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NEWTON

MiFIDPRU 8 DISCLOSURE

Newton Investment Management Limited

April 2026

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NEWTON

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1. INTRODUCTION

1.1 PURPOSE OF MIFIDPRU DISCLOSURE

The Investment Firms Prudential Regime ("IFPR") is the Financial Conduct Authority's ("FCA") prudential regime for MiFID investment firms. IFPR, which came into effect in 1st January 2022, aims to streamline and simplify the prudential requirements for investment firms regulated by the FCA. As an FCA regulated Firm, Newton Investment Management Limited is subject to IFPR and is required to disclose the information set out in this document.

From this point on, unless otherwise stated, the terms 'Newton' and/or "the Firm" refers only to Newton Investment Management Limited as it is the only Newton group entity regulated in the UK by the FCA, required to produce a MiFIDPRU 8 disclosure.

The MiFIDPRU 8 disclosure aims to install market discipline on investment firms that come under IFPR, such as Newton, by requiring disclosure of information to key stakeholders and counterparties. The disclosure seeks to describe the Firms' own funds (financial strength), behaviour and culture (risk management, governance, and remuneration).

This disclosure is to be made by Newton at least annually, and all information contained is as of December 31st, 2025 (unless stated otherwise), which represents the date of Newton's most recent financial accounting year-end. This disclosure will be published more frequently than annually should any significant change to the relevant characteristics of the business require more frequent disclosure.

This disclosure is published on Newton's website (www.newtonim.com), in the section titled *Important Information*.

2. SCOPE OF APPLICATION

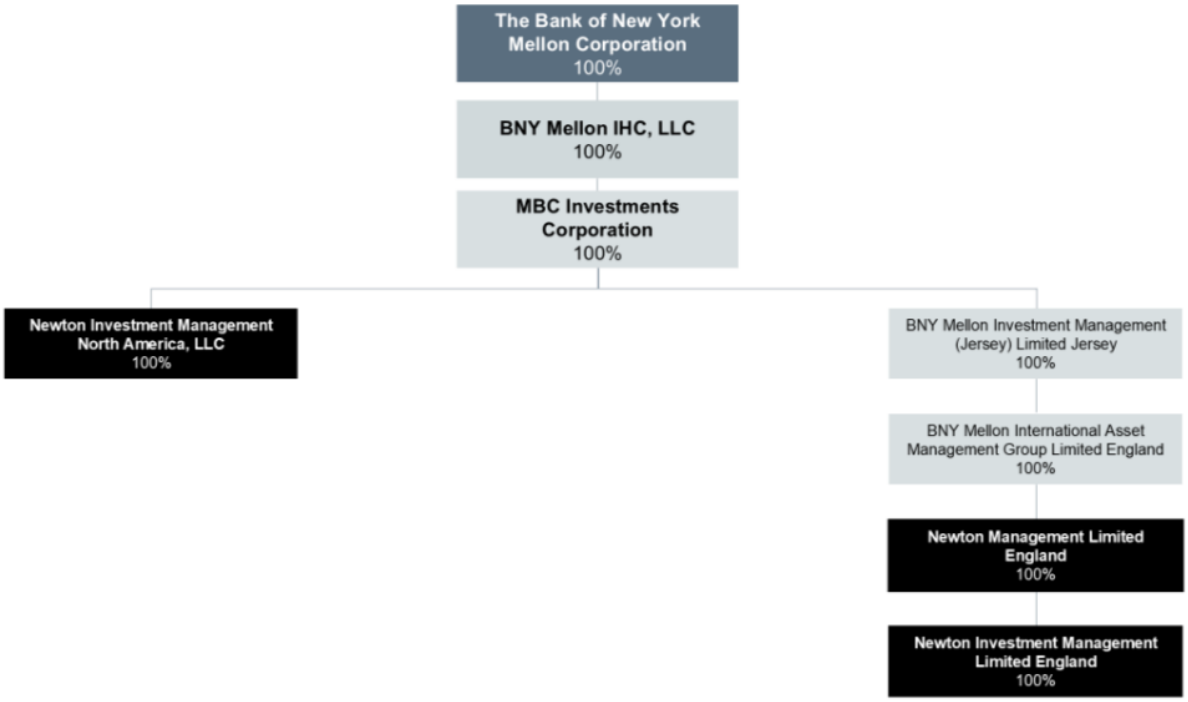
2.1 ENTITY DESCRIPTION

The regulatory requirements of IFPR apply to Newton Investment Management Limited, which is authorised and regulated by the FCA and is also registered in the United States with the Securities and Exchange Commission ("SEC") as an investment advisor. Newton Investment Management Limited is part of a group of affiliated companies, including Newton Investment Management North America LLC (collectively the Newton group), that provide investment management services to a variety of institutional clients under the brand name 'Newton' or 'Newton Investment Management'. As set out in the structure chart below Newton Investment Management Limited is ultimately a wholly owned subsidiary of The Bank of New York Mellon Corporation ("BNY").

With offices in London, New York, Boston, San Francisco and Tokyo, the Newton group manages £112.7billion of assets (as of 31 December 2025). The Newton group focuses on delivering outcomes for our clients predominately across the following investment strategies/asset classes:

- Equity opportunities – including small and mid-cap, regional and thematic capabilities
- Income – equity, fixed income and multi-asset
- Absolute return – fixed income and multi-asset
- Multi-asset solutions
- Thematic and sustainable strategies

Legal entity structure:



3. RISK MANAGEMENT OBJECTIVES AND POLICIES

3.1 RISK MANAGEMENT

As a global investment management company, risk is a fundamental characteristic of Newton's business and is inherent in every activity undertaken. As such, Newton's approach to risk taking is considered relative to reward and how it directly impacts Newton's success. Newton has therefore set out a risk appetite statement that provides limits on the nature and level of risks that the Firm is willing and able to assume in achieving its strategic objectives and business plans.

Newton's growth and financial stability depend on investment performance, sound operations, strategic positioning, and strong reputation. Culture is important to Newton, where risk awareness and accountability is reinforced through the Firm's code of conduct and senior management, who lead by example and set an appropriate tone from the top.

Newton's strategy is to grow the assets under management of the business in a controlled fashion, without putting the business' reputation or capital at risk, through enhanced distribution and excellence in investment management. The Newton Board has adopted a principally prudent appetite to all elements of risk exposure through the Firm's risk management policies and risk appetite.

Newton Board Approved Risk Appetite Statement

Newton's risk appetite statement identifies the nature and level of risks that the business is willing and able to assume in achieving its strategic objectives and business plans, setting tolerance thresholds against these risks. The statement is aligned to the appetite of the BNY Group which commits to reduce the potential for harm by maintaining a balance sheet that remains strong in terms of capital and liquidity throughout market cycles and meets or exceeds the expectations of our major stakeholders, including our clients, shareholders, employees, and regulators. Oversight of the Risk Appetite statement and metrics is delegated to the Newton Board Risk Committee on an ongoing basis.

Newton monitors its own adherence to its stated risk appetite using the metrics set out in the statement itself. Results are reported monthly to its Newton's Risk and Compliance Committee and on a quarterly basis to it Board Risk Committee.

3.2 RISK MANAGEMENT POLICIES

Newton's risk management policies are reviewed and if appropriate updated at least annually and cover all the key components of Newton's risk framework. Newton's policies have a clear alignment to the BNY policy hierarchy for risk management. This hierarchy classifies policy documents according to five core levels:

- **Level 1 – Policies:** Describe a management framework and key pillars that are foundational to carrying out overarching goals and objectives.
- **Level 2 – Policies:** Defines the management processes for a set of related activities that underpin a Level 1 Policy.
- **Level 3 – Policies:** Articulates the control objectives and core requirements for certain activities and for complying with rules, laws, and regulations, emphasising what an employee must do/may not do.
- **Level 4 – Standards:** Defines and details the controls in place to meet the control objectives described in a connected Level 3 policy.

- **Level 5 – Procedures:** Defines the specific processes used to implement the control(s) or control objective(s) described in upstream Level 3 Policy or Level 4 Standard.an end-to-end process for the execution of a control, process, or activity through specific and prescribed actions. Contains more granular detail than the rules addressed in Level 4 Standards.

3.3 RISK MANAGEMENT STRUCTURE AND OPERATIONS

The Newton Board has primary responsibility for both the management and the oversight of the Firm's risks together with the quality and effectiveness of risk management, compliance, and response to regulatory frameworks. The Board meet at least on a quarterly basis to consider reports and issues escalated by their delegated groups and committees. Further information on Newton's governance structure and key committees can be found in section 4 of this disclosure document.

A Board Risk Committee has been established by Newton to create a robust and efficient forum to focus on the risks to the successful attainment of the firm's business strategy, including consideration of risk appetite, and the review of any forward looking emerging and strategic risks. This Newton Board Risk Committee reports directly into the Board and meets quarterly.

Newton's primary operational risk committee is the Newton Risk and Compliance Committee, who typically meets monthly. The committee is chaired by Newton's dedicated Chief Risk Officer and is commonly made up of members of our Risk & Compliance teams, business line management and Finance with representatives from BNY Risk, Compliance, Audit and Legal teams. It is the Newton Risk and Compliance Committee's responsibility to ensure that the Newton Board Risk Committee and ultimately the Newton Board is cognisant of all material issues, including the Firms' risk management objectives around own funds, concentration risk, and liquidity risks as addressed by MiFIDPRU4, 5, and 6 respectively.

A BNY Investment Management policy exists to ensure appropriate construction of the Newton Risk and Compliance Committee. In adhering to this policy, the Newton committee ensures escalation of material issues takes place, in addition to the Newton Board Risk Committee and ultimately Board as outlined above.

Newton's operations are undertaken with transparent and consistent lines of responsibility, with effective processes in place to identify, manage, monitor, and report the risks and the potential harms that the Firm's operations may cause to:

- the Firm's clients and counterparties.
- the markets in which the Firm operates; and
- the Firm itself.

To enforce these clear lines of responsibility, Newton follows a three lines of defence structured approach, see below for further detail, as well as operating under the FCA's Senior Managers and Certification Regime ("SMCR"), which aims to improve individual accountability and awareness of conduct issues across those working in financial services by:

- encouraging staff to take personal responsibility for their activities and the risks these give rise too.
- improving conduct at all levels; and
- making sure firms and staff clearly understand and can show who is responsible and accountable where issues occur.

The Three Lines of Defence model:

At Newton it is the responsibility of each employee to understand and manage the inherent risks in their role and the Three Lines of Defence model is a critical component of Newton's risk management framework and safeguarding the internal control framework.

The first line of defence is the management and all employees at the business or business partner level. The Risk Management and Compliance functions are the Second Line of Defence. The Third Line of Defence is Internal Audit.

Line of Defence	Description
First Line of Defence	▪ Management and all employees at the business or business partner level own and are responsible for risks associated with activities. ▪ Each employee identifies, understands, manages, mitigates, and reports on the risks inherent in their role. ▪ Delivery and implementation of an effective policy and control framework. ▪ Controls and sound business level policies are in place. ▪ Operate within their 'risk appetite'. ▪ Business level reporting and ensuring issues are escalated in a timely fashion
Second Line of Defence	▪ Independent oversight and monitoring. ▪ Consistent corporate level policies and standards. ▪ Reliable and timely enterprise-wide reporting. ▪ Issues escalated in a timely fashion. ▪ Providing oversight and challenge to the effectiveness of the identification, assessment and risk management decisions taken by the business. ▪ Establishing guidelines for compliance with regulatory requirements.
Third Line of Defence	▪ Independent from first two lines of defence. ▪ Responsibility to examine, provide reliable, independent, and objective assurance to the Board and Executive Management Committee over the effectiveness of governance, risk management and internal controls mitigating current and evolving risks. ▪ Conducts risk-based audits. ▪ Reports on the company's effectiveness in identifying and controlling risk and tracks any resolution requirements.

3.4 RISK ASSESSMENTS

Newton is responsible for ensuring that it has the appropriate systems and controls in place to recognise, monitor and, where proportionate, reduce all potential material harms that may result from the ongoing operations of the business, or from winding down the business and to hold adequate financial resources for the business it undertakes.

To ensure the above, Newton actively identifies and assesses the risks and potential harms associated with its key business strategy, ongoing operations, business changes or external threats, as well as identifying and assessing the quality of controls in place to mitigate the associated risks and reduce the potential material harms.

These assessments are completed using various components of Newton's risk framework, including the Internal Capital and Risk Assessment Process ("ICARA"), the Firm's Risk Control Self-Assessment ("RCSA") process, Operational Risk Event ("ORE") capture and root cause analysis, and Key Risk Indicators ("KRIs"), as well as through the various risk reporting components of the risk committees, such as reporting of Top and Emerging risks.

Risk Assessment Summary

Newton's primary risk exposure is to reputational risk and operational risk (encompassing fiduciary and regulatory risk). To win, grow and retain customers Newton seeks to maintain an excellent reputation by avoiding activities that could crystallise fiduciary risk, negatively affecting income, own funds, or liquidity directly or by driving other risks that exceed risk tolerance thresholds.

Key risks and potential harms as assessed through Newton's ICARA process		
Risk	**Risk Materialisation Harms**	**Description**
Credit Risk	**Harm to Firm**	Credit risk is defined as the risk of default from counterparties or clients for deposits, loans, commitments, securities, and other assets where the realisation of the value of the asset is dependent on their ability to perform. Credit risk applicable to Newton would primarily arise from: - the banks with whom cash deposits are placed; - the units which are held in third-party money market funds for the purpose of diversifying reserves (away from cash deposits with banks); and - clients who owe Newton fees for the investment management services provided to them (accounts receivable). **Risk Management:** Newton's Risk Appetite limits the holding of cash or cash-like funds to investment grade counterparties only. Therefore, the cash deposits of Newton are held at either BNY London Branch or highly rated external banks or financial institutions (including money market funds) (S&P equivalent of AA-, Moody's equivalent of Aa-). Credit risk management of material cash on deposit at banks or units held in third-party money market fund(s) is performed by BNY Finance on behalf of Newton. Any concerns will be escalated to the Newton Board to determine the appropriate actions to be taken. Credit risk management on billed accounts receivable is performed by Newton. Established operational policies, procedures and controls exist around the collection of receivables and identification and follow-up of at-risk balances
Market Risk	**Harm to Firm**	Market risk is the risk that the Firm's financial position may be subject to loss or fluctuation because of increases or decreases in market valuations such as foreign currency exchange rates, interest rates and equity and commodity prices of assets on Newton's balance sheet.

		Newton does not trade on its own account, nor does it hold any proprietary trading book. The main source of market risk to Newton is through the currency exposure on settled balances, receivables, and payables due in non-sterling currencies (indirect market risk through fees being linked to fund valuations is considered business risk). **Risk Management:** Newton's non-sterling exposures are actively managed through a monthly spot sell-off (or buy) process by BNY Global Markets and Treasury Finance. This monthly process limits the impacts of harm created if FX rates became volatile, as the balance is kept within risk appetite.
Operational Risk	**Harm to Firm** **Harm to Clients & Counterparties** **Harm to Market**	Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events: including the potential for loss that arises from problems with operational processing, human error or omission breaches in internal controls, fraud, and unforeseen catastrophes.
		Operational risk may arise at Newton from;- errors in transaction processing, breaches of internal control systems, failure to adhere to investment compliance requirements and regulatory rules/market (to which Newton is subject), internal or external fraud, damage to physical assets, and/or business disruption due to systems failures, execution, delivery and process management or other events. **Risk Management:** A dedicated first line of defence risk team oversees the Newton Risk Management Framework, which includes business line risk and control assessment, error reporting and resolution, key risk indicators and other risk management activities such as Board and committee reporting. Sources of operational risk are monitored through regular review of Key Risk Indicators ("KRIs") and the Risk Control Self-Assessment ("RCSA") process. Key operational controls are tested through the annual Compliance Monitoring Plan and the RCSA Control Testing program. A second line of defence operational risk team exists to provide quality assurance around the first line of defence operational risk assessment and mitigation processes, identify and escalate issues to Senior Management either directly to the Board or through the various Newton risk committees. The BNY Internal Audit function provides a third line of defence.
Liquidity Risk	**Harm to Firm**	Liquidity risk is the risk that the Firm, although solvent, either does not have available sufficient financial resources to enable it to meet its regulatory liquid asset requirements, or obligations as they fall due or can secure such resources only at excessive cost.
		Newton has a simple liquidity model in that it predominantly generates cash from fees and pays overheads, expenses and incentive payments to staff and suppliers through the normal course of its business activities. Therefore, Newton's balance sheet is predominately made up of cash and short-term

		debtors and creditors, including intercompany balances. **Risk Management:** Liquidity risk is managed at Newton via the adherence to a Liquidity policy and Risk Appetite, which states that Newton will at all times maintain liquid resources which are adequate both in amount and quality to ensure that the FCA's Overall Financial Adequacy Rule (MiFIDPRU 7.4.7) is met and that there is no significant risk that its liabilities cannot be met in full as they fall due. In-line with this policy, Newton diversifies capital in a highly rated stable nav money market fund at a minimum of its liquid assets threshold requirement, as determined, and approved through its ICARA process. This diversification requirement is monitored by Finance and reported on monthly through Newton's Management/Board Risk Committee reporting processes.
Concentration Risk	**Harm to Firm**	Concentration risk is the risk arising from the strength or extent of the Firm's relationships with, or direct exposure to a single client or group of connected clients. Newton's single largest concentration is through the relationship as appointed Investment Manager on the BNY Investment Funds (UK) and BNY Global (Dublin) Funds collective investment scheme/Fund ranges, as well as client segregated mandates contracted with Newton's affiliate BNY Investment Management EMEA to which the provision of discretionary investment management is then delegated to Newton. **Risk Management:** While Newton has a diverse spread of product types, by the nature of Newton's business (a UK-based institutionally focused investment manager) there has historically been acceptance of a certain degree of geographic client concentration in the UK, especially as within the Newton group there is also US domiciled investment management firms (Newton North America Investment Management LLC) with whom global clients may also contract.
Group Risk	**Harm to Firm**	Group Risk is the risk that the financial position and/or resilience of the Firm may be adversely affected by its relationships (financial or non-financial) with other entities in the BNY group, or by events that affect the wider group.

		For Newton, the key considerations are: • **Reputational:** Contagion arising from adverse events elsewhere in the BNY group. • **Strategic:** Where group priorities, governance, or change are incompatible with entity specific objectives. • **Operational:** Newton is reliant on BNY for centrally provided support functions (notably Technology, Operations, Finance, Legal and HR), increasing sensitivity to group service disruption. **Mitigants:** • Newton maintains its own investment capability. • It is considered feasible to transition to alternative arrangements if required, with costs associated with transition potentially offset by cessation of group service charges. Overall, Group Risk is primarily a contagion and dependency risk whose severity is moderated by the strength and regulatory status of BNY, (an AA-rated bank recognised as a Globally Systemically Important Financial Institution (G-SIFI), which requires robust operational resiliency and resolution plans be maintained to prevent its collapse and subsequent negative impact on the financial ecosystem), alongside each entity's governance, capital position, operating model, and contingency planning.
Business Risk	**Harm to Firm**	Business risk is the risk that the Firm will have lower than anticipated profits or experience loss rather than delivering a profit. Business risk could arise from exposure to a wide range of macro-economic, geopolitical, industry, regulatory, client behaviour, inappropriate management actions, and other external risks that might deflect from desired strategy and business plans. One key component of business risk for Newton is the market risk exposure of its investment products. Market levels affect Asset Under Management (AUM) levels which in turn affect profitability, as fees (which are the source of Newton's revenue) are typically set as % values of AUM. **Risk Management:** As part of the ICARA process Newton has completed a comprehensive set of stress tests that directly challenge Newton's ability to withstand the harms associated with its business risk(s). The outcome of these tests helps Newton determine if it must hold own funds to allow it to remain financially viable throughout the economic cycle. The Newton Board have established Risk Appetite metrics that will start to flag if certain types of business risk begin to impact on the Firm's AUM levels, profitability, own funds, and liquidity.

Strategic Risk	**Harm to Firm**	Strategic risk is the risk that the Firm's strategy is inadequate (in scope and/or execution) to deliver a profitable business.
		This risk may be the result of underperformance relative to other asset managers or because of the failure of some other element of Newton's strategy (marketing, consultant relationships, client services, operations, etc). **Risk Management:** Newton has a long history of profitability, and at present its growth strategy is not capital intensive, and therefore not impactful to the Firm's capitalisation. The Newton Board have established Risk Appetite metrics that will start to flag if progress towards the Firm's strategic goals begins to impact on the business' core profitability and retained earnings.
Reputational Risk	**Harm to Firm**	Reputational risk is defined as the risk of loss resulting from damages to a Firm's reputation, in lost revenue or increased operating, capital or regulatory costs consequent to an adverse or potentially criminal event.
		Integrity and reputation are highly valued within Newton due to the nature of the business. Damage to Newton's reputation because of compliance, regulatory and operational breaches, or errors would erode investor confidence and result in loss of business, loss of revenue and could result in key employees leaving. **Risk Management:** Newton acts in the best interests of clients and always places their interests first. To help ensure this, Newton has strong risk frameworks and tolerances to ensure that inherent conflicts of interest do not disadvantage clients; that products and investment services operate as described and meet the promises and risk levels agreed; and that clients are not exposed to failures of governance or regulatory compliance. Newton has in place an errors policy, which outlines an overriding objective that when correcting any error (operational, regulatory, and compliance), the client is put in the position it would have been in had the error not of occurred.

4. GOVERNANCE ARRANGEMENTS

4.1. GOVERNANCE AND OVERSIGHT STRUCTURE

Newton operates with significant autonomy and therefore the primary responsibility for the oversight of individual businesses is with the senior management of the legal entity and those managers performing "governing" functions under the FCA's Senior Managers and Certification Regime (SMCR) or equivalent. Oversight of risk management is delivered through a set of governance committees. We define three of these below.

Newton Investment Management Board

Governance of the Firm is the ultimate responsibility of the Board of Directors. The Board is responsible for the ongoing success and development of the Company's business as well as setting the risk appetite for the Firm as part of the risk framework.

The Board is also responsible for the legal entity's strategy, long term objectives and financial performance and ensuring the maintenance of a sound system of internal controls and risk management. As of December 2025, the Newton Board consists of two Executive Directors, three independent Non-Executive Directors, and one BNY Non-Executive Director.

The Board is also responsible for:

- Setting the Business Strategy.
- Setting the Business Risk Appetite.
- Oversee and control the Business' Financial Performance.
- Identify and manage Conflicts of Interest that exist within the business.
- Governing the Business's Compliance with Regulatory Requirements and Risk Management; and
- Exercise Operational and Organisational Governance.

Newton Investment Management Board Risk Committee

The purpose of the Newton Investment Management Board Risk Committee is to:

- Support the Newton Investment Management Board in its consideration of the business activities that expose the Firm to material risks to the successful attainment of the Firm's stated strategy, with focus on current and forward-looking aspects of risk exposures.
- Provide advice and recommendations to the Newton Board on setting the risk appetite of the Firm, accounting for the Board's overall degree of risk tolerance, BNY Investments' and BNY's risk appetite statements, and the current financial situation of the Firm.

The Newton Board, as governing body of the entity, will retain overall responsibility for approval of the Firm's risk appetite and strategy, including capital adequacy and liquidity of financial resources.

Newton Executive Committee

Under delegation from the Newton Investment Management Board, the Executive Committee is responsible for executing the Firm's strategy, managing day-to-day operations, and maintaining sufficient infrastructure and resources to manage risks in accordance with the enterprise risk management framework, strategy and risk appetite.

The Executive Committee is the senior management team within the Firm with the primary responsibilities to drive, maintain and support the strategic focus and direction of the business and to evaluate business performance against objectives.

4.2. DIRECTORSHIPS

The Board includes 3 independent Non-Executive Directors, one of whom is the Chair. The Board members and the number of external directorships they hold are shown in in the following table

Name	Role at Newton Investment Management Limited	Number of External Directorships (for profit organisations only)
Kevin Carter[1]	Independent Non-Executive Director	2
Sharon French[2]	Independent Non-Executive Director	1
Judy Marlinski[3]	Independent Non-Executive Director	1
Hanneke Smits[4]	Non-Executive Director	0
Euan Munro[5]	Executive Director, Chief Executive Officer	0
John Porter	Executive Director	0
Stephen Potter	Independent Non-Executive Director	5
John Miller	Group Non-Executive Director	0
James Helby	Executive Director	0
Susan Noble	Independent Non-Executive Director (Chair)	0
Richard Watt	Independent Non-Executive Director	1

4.3. DIVERSITY POLICY

The Newton Board acknowledges the importance of driving a more diverse equitable and inclusive culture and the positive impact on diversity has on the long-term success of the business. The Firm has an internal Belonging and Inclusion Council who have initiated actions, training, and measurements to accelerate Diversity, Equity and Inclusion through the Firm. Together with the parent company, BNY, Newton has also made external commitments to diversify its workforce.

The Firm has diversity and inclusion goals, which seek to (i) increase diversity profiles being hired at a team level (global focus on women and ethnic minority groups) to create a well-balanced diverse organizational profile; (ii) improve retention rates of diverse employee population; (iii) improve access to opportunities for growth and career progression for diverse talents aspiring for a diverse succession bench for key positions; and (iv) foster an environment for all staff so that they feel included and welcome in the organization.

Policy for promoting diversity on Newton's management body:

The below statement which is in-line with Newton's parent company, BNY, sets out the Firm's approach to diversity on its Board and the responsibilities of its Nominations Committee.

Newton has an unwavering commitment to diversity and inclusion in all its forms, including diversity of thought, experience, and background. This commitment to the Company's culture and to each director as individuals, it is

[1] Kevin Carter- resigned from the Newton Investment Management Limited Board 12 December 2025
[2] Sharon French- resigned from the Newton Investment Management Limited Board 12 December 2025
[3] Judy Marlinski- resigned from the Newton Investment Management Limited Board 12 December 2025
[4] Hanneke Smits resigned from the Newton Investment Management Limited Board on 24th February 2025.
[5] Euan Munro resigned from the Newton Investment Management Limited Board on 11th April 2025.

also critical to the Company's ability to serve its clients and grow its business. A combination of demographics, skills, experience, race, religion, or belief or creed, age, gender, sexual orientation, disability, marital or civil partnership status, pregnancy, or maternity status, education, and professional background and other relevant personal attributes on the board and in the business provides a range of perspectives, insights and challenge needed to support good decision making.

Board appointments are based on an individual's skill, ability experience, training, performance, and other valid role-related requirements.

Each Board or Nomination Committee is responsible for reviewing the structure, size, and composition (including its skills, knowledge, experience, and diversity) of the Board. In identifying suitable candidates for a particular appointment, all Boards or Nominations Committees should consider candidates on merit and against objective criteria and with due regard for the benefits of diversity, including gender.

Newton recognises the importance of having diversity including gender and ethnic diversity on the Board. Aligned with the FCA guidance, the Board should aim for at least 40% gender diversity as new board appointments are made and aim to include candidates from underrepresented ethnic/ racial groups. The Board should keep these targets under regular review.

Each Board has the responsibility to ensure the goal of diversity is considered throughout the firm in line with the values in this statement.

As of 31st December 2025, there are six Newton Investment Management Limited directors, of which 16% are female.

5. OWN FUNDS

This disclosure has been made in accordance with the MiFIDPRU 8.4 requirements using the MiFIDPRU 8 Annex 1R template as required. The information contained within this section is as of 31st December 2025.

OF1: Composition of regulatory own funds			
	Item	**Amount (GBP thousands)**	**Source based on reference numbers/letters of the balance sheet in the audited financial statements**
1	**OWN FUNDS**	**141,420**	-
2	**TIER 1 CAPITAL**	**141,420**	-
3	**COMMON EQUITY TIER 1 CAPITAL**	**141,420**	-
4	Fully paid up capital instruments	35,500	Note 22
5	Share premium	-	-
6	Retained earnings	119,584	Statement of Changes in Equity
7	Accumulated other comprehensive income	-	-
8	Other reserves	25,600	Statement of Changes in Equity
9	Adjustments to CET1 due to prudential filters	-	-
10	Other funds	-	-
11	(-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	(39,264)	Note 10 (Intangibles) and Note 15 (Deferred Tax Assets) &Statement of Changes in Equity
19	CET1: Other capital elements, deductions, and adjustments	-	
20	ADDITIONAL TIER 1 CAPITAL	-	-
21	Fully paid up, directly issued capital instruments	-	-
22	Share premium	-	-
23	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	-	-
24	Additional Tier 1: Other capital elements, deductions and adjustments	-	-
25	TIER 2 CAPITAL	-	-
26	Fully paid up, directly issues capital instruments	-	-
27	Share premium	-	-
28	(-) TOTAL DEDUCTIONS FROM TIER 2	-	-
29	Tier 2: Other capital elements, deductions and adjustments	-	-

OF2: Reconciliation of regulatory own funds to balance sheet in the audited financial statements				
		a	**b**	**c**
		Balance sheet as in published/audited financial statements	**Under regulatory scope of consolidation**	**Cross-reference to template OF1**
As at period end:		31 December 2025 (GBP thousands)	31 December 2025 (GBP thousands)	
Assets – *Breakdown by asset classes according to the balance sheet in the audited financial statements*				
1	Intangible assets	4,806	-	Box 11
2	Tangible assets	60	-	-
3	Other Investments	26,123	-	-
4	Debtors	35,901	-	Box 11
5	Current asset investments	93,340	-	-
6	Cash at bank and in hand	66,384	-	-
	Total Assets	**226,614**	-	-
Liabilities – *Breakdown by liability classes according to the balance sheet in the audited statements*				
1	Creditors: amounts falling due within one year	31,320	-	-
2	Creditors: amounts falling due after more than one year	14,610	-	-
	Total Liabilities	**45,930**	-	-
Shareholders' Equity				
1	Called up share capital	35,500	-	Box 4
2	Other reserves	25,600	-	Box 8 / Box 11
3	Profit and loss account	119,584	-	Box 6
	Total Shareholders' Equity	**180,684**	-	-

6. OWN FUNDS REQUIREMENTS

This disclosure has been made in accordance with the MiFIDPRU 8.5 requirements. The information contained within this section is as of 31st December 2025 unless stated otherwise.

Newton has complied with its own funds' requirement throughout the period.

Requirement	Amount (GBP Thousands)
K-AUM	1,509
K-COH	154
Total K-factor Requirement (KFR):	1663
Fixed Overhead Requirement (FOR): Based on audited results for financial year ended 31st December 2025	24,046
Permanent Minimum Requirement (PMR)	75
Own Funds Requirement (Higher of KFR, FOR, and PMR)	24,046

7. ADEQUACY OF OWN FUNDS ASSESSMENT

MiFiDPRU 7 requires firms to comply with the Overall Financial Adequacy Rule ("OFAR"). The OFAR states that Newton must, at all times, hold own funds and liquid assets which are adequate, both in amount and quality to ensure it that:

- Newton remains financially viable throughout the economic cycle, with the ability to address any material potential harms that may result from its ongoing activities; and
- Newton's business can be wound down in an orderly manner, minimising harm to consumers or to other market participants.

Through its ICARA process, Newton has identified that holding just the own funds and basic liquid asset requirements would not be sufficient for the Firm to meet the OFAR, and that additional own funds and liquid assets are required to be held to address potential harms inherent to its business. This outcome has been determined through the various components of the ICARA process, which include, a business model and activity assessments, operational risk scenario modelling, economic and business strategy stress testing, liquidity stress testing and orderly wind-down planning.

Further detail on the risk assessments undertaken as part of ICARA can be found in section 3.4 of this disclosure document.

8. REMUNERATION

FCA rule MIFIDPRU 8.6.2 requires Newton to disclose a summary of its approach to the remuneration of all its staff.

8.1. REMUNERATION PHILOSPHY

Newton's overarching compensation philosophy is to attract and retain the highest calibre of staff with a compensation and benefits package that is market competitive and rewards:

- Performance (of the firm, team and individual against established goals),
- the creation and maintenance of an inclusive and positive culture focused on doing what is right and supporting sustainable long-term value,
- growth and development for our clients, our shareholders, our people, our business, and the communities within which we operate.

The Newton compensation philosophy supports our Blueprint strategic drivers and the Strategic Pillars that Newton and BNY expect: *Be more for our clients; Run our company better; Power our culture*. In addition, the Principles of Newton and BNY set the tone for culture; *Be Client Obsessed; Spark Progress; Own It; Stay Curious;* and *Thrive Together*, whilst ensuring that the culture of risk taking is appropriate and aligned with Newton's overall risk profile.

8.2. REMUNERATION POLICY AND OUR APPROACH TO GOVERNANCE PROCESS

Newton's Remuneration Policy has been designed to provide a policy that is appropriately applicable to all our staff. It ensures that pay practices are appropriate and proportionate to the nature, scale and complexity of the current and future risks that are inherent in the business model and activities carried out.

In addition to being regulatory compliant and gender neutral, as well as supporting equal pay and diversity in the jurisdictions within which we operate, the Remuneration Policy also promotes sound and effective risk management, aligns with the firm's business strategy, and rewards long-term sustainable investing outcomes for our clients.

The oversight of Newton Investment Management Limited's remuneration strategy and policy is governed by the Remuneration Committee, which meets as required throughout the year. Voting Members compromise of three independent non-executive directors and two BNY Group non-executive Directors. Non-Voting Members comprise of Newton's Chief Executive Officer and Newton's Chief Risk Officer, who will attend except where there is a personal conflict. The BNY Investments Head of People and/or BNY Investments Head of Compensation will be invited to attend as required.

The approach to remuneration is governed by the Newton Remuneration Committee ('NRC') which meets at least three times per year. Compensation proposals are made to the Remuneration Committee on an annual basis which includes a review of proposals for the Executive Committee, Material Risk Takers, and other high earners. This review includes formal input from the Risk and Compliance and People functions. The Remuneration Committee may, from time to time, consider additional input from external consultants as deemed appropriate.

To manage any potential conflicts of interest, remuneration decisions for employees in control functions are determined by the BNY corporate function, independently of Newton with the pools for fixed and variable compensation based on BNY's overall annual financial performance. Variable compensation deferrals for these employees are aligned to the BNY corporate deferral rates, subject to any additional regulatory requirements which may apply. Deferrals for employees in control functions are made in BNY LTIP arrangements and are not Newton specific.

The Remuneration Committee is accountable for ensuring remuneration practices are implemented appropriately in line with the firm's business strategy, all relevant legal and regulatory requirements, and the overall philosophy of the firm.

8.3 MATERIAL RISK TAKERS

As required in the MIFIDPRU Remuneration Code, relevant Investment Firms are required to identify employees whose professional activities have a material impact on the risk profile of the firm or the assets that are managed by the firm. The Remuneration Code includes published criteria to assist in identifying those employees.

The Newton Board Risk Committee is presented with the firm's interpretation of the Remuneration Code identification criteria for formal approval on an annual basis. Using this identification criteria, a list of Material Risk Takers ("MRTs") is also presented for approval. This intentionally captures those with responsibility to control risk and with potential risk exposure.

Employees identified as MRTs include, but are not limited to, those in the following roles:

- Members of a management body in its management or supervisory function, or a member of senior management.
- Those with managerial responsibility for a regulated activity.
- Those with managerial responsibility for a control function, including Risk and Money Laundering; and
- Those whose professional activities are otherwise determined to have a material impact on the risk profile of the firm, or the assets managed.

All identified MRTs are informed of their status as MRTs and the implication of what this means for them through a notification letter. The list of MRTs is maintained throughout the year and updated as necessary by the firm. For the 2025 performance year 18 employees were identified as MRTs.

8.4 STRUCTURE OF COMPENSATION

The level of individual compensation is based on multiple factors, including:

- Job function – type of work being done, financial responsibility, decision-making authority, and number of employees supervised.
- Knowledge requirements – skill, education and training required to successfully perform the job.
- Competence – breadth and depth and competence of prior work experience.
- Local labor market – local pay rate for similar jobs at other companies in the same global location.
- Talent availability – number of qualified workers who fulfil the job requirements; and
- Individual performance – level of performance of the person doing the job.

Newton's employee compensation structure is comprised of an appropriate mix of salary and variable compensation (incentives) that is paid overtime.

Fixed Component

The fixed component of an employees' compensation is determined, taking into account market practice, as being sufficient to provide security and a financial foundation for the relevant location, reflect the size and scope and value of roles within the firm in addition to the capability and competence of the incumbent as well as being commercially viable.

Fixed compensation will be at a level high enough in its own right as a proportion of total compensation for each employee to ensure that there is no requirement or obligation to pay variable compensation when the performance of the individual, team or firm does not justify it.

Variable Component

Newton employees are eligible to be awarded variable compensation but have no entitlement to such awards which are discretionary. Variable compensation is an important element of total compensation and our approach to paying for performance. The proportion of total compensation which is made up of variable compensation typically increases with the seniority of the role and the overall level of total compensation. Guaranteed variable compensation is only awarded in exceptional circumstances and in the context of hiring new staff does not extend to periods beyond the completion of the first full year of service. Buyout awards, which compensate a new joiner for forfeited deferred remuneration from a previous employer, will take into consideration the value and terms including any deferral period, nature of award (e.g., cash, shares etc.) and retention period of the variable compensation to be forfeited. Buyout awards are reviewed by a specialist team and offers considered to be high value require approval of the NRC, as set out in the NRC terms of reference and in line with the firm's Remuneration Policy.

In addition, any retention or severance payments (in addition to any local statutory requirements) are made at the discretion of Newton and are made in line with the regulatory requirements of the Remuneration Code.

Performance criteria

Variable compensation is designed to be determined based on individual, team and business performance measured against varied criteria and is intended to reward leadership performance equitably with consideration of technical performance and delivery.

Performance is measured against criteria including regulatory standards and requirements, adherence to policy and procedures, achievement of goals, modeling of the firm's values and behaviors and revenue generation and /or prudent cost control. This balance of criteria ensures that variable remuneration does not encourage excessive risk taking nor affect the sound capital base of the firm. It also reflects the long-term performance of employees.

Long Term Incentive Plans ("LTIP")

The firm's long-term incentive arrangements are a strong tool for employee retention and encourage the alignment of stakeholders' goals as well as providing employees with an opportunity to share financially in the success of the performance of the business. All employees are eligible to participate in the BNY Discretionary Incentive Compensation Plan. Variable compensation, when applicable, is aligned to external market practices. This could include annual and / or long-term incentives such as Restricted Stock Units, where appropriate or required by local regulation.

For employees in the Newton Investment Team a portion of any deferred award may be delivered as a deferred cash award linked to the performance of the Newton-wide basket of portfolios, providing and tangible and direct link between compensation and the performance of the fund they are responsible for. The remaining portion is delivered as BNY Restricted Stock Units (depending on local regulation).

- Under ordinary circumstances, and for more senior-level employees, a portion of variable compensation will be deferred for at least three years through a long-term incentive arrangement. This will be subject to the performance of either (or both) the Firm or the respective business and to malus and/or claw back under appropriate circumstances.

8.5 PERFORMANCE ADJUSTMENT

The NRC is responsible for ensuring that any variable remuneration, including any amounts deferred, is paid or vests only if it is sustainable according to the financial position of the firm as a whole and justified based on the performance of the individual, the individual's team, and the firm. The NRC is informed of decisions made by the business to delay awards to allow investigations or disciplinary hearings to conclude. Furthermore, the Newton Conduct Panel meets to consider each case of alleged or proven misconduct. The Panel may make a recommendation to adjust variable remuneration. Such recommendations are referred to the NRC for decision.

All employees have an objective linked to their personal conduct in performing their duties, with additional specific risk objectives being assigned as appropriate to the role carried out.

The NRC may take into consideration input from the People and Risk and Compliance functions when determining remuneration outcomes and may, in its sole discretion, cancel or reduce all or any portion of an unvested award of variable remuneration ("Malus") based on criteria included in the Remuneration Policy, including but not limited to, employee misbehaviour, material error, material downturn in business unit performance, material failure of risk management and failure to meet fitness and proprietary standards. In addition, claw back may be applied for up to seven years from the date the variable remuneration was awarded.

Termination Payments may be made where the employment contract is terminated early at the initiative of the employer. The payments are typically calculated in-line with policy, where this applies, and will be subject to general standards that are dependent on a number of factors which may include the seniority of the individual, their length of service, the circumstances surrounding the termination and any applicable legal requirements and shall not reward failure or misconduct. Termination payments do not reward failure (personal or corporate) or misconduct and will be considered variable remuneration for the purposes of this Remuneration Framework where required by the relevant regulatory framework. Termination payments are made in line with applicable legal requirements.

8.6 QUANTITATIVE REMUNERATION DISCLOSURE

Newton is required to disclosure information on the aggregate remuneration for its employees and MRTs for the 2025 performance year[1].

The remuneration amounts below are presented on a gross basis, regardless of the time spent by staff in respect of Newton.

	Senior Management	Other MRT	Other Staff
Total	4	14	-
Total Remuneration	3,848,712	7,009,991	21,562,895
Fixed Remuneration	1,138,635	2,673,688	13,806,122
Variable Remuneration	2,710,077	4,336,303	7,756,773
Guaranteed Remuneration			
Total Guarantees	-	-	-
Number of MRTs	-	-	-
Severance Payments			
Total Severance	224,773	99,783	-
Number of MRTs	3	2	-
Highest Severance payment	117,223	63,010	-

[1]Figures in GBP using applicable year-end FX rates. Headcount as of 31 December 2025

9. INVESTMENT POLICY

Newton meets the conditions of MiFIDPRU 7.1.4R, therefore it is not required to disclose its Investment Policy within its MiFIDPRU 8 Disclosure.

10. PERIODIC REVIEW

This MIFIDPRU 8 disclosure document has a mandatory minimum periodic review of 12 months, and all information included in this document is as of 31 December 2025 (unless stated otherwise).

This document will be maintained on an ongoing basis, and timely updated public disclosure will be made where circumstances demand it, for example, in the event of a major change to our business model.

BNY Investments Newton is the name for a group of affiliated companies that provide investment management services under the trading name of 'Newton' or 'Newton Investment Management'. Investment management services are provided in the United Kingdom by Newton Investment Management Ltd (NIM). NIM is authorised and regulated by the Financial Conduct Authority ('FCA'), 12 Endeavour Square, London, E20 1JN, in the conduct of investment business. Registered in England no. 01371973