- **All other employees:** The majority of hiring fell into this group. Of these hires, 66% were White, 18% Asian, 5% Black, 4% mixed ethnicity and 3% other ethnic groups. Notably, non-disclosure accounted for 35% of this category, making interpretation more difficult.

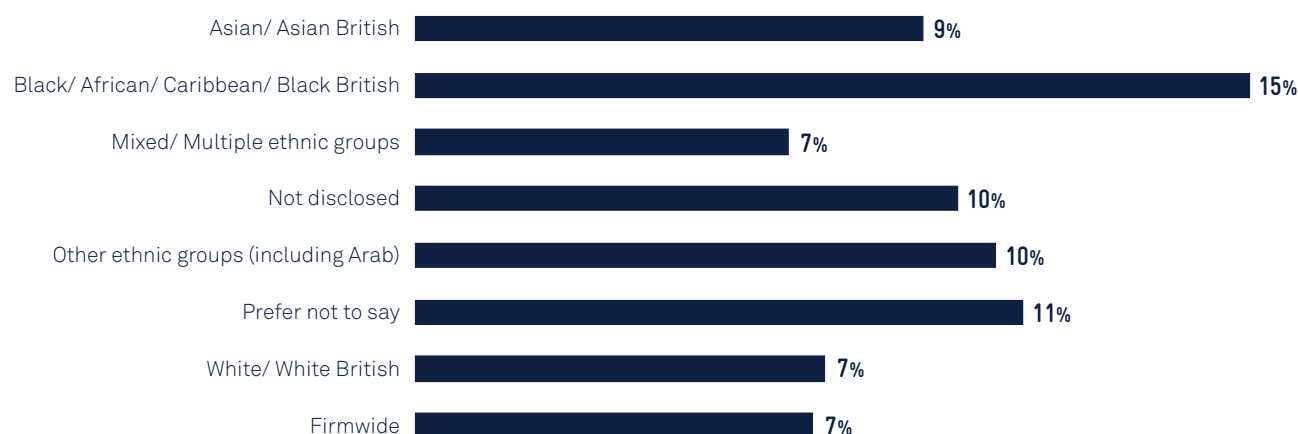
- These recruitment statistics suggest that, while hiring is spread across different ethnic groups, non-disclosure continues to make it challenging to present a fully accurate picture of workforce demographics.

4.3 TURNOVER⁹

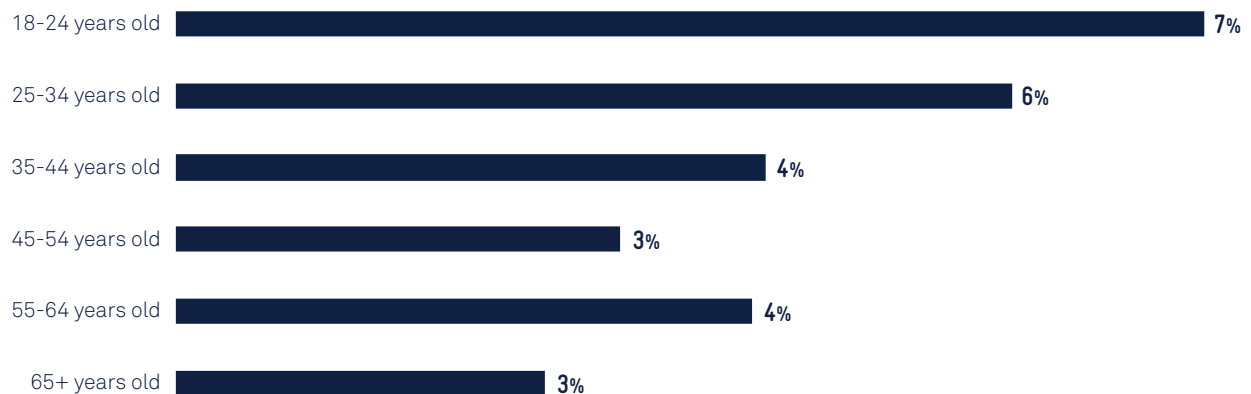
In 2024, overall turnover rates in investment management were estimated at approximately 7%, significantly below the broader financial services average of around 13%¹⁰. Turnover is calculated as the number of employees in the target group who left during the year, expressed as a proportion of the group's average headcount over the same period.

The data reveal notable variation across demographic groups. Chart 8 shows that turnover was highest among Black employees (15%), followed by Asian and Other ethnic groups (10%). Turnover was lower among White employees (7%) and those from mixed ethnic backgrounds (7%). Gender differences were also evident, with women recording a turnover rate of 10% compared with 9% for men.

CHART 8: TURNOVER BY ETHNICITY (2024)



Source: The Investment Association & PwC

CHART 9: TURNOVER BY AGE (2024)

Source: The Investment Association & PwC

Chart 9 shows that the highest turnover rates were among younger employees: 7% for those aged 18-24, and 6% for the 25-34 age group. In contrast, older employees showed lower turnover rates - 3% among those aged 45-54 and 4% for those aged 55-64, and just 3% for those aged 65 and above.

While the highest turnover rates are among younger employees, this reflects a combination of factors. Some are driven by individual career choices, such as

seeking greater mobility, while others are influenced by structural factors, including the availability of permanent positions after entry programmes and budgetary constraints. Younger employees often progress more quickly and are more open to changing roles for better opportunities, higher pay or improved work-life balance, particularly when early-career expectations do not fully align with organisational structures or progression pathways.

⁸ Institute of Student Employers: Student Recruitment Survey 2025

⁹ Note: Turnover figures for 2024 are calculated using a weighted average methodology developed through PwC and IA analysis, which accounts for firm size to provide a more representative industry-level estimate. The 2023 turnover figures were based on a simple firm-level average. As a result of this methodological change, direct year-on-year comparisons are not made.

¹⁰ [UK Money: Average Employee Turnover Rate in the UK](#)

5. SPOTLIGHT FOCUS: GENDER, PARENTAL LEAVE AND PAY GAPS

KEY FINDINGS

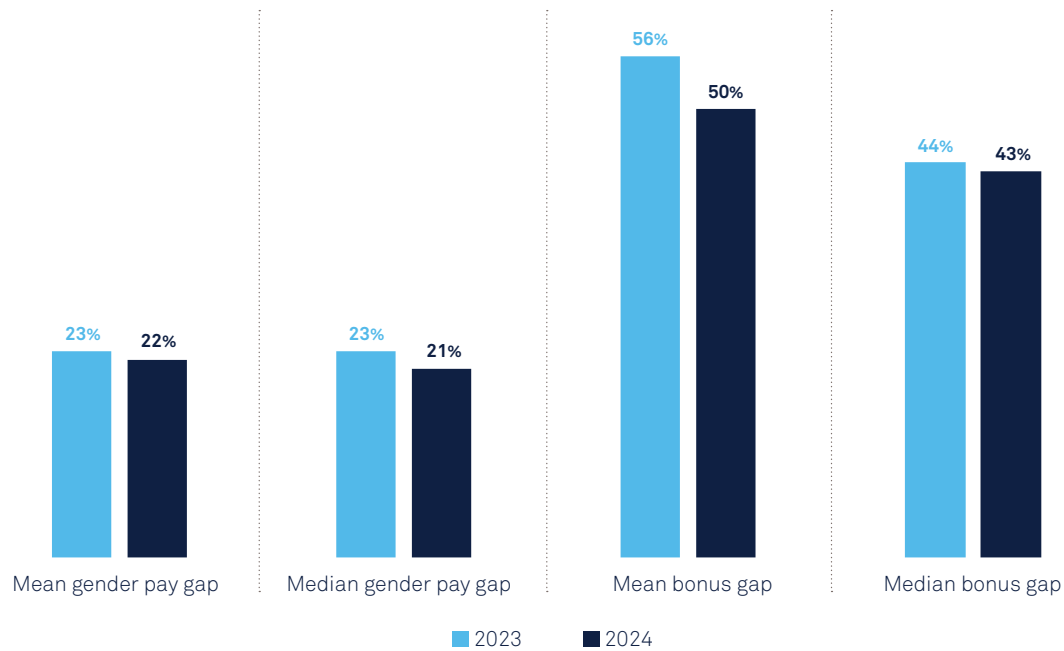
- **Gender pay gap is narrowing but remains significant:** The mean and median gender pay gaps have both narrowed, though women have lower representation in higher-paid quartiles.
- **Mid-career drop off is an important retention challenge:** Women make up 56% of the entry level workforce and are increasingly progressing into senior roles, yet representation declines sharply from age 45+, when career pressures often coincide with caregiving responsibilities. This highlights a critical need for targeted support to sustain gender balance in leadership.
- **Enhanced parental leave is widely offered, but uptake among men is limited:** Many men do not take all their paternity leave because of perceived potential stigma and concerns about how it might affect their pay.
- **Ethnicity pay gap reporting is increasing but disability remains limited:** More firms are voluntarily publishing ethnicity data, while disability pay gap reporting remains limited due to low disclosure rates and the complexity of defining disability. Mandatory reporting for both is expected under the draft Equality (Race and Disability) Bill.

In this section we provide a deeper exploration of one specific employee characteristic: gender. We examine progress on the gender pay gap, analyse how representation shifts with age and seniority, and consider the uptake of parental leave policies that go beyond statutory minimum requirements.

5.1 THE GENDER PAY GAP: PROGRESS BUT PERSISTENT IMBALANCE IN HIGHEST PAYING ROLES

The Gender Pay Gap, while a relatively blunt metric, continues to offer valuable insight into structural challenges around female representation in the highest-paying roles within the investment management industry. Chart 10 shows gradual progress in narrowing this gap, with the mean and median gender pay gaps falling to 22% and 21% respectively. Bonus gaps have also narrowed compared with the previous year.

Although these shifts mark steady improvement, the underlying imbalance remains pronounced. Women hold around a quarter of positions in the upper pay quartile, while continuing to make up the majority of the lowest quartile. This uneven distribution is the main driver of the overall gap. PwC's *Closing the pay gap: from insight to impact – Year 8 UK gender pay gap reporting 2024/25* report found that the average mean gender pay gap across the investment industry stood at 23.8%, closely mirroring these findings.

CHART 10: GENDER PAY AND BONUS GAPS (2023 vs. 2024)

Source: The Investment Association & PwC

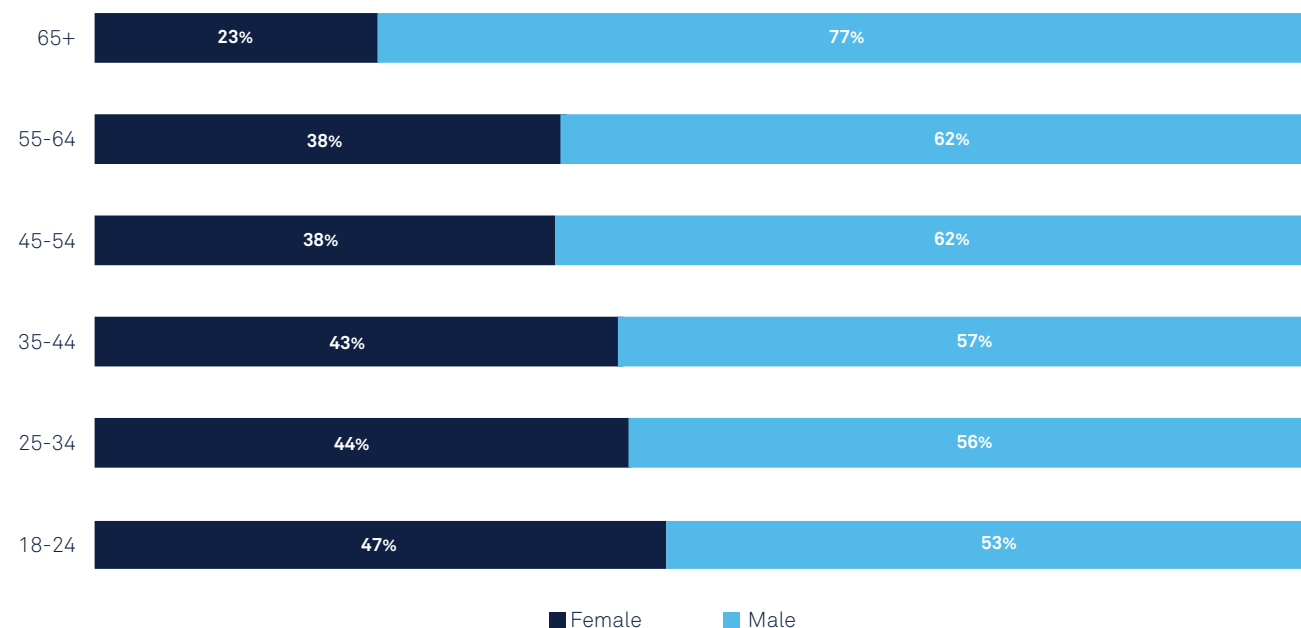
Headline pay data, however, reveals only part of the story. To understand why women remain less represented in the most senior and highly paid roles, we must examine how gender intersects with age, ethnicity and career stage – and where the barriers to progression are most acute.

5.2 GENDER, SENIORITY AND THE CAREER PIPELINE: AN INTERSECTIONAL VIEW

The lower representation of women in the highest paying roles is closely linked to the shape of the career pipeline. The intersection of gender, age and ethnicity provides a more nuanced picture of representation in the investment management industry.

Barriers in mid-career: The 45+ drop off

Our survey finds that while women comprise nearly half of the entry level workforce, female representation declines steadily with age.

CHART 11: AN INTERSECTIONAL BREAKDOWN OF ALL STAFF BY AGE AND GENDER (2024)

Source: The Investment Association & PwC

Chart 11 illustrates female representation declining steadily with age, with a sharper fall from age 45 – when career progression pressures often coincide with increased family and caregiving responsibilities.

Members cited several contributing factors:

- **The ‘sandwich generation’ effect:** Ages 45–54 often align with promotion windows, while many women also take on eldercare responsibilities in addition to childcare responsibilities, creating dual demands.
- **Economic and emotional strain:** High childcare costs and family pressures can lead to burnout, making high-pressure roles less sustainable.
- **Career penalty:** Parental or caring leave can disrupt progression, with systems favouring uninterrupted service – often resulting in faster advancement for male colleagues.
- **Later career life stages:** Life stage events such as menopause can affect retention, particularly where tailored support has been limited.

“Many midlife women leave the workplace due to a complex collision of responsibilities and unmet needs. If they’ve managed to stay in work while raising young children and supporting them through school, they often face new challenges as those children become teenagers or young adults – an increasingly demanding phase, especially in the age of social media. At the same time, they may be caring for aging parents, all while workplace demands intensify. Without the flexibility and support they need – particularly during menopause, which can bring its own set of physical and emotional challenges – the default option often becomes stepping away from work. What’s needed is a structured programme to help these women return.”

Targeted interventions: supporting mid-career continuity

Recognising these multi-generational pressures, firms are increasingly investing in practical, life-stage focused support. Some firms that we spoke to reported early signs of positive impact. Examples include:

- **Emergency care provision:** Access to emergency dependent care, such as subsidised childcare or eldercare sessions, helps alleviate unexpected pressures that might otherwise lead to unplanned career breaks.
- **Menopause support:** Firms are introducing accredited programmes, practical workplace adjustments such as access to fans and clear guidance to normalise conversation and support employees through this life stage.
- **Return-to-work coaching:** Targeted coaching for employees returning from parental leave, particularly those in investment roles, supports boundary-setting, wellbeing and successful reintegration into demanding environments.

These targeted measures reflect a shift from broad diversity initiatives toward more tailored inclusion strategies that address specific life-stage challenges.

In the next section, we examine parental leave, where the design uptake, and workplace culture play a notable role in mid-career retention, particularly as this stage often coincides with peak parental responsibilities.

5.3 PARENTAL LEAVE UPTAKE AND CAREER IMPACT

The survey highlights the importance of parental leave in shaping pay outcomes. Across the investment management sector, enhanced maternity, paternity and shared parental leave packages are common – often exceeding statutory requirements and, in many cases, providing full pay for extended periods. Maternity and paternity leave offerings vary significantly between firms, with IA member organisations offering anywhere from 16 to 26 weeks of full-pay maternity leave and 2 to 26 weeks of full-pay paternity leave. On average, firms provide 27 weeks of full-pay maternity leave and 13 weeks of full-pay paternity leave, with larger firms typically offering more generous packages. Uptake of parental leave is broadly comparable between men and women – 7.8% of female employees and 6.3% of male employees took leave in 2024 – however, the duration and impact differ markedly between genders.

Men typically take shorter periods of leave than their maximum entitlement, often remaining within the fully paid allowance, whereas women, who have different needs in early parenthood, are more likely to take longer periods that often exceed full pay entitlements. These differences can have lasting career consequences. PwC's Women in Work Index 2023 found that longer leave durations continue to affect pay and progression long after return, with mothers more likely to assume ongoing childcare responsibilities – reinforcing the gender pay gap.

Interventions: normalising shared parenting and career continuity

Despite widespread availability of generous policies, firms still face a gap between policy and practice: men remain reluctant to take full leave entitlements, particularly in senior or revenue-generating roles, due to concerns about career progression or bonus eligibility. To address some of these challenges firms are now focusing on cultural adoption of parental leave – making it a standard career event:

- **Cultural normalisation:** Some firms are publicising stories of senior men taking extended leave, building empathy and reducing stigma. This visibility signals that caregiving is a shared responsibility, not a gendered one.

“Men who took parental leave experienced the same fears that women have long felt about stepping away from work for an extended period. One colleague described it as feeling like a ‘goodbye party’. After returning, he told me, ‘I have a whole new respect for the fear women feel when taking maternity leave now.’ Sharing these stories encouraged more men to take leave and to talk openly about their experiences.”

- **Policy development:** Some firms are tackling financial deterrents directly, for example, by ensuring employees remain bonus-eligible during leave, a change that has driven noticeable increases in male uptake. Others have introduced gender-neutral leave policies, offering equal durations to all parents in an effort to shift cultural norms around caregiving.

“This year, we changed things slightly so that staff are bonus-eligible when they go on parental leave. The more senior men and women or the men and women who are in investment-focused roles should now be able to go away on parental leave knowing that they’ll be entitled to their bonus for the whole period. It will be interesting to see if that drives a change in behaviour.”

- **Parental leave support:** Coaching, counselling, and structured peer sessions are being extended to all returning parents. These initiatives support parents to re-establish professional identity, managing workload boundaries and maintain visibility post-leave.

“We have several key programmes to support staff returning from parental leave. One of the main initiatives is a parental leave coaching programme, which is designed to help individuals set boundaries, manage the transition back to work, and balance their professional and personal responsibilities. Initially introduced for investment professionals, this support is now available across the entire firm.”

5.4 EXTENDING PAY GAP REPORTING TO OTHER CHARACTERISTICS

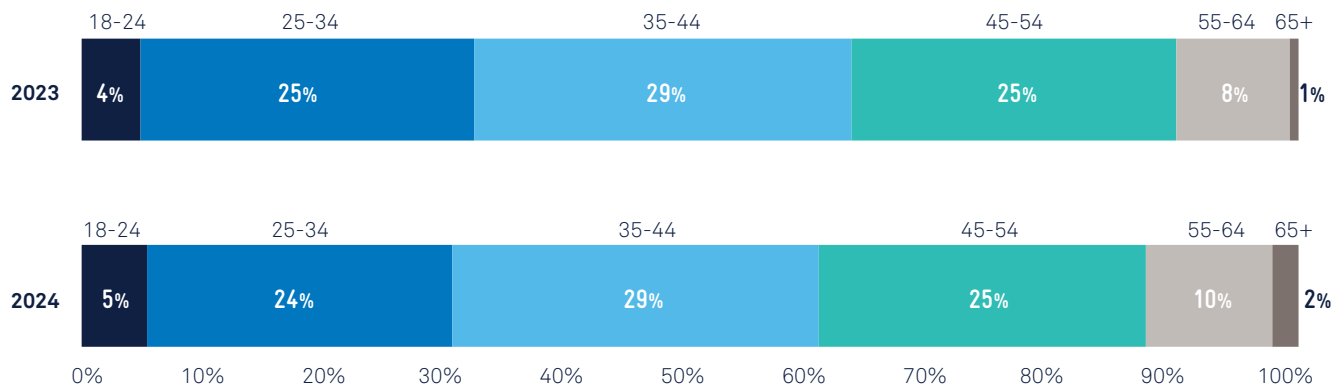
Mandatory reporting of both ethnicity and disability pay gaps is expected to follow government consultation under the draft Equality (Race and Disability) Bill. Ethnicity pay gap reporting is already gaining traction: 35% of firms currently calculate an ethnicity pay gap, including 22% that publish it, and a further 13% plan to begin within the next 12 months. This demonstrates a clear trend of voluntary adoption, particularly among larger firms, as organisations prepare for future legislative requirements.

In contrast, disability pay gap reporting remains limited due to low disclosure rates and the complexity of defining disability. Current approaches rely heavily on voluntary self-identification, often resulting in incomplete datasets. This is reflected in industry practice: only 2% of firms currently publish a disability pay gap, while 87% do not measure it at all and have no plans to do so. This stands in clear contrast to the established gender pay gap framework, where mandatory reporting and standardised definitions have driven broader adoption and higher data quality. Nevertheless, anticipated future legal requirements are prompting some firms to strengthen both ethnicity and disability data collection and build reporting capability, as highlighted in discussion with firms.

APPENDIX 1:

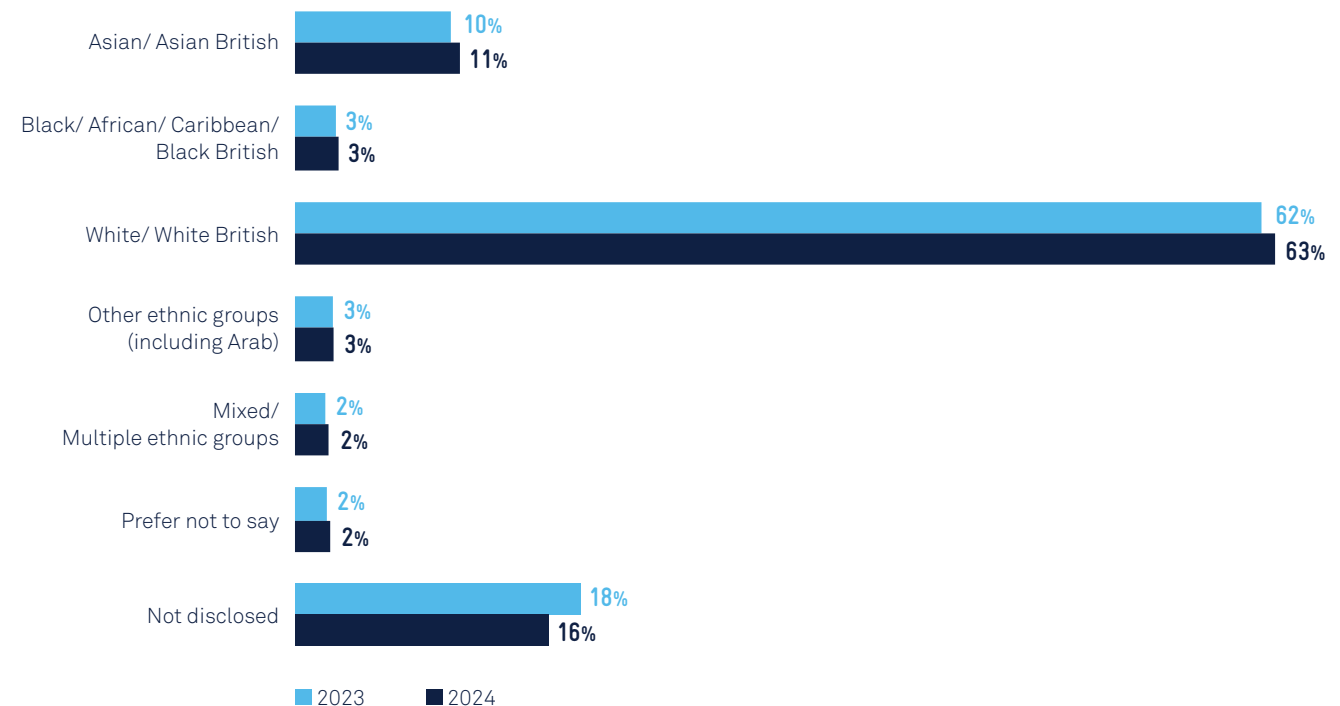
INDUSTRY DEMOGRAPHIC CHARACTERISTICS (2023 vs. 2024)

CHART 12: AGE PROFILE OF EMPLOYEES (2023 vs. 2024)



Source: The Investment Association & PwC

CHART 13: ETHNIC PROFILE OF EMPLOYEES (2024 vs. 2023)



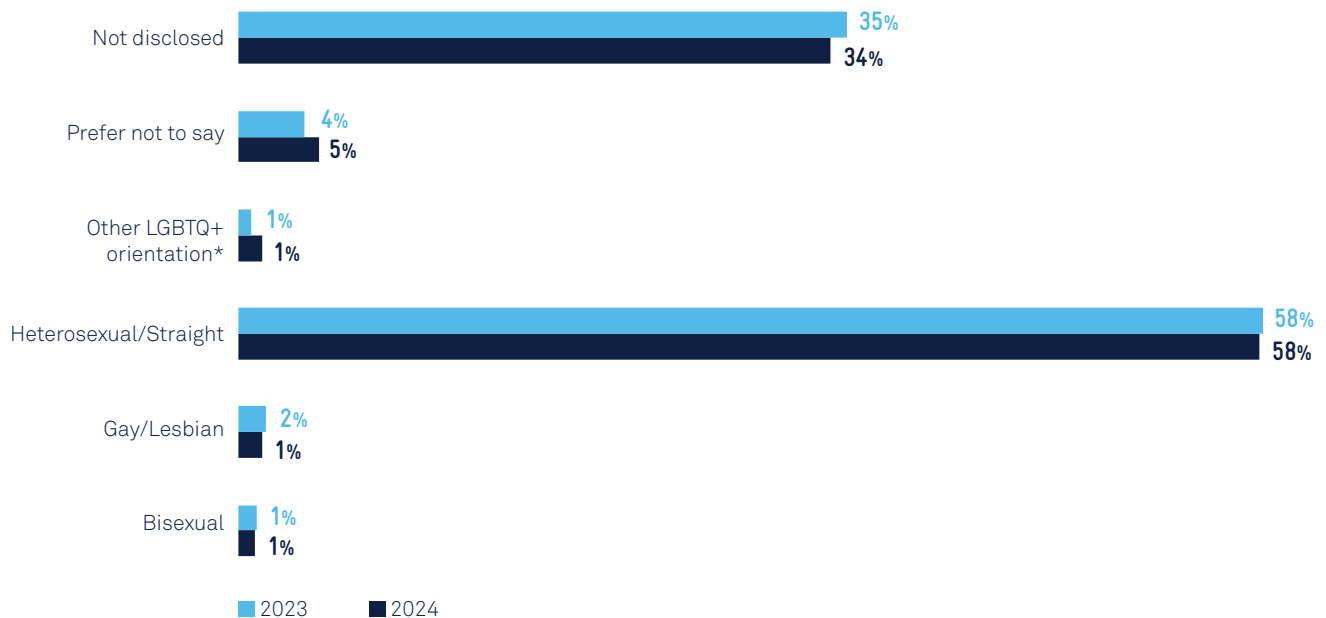
Source: The Investment Association & PwC

CHART 14: GENDER PROFILE OF EMPLOYEES (2023 vs. 2024)



Source: The Investment Association & PwC

CHART 15: SEXUAL ORIENTATION PROFILE OF EMPLOYEES (2023 vs. 2024)



Source: The Investment Association & PwC



The Investment Association

10 Norton Folgate, London E1 6DB

www.theia.org

@InvAssoc

November 2025

© The Investment Association (2025). All rights reserved.
No reproduction without permission of The Investment Association.