



UK Gender Pay Gap Report

Year to 5 April 2020



Investment managers

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Foreword

Since 2017, the UK Government has required employers with more than 250 employees to measure and report on the gender pay gap of their UK-based employees on an annual basis. This gap is the difference between the average earnings of men and women, expressed as a portion of men's earnings.

At Baillie Gifford we are committed to helping everyone reach their full potential. One element of this is the journey we are on to ensure that the firm is an engaging and progressive place to work for all.

We understand why Baillie Gifford has a gender pay gap. We currently have more men than women in senior roles, and more women than men in junior-mid level roles. Our gender bonus gap also reflects the greater variable pay at more senior levels which are primarily occupied by men.

The underlying causes of our gender pay gap are long-standing and complex. Historically we have recruited more men than women but this is changing; 47% of our roles are undertaken by women and 53% by men. We have widened the sphere of our recruitment – including engaging with a wider network of schools and universities – to appeal to a broader range of candidates. We also provide continuous development opportunities, support and a focus on inclusion. And the good news is that the gap is narrowing.

In April 2020, Baillie Gifford's median gender pay gap fell to 16.0%, down from 17.9% in 2019. Our mean gender pay gap decreased slightly from 18.8% in 2019 to 18.5% in 2020. As owners of the firm, partners are excluded from the scope of the report. But we believe transparency is key to driving real change and choose to share this information. Our median gender pay gap including partners has improved; it is now 18.3%, whereas in 2019 it stood at 20.6%. The mean gender pay gap is largely unchanged at just over 36%.

In recent years, we have taken several steps to help close our gender pay gap. The most significant of these has been the introduction of our equal parental leave policy in April 2019, which allows all parents to take up to a year to spend with their child. The pages that follow highlight some of the other initiatives we have adopted as a firm.

We have become a more flexible employer, with many choosing to work some of their time from home long before Covid-19 dictated homeworking for the majority. This has given us pause for thought when we consider what working practices could look like in a post-pandemic world and how we retain the benefits of greater flexibility that our staff have come to value.

As in our investment approach, we are taking the long-term view. We do appreciate that meaningfully increasing the representation of women in senior roles will take time – women currently make up 53% of the membership of our entry level bonus schemes, and 28% of our upper levels. This latter figure is up from just over 10% a decade ago. We are committed to making fundamental rather than cosmetic changes and we recognise our longer-term perspective may lead to year-on-year fluctuations in the gender pay gap figures.

We are encouraged by the progress we have made, and we are focusing our energy and resources on the initiatives that we believe will continue to have the greatest positive impact.

Our emphasis on data and insight will continue to help us identify the ways that we can really make a difference.

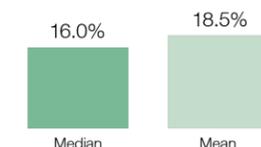
By ensuring diversity and inclusion form the backbone of everything we do, we are optimistic about the future. A future where we will undoubtedly see more women occupying senior roles at Baillie Gifford.



Amy Atack
Partner and member of Staff Committee and Remuneration Committee

Baillie Gifford's UK Gender Pay Gap

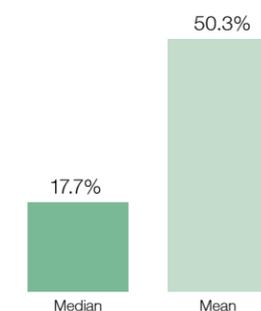
Difference Between Gross Hourly Earnings for all Men and all Women



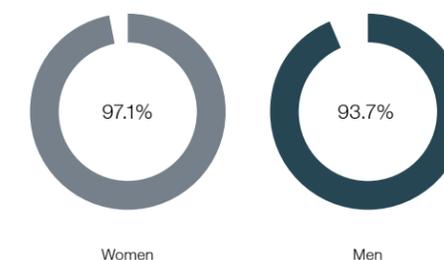
Proportion of Employees in Each Pay Band, by Quartile

	2019	2020	Women	2019	2020	Men
Top quartile (highest paid)	37%	37%	3 icons	63%	63%	7 icons
Upper middle quartile	47%	45%	4 icons	53%	55%	6 icons
Lower middle quartile	54%	57%	5 icons	46%	43%	5 icons
Bottom quartile (lowest paid)	56%	55%	6 icons	44%	45%	5 icons

Difference Between Bonuses Paid to Men and Women



Percentage of Employees Receiving a Bonus



All employees are eligible to receive a bonus, however, certain employees are excluded from the statutory calculation typically because they joined after the cut-off date for a bonus to be paid.

Historic Figures

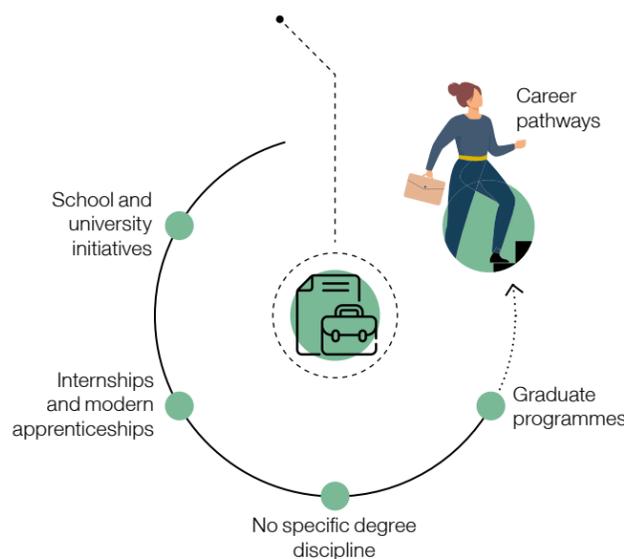
Date	Median Pay Gap	Mean Pay Gap	Median Bonus Gap	Mean Bonus Gap
April 2017	18.0%	23.3%	25.5%	55.6%
April 2018	18.2%	20.9%	23.1%	58.9%
April 2019	17.9%	18.8%	20.7%	50.7%
April 2020	16.0%	18.5%	17.7%	50.3%
2017-2020 Percentage change	-11.1%	-20.7%	-30.5%	-9.5%

Percentage change is calculated as the difference between the 2017 and 2020 numbers, divided by the 2017 starting position to show as a percentage.

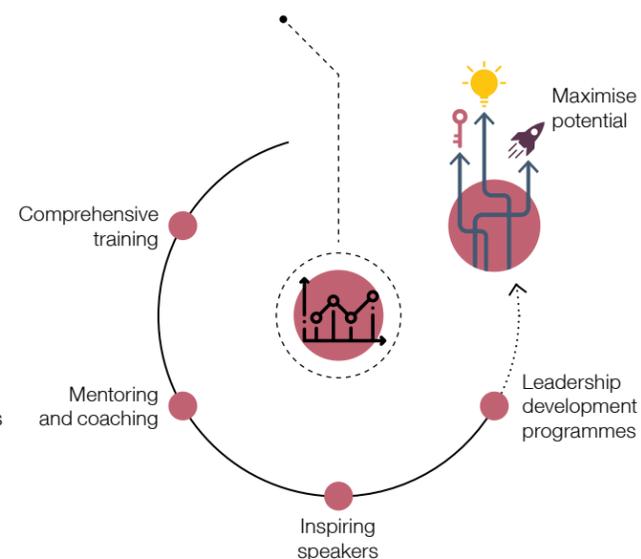
Ensuring Equality of Opportunity

We want to support our employees throughout their time with us, as their careers develop and their personal circumstances change. By applying a diversity and inclusion lens to everything we do, we can ensure that Baillie Gifford remains an engaging and progressive place to work, where staff have the opportunity to fulfill their potential.

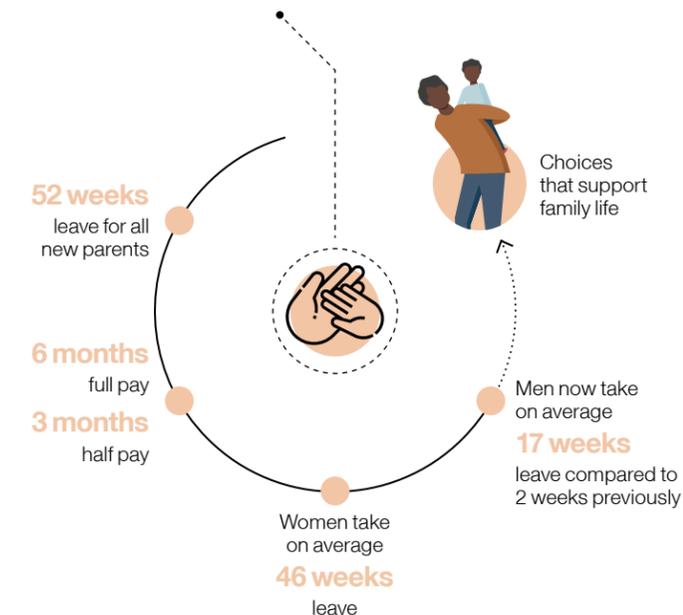
Broadening our Reach



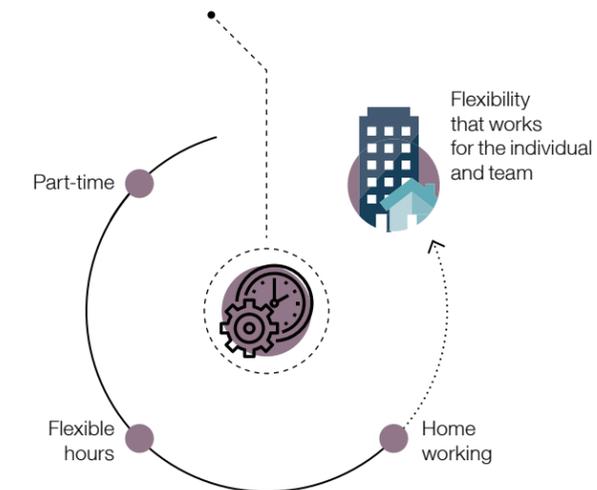
Supporting Progress



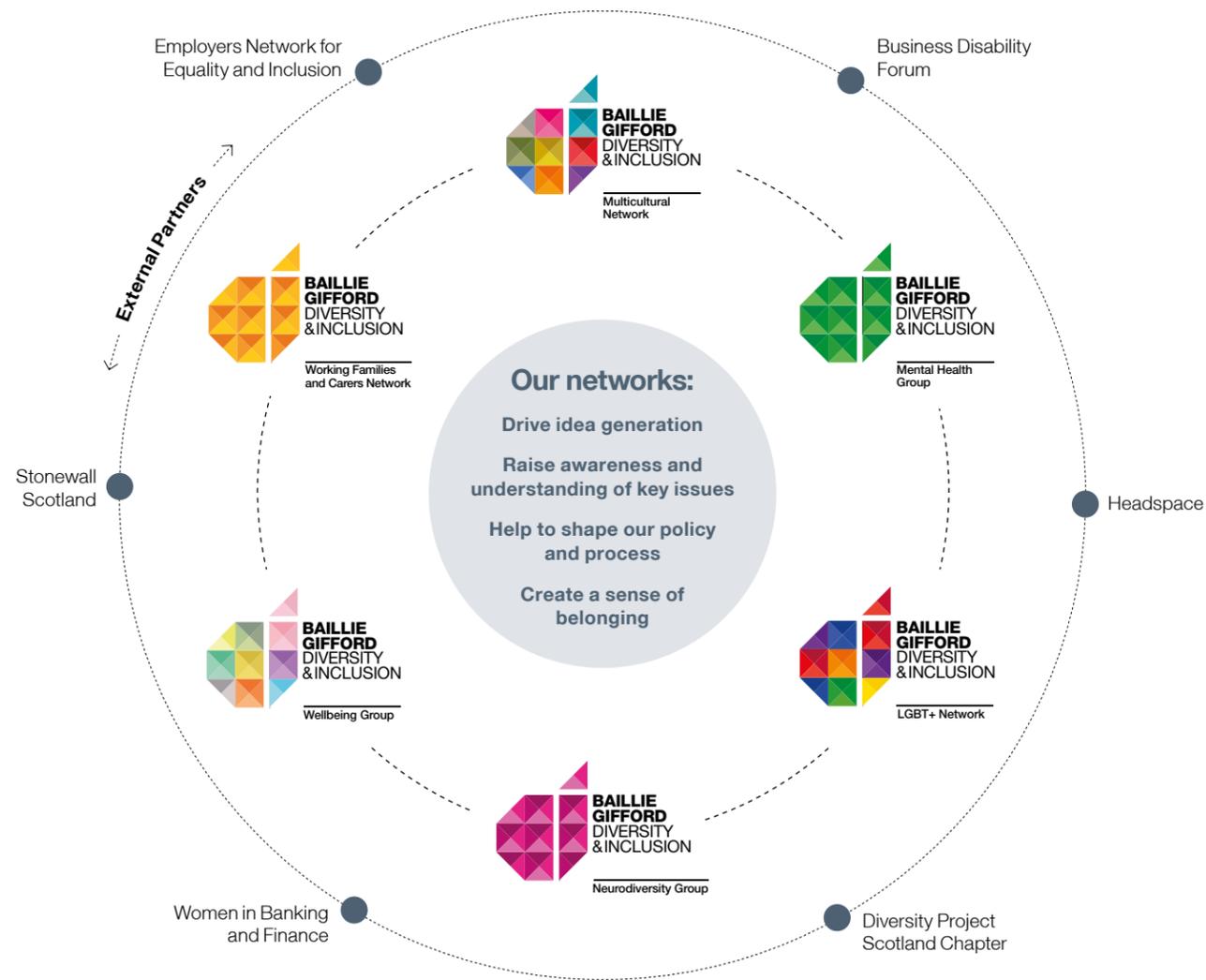
Family Support



Flexibility



Providing a Platform for Employee Voice



Visit our [website](#) to learn more about Baillie Gifford's approach to diversity and inclusion.

Statutory Methodology

Definitions and Explanations

Baillie Gifford Companies in Scope

The reportable entity for the UK gender pay gap is Baillie Gifford & Co as it had more than 250 employees in the UK at 5 April 2020.

Employees in Scope

The definition of relevant employee for calculation purposes does not include partners, however, we voluntarily disclose our UK gender pay gap with partner pay included. Certain employees are excluded from the calculation typically because of leave which meant that they did not receive full pay at the snapshot date or where their gender was undeclared.

Gender Pay Gap

Baillie Gifford's UK gender pay gap is calculated using the median and mean average hourly rate for men and for women at 5 April 2020. The difference between the two figures is our UK gender pay gap. To calculate the median, we rank each employee's hourly pay from lowest to highest and take the number in the middle of all hourly pay values for women and the same is calculated for the hourly pay for all men. To calculate the mean, the hourly pay for all males are added together and divided by the number of male employees and the same is calculated for the hourly pay for all women. This approach is consistent with the UK regulatory methodology and reflects best practice methodology guidance.

The gender pay gap is different to 'equal pay', which is a more detailed measure of pay equality. Equal pay compares the pay of males and females who are doing the same roles, or work of the same value, and takes into account key factors which influence pay, including the role, skills, seniority and market pay rates.

Gender Pay Quartiles

Baillie Gifford's pay quartiles use the employee hourly pay ranked from lowest to highest and divided into four equally sized groups (quartiles), each with an equal number of employees. To understand the gender distribution at each of the four pay levels the proportion of men and women within each quartile is calculated and reported.

Gender Bonus Gap

Baillie Gifford's bonus gap is calculated using the median and mean average bonus pay for men and women. The difference between these figures is the bonus pay gap. Bonuses comprised of all bonus payments, including releases from the deferred bonus scheme, and any ad-hoc bonuses paid in the previous 12-month period. Certain employees are excluded from the calculation typically because they joined after the cut-off date for bonuses or where they waived bonuses in favour of pension contributions.

CURIOUS ABOUT THE WORLD

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