



UK Gender Pay Gap Report

Year to 5 April 2021



Investment managers

Contents

Foreword

Baillie Gifford's UK
Gender Pay Gap

02

03

Ensuring Equality of
Opportunity

Statutory
Methodology

04

06

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, our goal is to have a diverse, inclusive workforce. We try to take a holistic approach to gender, diversity and inclusion, and social mobility. These factors are interrelated and over the long term will all contribute to us being a market-leading asset manager and dynamic global employer. Our UK gender pay gap is just one piece of the jigsaw that informs the progress we are making towards our goal.

We have continued to see a year-on-year improvement in our median and mean gender pay gaps to 12.7% and 15.5% respectively. Taking a longer-term view, these gaps have reduced by about a third since we began reporting five years ago. Our bonus gap also continues to narrow, with the mean at 46.6%. As owners of the firm, partners are excluded from the scope of this report, but we do review the numbers annually and the pattern is similar. Our median gender pay gap including partners has improved in 2021 to 14.4% from 18.3% and the mean to 33.1% from 36.3% in 2020.

Despite this improvement our gender pay gap persists. Why? The dominant reason is that we still have more men than women in senior-level roles. To address this, we continuously evolve our approach to attracting brilliant people at all levels of the firm to encourage broader social, ethnic and gender diversity. Our preference is to grow our own talent and we understand that effecting change will therefore take time.

Meanwhile, we apply a diversity and inclusion (D&I) lens to everything that we do, raising awareness throughout the firm. This has recently included more of a data-driven focus to consider any evidence of unconscious bias in the decision-making process on recruitment, reward and promotions. Improved data and insights in this area will provide the foundations for further D&I progress.

The impact on women of increased, or disproportionate, caring responsibilities during the pandemic has featured in many headlines and appears to have impacted on the mobility of women into new roles and new employers. We remain alert to emerging research on how different ways of working can impact the progression of diverse groups of colleagues. In February 2021, we introduced our 'Future Ways of Working' principles. These have been developed in consultation with colleagues following our experience of working remotely during the pandemic. Our principles enable all employees to consider working flexibly where this aligns with the needs of their team, and most critically, our clients.

As a people business we see huge value in bringing together our colleagues to drive innovation and improve what we do for our clients, but we recognise that we can achieve this with a more flexible approach. Our hope is to provide more flexibility to colleagues in how they deliver their role requirements, support their teams, and balance their personal and professional commitments. Experimentation and evaluation underpin these principles, which we believe over the long term will help us to become a more diverse and inclusive organisation.

We are working hard to enhance the diversity profile data that we have

Over the next couple of years, we will be making extensive changes to our remuneration and performance and development approaches to better align with our common purpose. Near term, this is likely to impact the gender pay gap figures that we report. However, woven through our recruitment activity and remuneration discussions is an assessment of the inputs and outcomes from a diversity perspective. We want to lower the risk of any unconscious bias. Better data and management information are critical in helping us. We are working hard to enhance the diversity profile data that we have – we believe that data transparency is key to driving understanding and real change. In turn, we want to publish pay gap reports for other aspects of diversity.

While creating an environment in which women can progress is hugely important, we need to attract and retain talented colleagues across all roles, ensuring we have the skills and capabilities required to deliver excellent investment performance, provide great service to our clients and develop our business successfully.

At Baillie Gifford, we are committed to fostering an inclusive culture where everyone can thrive. Whilst we have made progress, we want to do more.

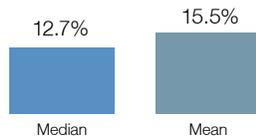


Amy Atack

Partner and member of
Staff Committee and
Remuneration Committee

Baillie Gifford's UK Gender Pay Gap

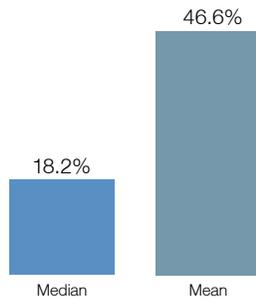
Difference Between Gross Hourly Earnings for all Men and all Women



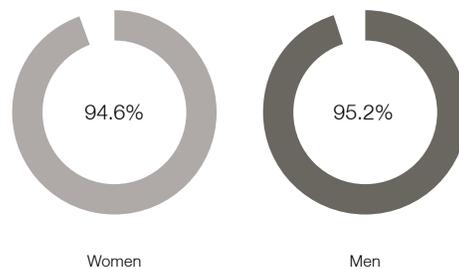
Proportion of Employees in Each Pay Band, by Quartile

	2020	2021	Women	2020	2021	Men
Top quartile (highest paid)	37%	38%	4 icons	63%	62%	12 icons
Upper middle quartile	45%	46%	9 icons	55%	54%	11 icons
Lower middle quartile	57%	57%	11 icons	43%	43%	9 icons
Bottom quartile (lowest paid)	55%	51%	9 icons	45%	49%	10 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 the firm after the cut-off date for a bonus to be paid.

Historic Figures

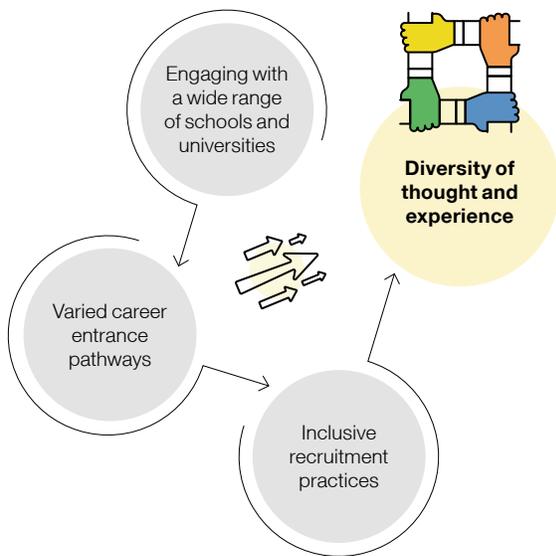
Date	Median Pay Gap	Mean Pay Gap	Median Bonus Gap	Mean Bonus Gap
April 2017	18.0%	23.3%	25.5%	55.6%
April 2018	18.2%	20.9%	23.1%	58.9%
April 2019	17.9%	18.8%	20.7%	50.7%
April 2020	16.0%	18.5%	17.7%	50.3%
April 2021	12.7%	15.5%	18.2%	46.6%
2017-2021 Percentage change	-29.4% ↓	-33.5% ↓	-28.6% ↓	-16.2% ↓

Percentage change is calculated as the difference between the 2017 and 2021 numbers, divided by the 2017 starting position to show as a percentage.

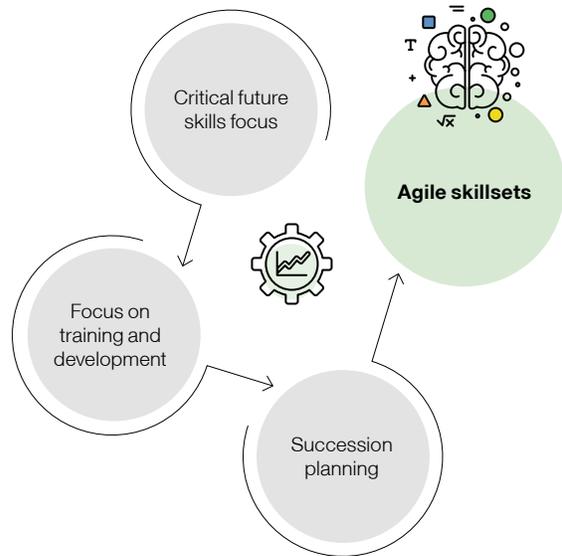
Ensuring Equality of Opportunity

Since our last report, we have focused on developing ways to build our understanding of the composition of our workforce and how to learn from their insight and experiences. While only a starting point, our pulse and experience surveys provide invaluable insight into how we can continue to evolve our approach and remain an engaging and progressive place to work, where staff feel like they belong and have the opportunity to fulfil their potential.

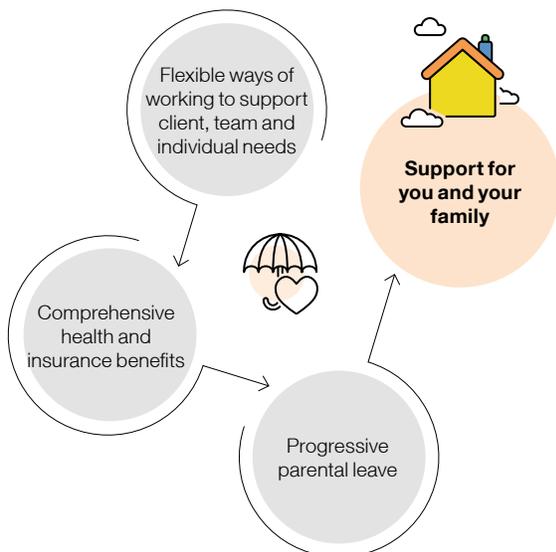
Broadening our reach



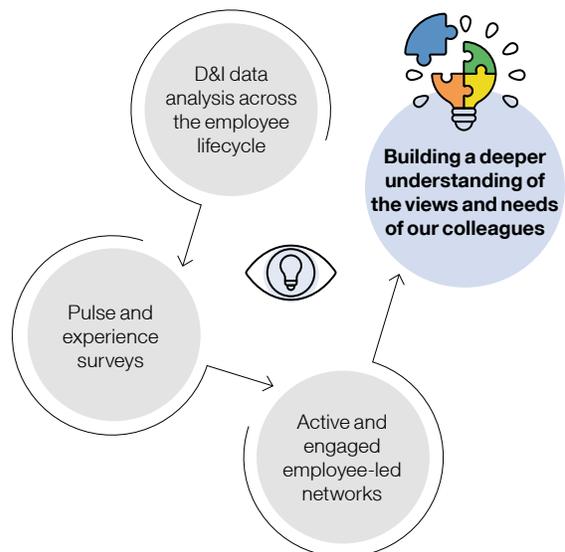
Supporting progress



Support and security

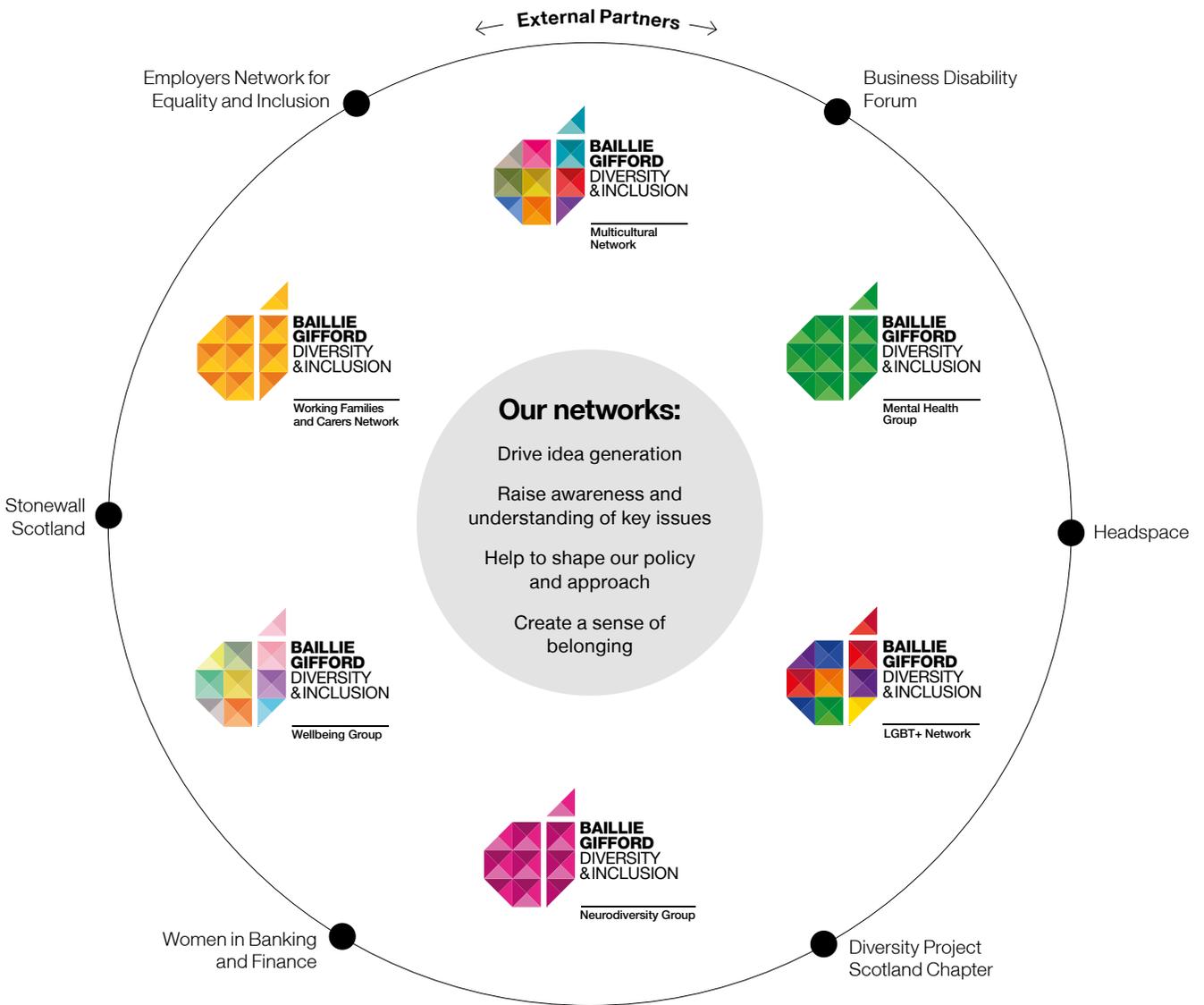


Employee insight



Providing a Platform for Employee Voice

Our colleagues champion diversity of thought, education, background, experiences and circumstances.



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 2021.

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 2021. 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 men and women 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.

Gender Identity

Gender identity is often assumed from a person's sex assigned at birth. However, we know that sex is more complex than simply 'male' and 'female', and gender is more than 'men' and 'women'. There are many people who do not fit into these binary categories, for example non-binary or intersex people. We are also aware that some people's gender identity does not align with the sex they were assigned at birth.

For the purpose of this report, we have used the terms 'men' and 'women' although we understand that not everyone identifies with these binary labels and for some these terms will refer to their biological sex.

CURIOUS ABOUT THE WORLD

bailliegifford.com/thinking

**Calton Square, 1 Greenside Row, Edinburgh EH1 3AN
Telephone +44 (0)131 275 2000 / bailliegifford.com**