



UK Fair Pay Report

Year to 5 April 2023

Baillie Gifford™

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Foreword

Our ambition is to become one of the most culturally and cognitively diverse investment management firms in the world. Our commitment to diversity and inclusion (D&I) has been longstanding and is underpinned by Our Shared Beliefs.

Our UK gender pay gap is just one piece of the jigsaw that informs progress towards this ambition. In 2023 we launched our first D&I Report. The report is an important next step in our journey as it enables us to share our progress and long-term goals, while increasing accountability and transparency. As a result, this UK Fair Pay Report is shorter than our previous reports and for more information on our D&I initiatives at Baillie Gifford please refer to the full **D&I Report**.

Since our last Fair Pay Report, our median gender pay gap has reduced to 11.6 per cent from 12.3 per cent. Our mean pay gap has reduced to 16.0 per cent from 17.3 per cent. This compares favourably across our industry.

Our median and mean bonus gaps have increased during 2023. This is largely the result of remuneration changes introduced in 2022 that converted a proportion of variable pay to fixed pay.

The primary reason we have a pay gap is because we have more men than women in senior-level roles, however this is improving. Our preference is to grow our own talent and we understand that effecting change will therefore take time.

As owners of the firm, partners are excluded from the scope of this report, but we do review the numbers annually and remain transparent. Our median gender pay gap, including partners, has improved in 2023 to 12.3 per cent from 14.1 per cent and the mean to 27.2 per cent from 30.4 per cent in 2022.

Our UK ethnicity pay gap¹ remains marginal (in the range of -5 per cent to +5 per cent), which we do not consider a statistically significant gap and we will continue to monitor this on an ongoing basis. Engagement rates for sexual orientation and trans status are not yet high enough to provide a statistically valid pay gap outcome for reporting purposes and we will continue to keep this under review.

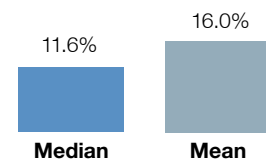


Kathrin Hamilton
Partner and Chair of the
Diversity and Inclusion Group

1. The ethnicity pay gap shows the difference in the average hourly rate of pay between ethnic minority and non-ethnic minority individuals in an organisation, expressed as a percentage of the average non-ethnic minority earnings.

Baillie Gifford's UK gender pay gap

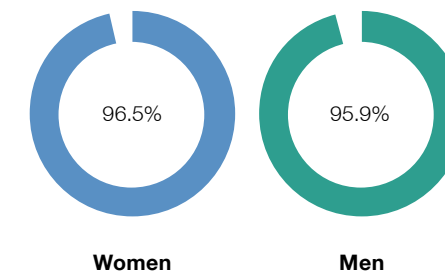
Difference between gross hourly earnings for all men and all women



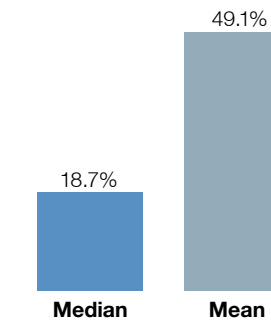
Proportion of employees in each pay band, by quartile

	2022	2023	Women	2022	2023	Men
Upper quartile (highest paid)	38.9%	37.7%		61.1%	62.3%	
Upper middle quartile	42.5%	45.9%		57.5%	54.1%	
Lower middle quartile	55.1%	51.1%		44.9%	48.9%	
Lowest quartile (lowest paid)	54.3%	53.9%		45.7%	46.1%	

Percentage of employees receiving a bonus



Difference between bonuses paid to men and women



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.

Our gender pay gap journey

Date	Median Pay Gap	Mean Pay Gap	Median Bonus Gap	Mean Bonus Gap
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%
April 2022	12.3%	17.3%	16.1%	46.6%
April 2023	11.6%	16.0%	18.7%	49.1%
2018-2023 Percentage change	-36.2% ↓	-23.4% ↓	-18.9% ↓	-16.7% ↓

Percentage change is calculated as the difference between the 2018 and 2023 numbers, divided by the 2018 starting position to show as a percentage.

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 2023.

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 2023. 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.



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