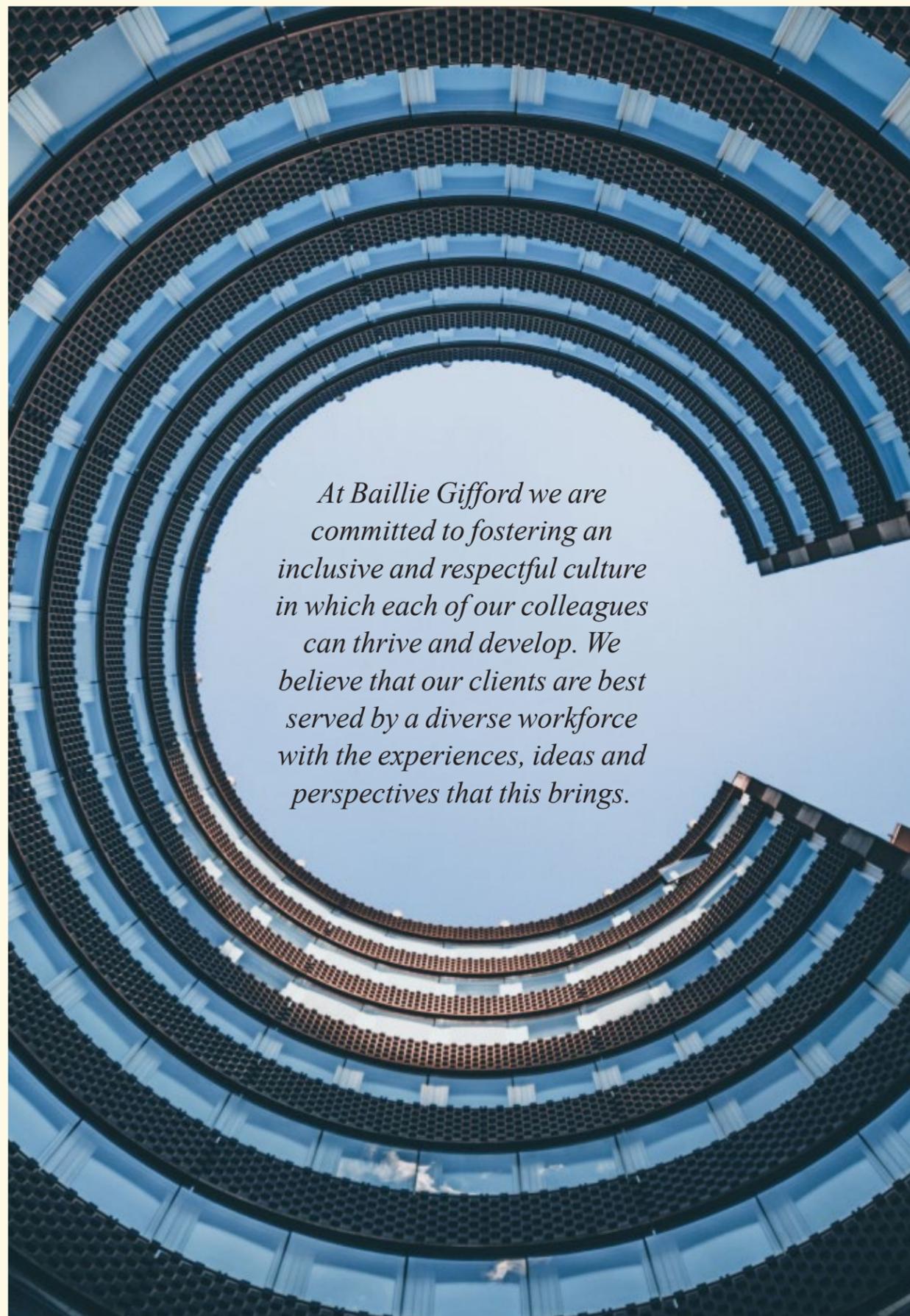


GENDER PAY GAP

BAILLIE GIFFORD

2017





At Baillie Gifford we are committed to fostering an inclusive and respectful culture in which each of our colleagues can thrive and develop. We believe that our clients are best served by a diverse workforce with the experiences, ideas and perspectives that this brings.

2017 GENDER PAY GAP

The government has introduced a requirement for UK companies (with more than 250 employees) to publish certain statistics which measure their gender pay gap. This gap refers to the difference between the average earnings of men and women, expressed as a portion of men’s earnings.

As of April 2017, Baillie Gifford’s median gender pay gap – the difference in hourly pay between the middle-earning male and female members of staff – is 18%. The difference in median bonus pay is 25%. Expressed as a mean, our gender pay gap is 23% and 56% for hourly pay and bonus pay respectively. These figures highlight that we currently have more males than females in senior roles and reflect a higher level of pay and bonus for greater seniority.

This is different to equal pay for those in the same role. Our annual remuneration process considers pay for those in comparable roles. We aim to pay individuals equally for equivalent jobs across the firm. In a people business treating colleagues fairly and well is vital. Pay is only one measure of fairness, but it is the most tangible one. We put a lot of time and effort into being as fair as possible.

The under-representation of women in senior positions is an issue that we take seriously. This has been improving, reflecting the efforts that we have already put in place to appeal to a wider range of employees. Five years ago women represented only 13% of our most senior positions,

and our median hourly pay gap was 29%. Today, both figures are 18%. Looking ahead, we have a strong and balanced pipeline of talent. In our investment teams, the proportion of female graduate recruits has steadily been rising over the last fifteen years, and now half of our investors in the 0–10 year cohort are female. We have achieved an even gender balance in our operations graduate programme, which has been in place since 2008. In our Clients Department we introduced a trainee programme in 2011 and now 51% of our Client Managers are female. We are optimistic that this recruitment will result in a continued improvement in the percentage of women in senior roles over the next decade.

Ensuring progress also requires the right conditions to attract, retain and develop our excellent people, and to challenge any potential barriers to these conditions being achieved. Our Diversity and Inclusion Group are working to establish how the firm can continue to improve in this respect. Each Baillie Gifford partner and employee has their part to play. We aspire to always be objective and fair and for all employees to feel valued. Above all, we must continuously adapt, improve and invest to ensure that Baillie Gifford remains an engaging and progressive place to work. Over time we expect our gender pay gap will continue to narrow.

PAY DATA

Hourly rate of pay

Difference between gross hourly earnings for all men and all women



Pay Quartiles



Men 43
Women 57



Men 42
Women 58



Men 51
Women 49



Men 67
Women 33

BONUS DATA

Bonus pay gap

Difference between bonuses paid to men and women



Proportion of employees receiving a bonus



EXPLANATORY INFORMATION

The mean gender pay gap is the difference in average hourly pay between male and female members of staff.

The median gender pay gap is the difference in hourly pay between the middle-earning male and female members of staff when they are ranked in order.

Also shown is the mean and median difference between bonuses paid to men and women.

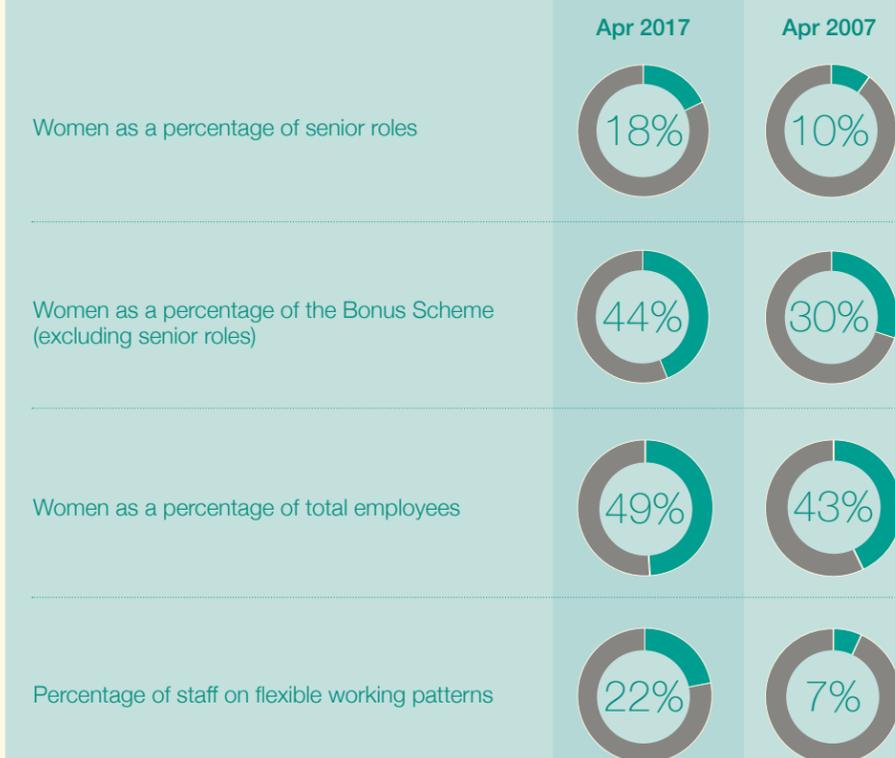
These figures highlight that we have currently more males than females in senior roles, where pay and bonuses are higher.

The pay quartiles show the distribution of men and women when they are ranked in order of hourly pay (upper quartile = top 25% of earners).

The proportion of employees receiving a bonus includes all employees eligible to receive a bonus as at 5 April. Those joining the firm from 1 January to 31 March would not be eligible to receive a bonus in the current year.



OUR PEOPLE





ANDREW TELFER
SENIOR PARTNER

– Everyone should have the opportunity to develop and maximise their potential, and it's up to the firm to help them with that. Having an inclusive mindset helps when it comes to fairness, and this way of thinking will undoubtedly be beneficial for Baillie Gifford.

– It is imperative that we attract and retain a diverse group of talented individuals.

OUR SHARED BELIEFS THIRD QUARTER 2017

SUPPORTING DIVERSITY AND INCLUSION AT BAILLIE GIFFORD

Baillie Gifford take all aspects of diversity and inclusion seriously. Five partners sit on our Diversity and Inclusion Group, alongside an experienced Human Resources professional. The group acts as an advisory body to the rest of the firm, supporting initiatives that we believe will further improve diversity and inclusion within Baillie Gifford and our broader community.

The broad objectives of the Diversity and Inclusion Group are:

- To consult widely, continually improving our approach to all aspects of diversity.
- To effectively communicate our priorities and progress, both within Baillie Gifford and beyond.
- To foster an inclusive and welcoming culture within Baillie Gifford.

Gender is a key consideration for this group, and this has led us to broadening our interactions with external organisations such as Women in Banking and Finance and the 30% Club, as well as participating in a number of women's leadership programmes. There are a number of other initiatives in place across the firm, and internal groups considering how we can improve our approach to areas such as bias awareness and mentoring. We are also thinking carefully about ways in which we can be more supportive of our employees as their lives progress and circumstances change. For example, we already have 197 people working an alternative work pattern, and have recently changed our policies in order to promote the good flexible working practices that already exist across the firm.

OTHER INITIATIVES

We also recognise that our discussions must go beyond gender, and are seeking external input in this area from organisations such as Stonewall and the Business Disability Forum to help us better understand and manage the challenges that our employees may face in the workplace. Our first employee-led network was launched in February, focusing on LGBT inclusion, and we have also created a group to focus on mental health and well-being within the workplace.

We are encouraging all of our employees to get involved in the work we are doing – we are making good progress, but there is still much further to go.

Our Diversity and Inclusion Group comprises Lynn Dewar, Kathrin Hamilton, Julie Moran, Richard McGrail, Kave Sigaroudinia and Will Sutcliffe.



CURIOUS ABOUT THE WORLD

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