

BARINGS

U.K. GENDER PAY GAP REPORT

2022



INTRODUCTION

At Barings, we know that the diversity of our people and the independence of thought they bring to our culture is fundamental to the success of our business as investors and our future as a leading global asset manager. It drives our commitment to furthering diversity, equity and inclusion in all ways through talent processes that are equitable.

We present our 2022 U.K. Gender Pay Gap Report to provide a progress update on our gender pay gap as well as to continue to increase transparency across the firm. We are pleased to note that our statistics have improved year over year across nearly all metrics. As we focus on evaluating our internal metrics, we recognize the opportunity to work towards the development and promotion of women—our goal remains to achieve gender balance throughout the senior ranks of our organization.

We are making continuous progress with our DEI efforts, focusing on improving the experience for all our teammates. Over the past two years, we built out our DEI team, developed our global DEI strategy and strengthened our community partnerships. For more information, [please see our inaugural DEI report](#).

In addition, we ensured all Barings teammates completed inclusive culture training, expanded flexible work options and launched the Barings Development Program for emerging and current leaders, which is 50% female. To date, our internship and incoming analyst classes remain gender balanced, an outcome we are intentional about maintaining with future classes.

Women are still underrepresented in the financial industry:

- For every 100 men who are promoted from entry-level roles to manager positions, only 87 women are promoted. (McKinsey, *2022 Women in the Workplace* report)
- Fewer than half (41%) of management roles in the U.K. workplace are held by women. The figure falls to 38% when examining the number of women in senior business leading positions. This is despite the fact that women make up nearly half (48%) of the U.K. working population. (Chartered Management Institute press release, March 8, 2022)

As such, we understand the importance of retaining women at our middle and senior levels. We are addressing these challenges by expanding our Talent Management Center of Excellence, which oversees the disciplines needed to put robust and objective processes in place for succession and talent management planning.

Our intentional efforts have resulted in modest improvements in our gender pay gap. As we look forward, our efforts to close the gap will continue, with a focus on building a broad talent pipeline fit for the future and advocating for the improvement of gender imbalance wherever we see it. We are proud of what we've accomplished in 2022 and recognize we have more work to do, together.



MIKE FRENO

Chairman & CEO, Barings LLC



CHASITY BOYCE

Chief Diversity, Equity & Inclusion Officer



UNDERSTANDING OUR METHODOLOGY

In this report, we provide gender pay gap information for the 511 U.K.-based teammates employed by Barings at the report snapshot date of Tuesday, April 5, 2022.

The gender pay gap demonstrates the difference in the mean and median hourly pay of men and women across the organization, regardless of the role or area of the business. It does not compare the pay of men and women who are carrying out similar or equivalent work, known as equal pay.

As we see throughout the asset management industry and wider financial services sector, female representation declines with seniority. As such, the gender pay gap is often complicated by the structural challenge of having more males in more senior, highly paid positions.

At Barings, our process for determining compensation is gender neutral, subject to multiple rounds of review throughout the year, and involves collaboration between managers, Human Resources (HR) personnel, total rewards and the Diversity, Equity and Inclusion (DEI) teams. We are confident that men and women carrying out equivalent work in equivalent roles, accounting for experience level, tenure and performance, are rewarded in the same way.



BARINGS' 2022 U.K. GENDER PAY GAP STATISTICS

The comparison below shows a year-over-year improvement in both mean and median pay gap statistics by a few percentage points, as well as a decrease in the mean bonus gap.

	April 2022	April 2021	April 2020
Gender Pay Gap			
Mean	18%	18%	20%
Median	19%	19%	18%
Gender Bonus Gap			
Mean	49%	56%	59%
Median	43%	42%	53%
Portion of Males and Females Receiving a Bonus			
Male	94%	95%	94%
Female	89%	93%	90%

Portion of Females in Pay	April 2022	April 2021	April 2020
Quartiles			
Lower	52%	54%	57%
Lower Middle	38%	39%	38%
Upper Middle	32%	29%	30%
Upper	27%	27%	29%

ACTIONS WE TOOK TO CLOSE THE GAP IN 2022



ATTRACT

- Continued to partner with organizations that aim to educate females on financial services careers, such as Girls Who Invest, Smart Women Securities, Seize Every Opportunity (SEO) and Toigo.
- Continued to host a gender-balanced internship program and incoming analyst class, which is seen as the key entry point to develop careers at Barings.
- Encouraged our Talent Acquisition team and recruitment partners to provide a gender-balanced list of candidates when making strategic hires.
- Promoted open roles to diverse audiences and used blind resumes to help reduce bias in our hiring process.
- Launched inclusive hiring training for all hiring team members.



ENGAGE

- Developed and implemented a global DEI strategy with measurement and representation and equitable talent processes as two of our strategic pillars.
- Continued to participate in CEO Action for Diversity and Inclusion, the largest CEO-driven business commitment to advance diversity and inclusion in the workplace.
- Supported the growth of our Employee Resource Groups (ERGs) that help create community and amplify culture initiatives through global programming.
- Created an APAC DEI Council to ensure that all Barings teammates—no matter where they work in the company or world—feel a sense of belonging and know their voices and contributions are welcome and needed.
- Held our second annual *Day of Understanding* across the firm, with a focus on psychological safety.
- Became a strategic partner to Black Women in Asset Management.



DEVELOP

- Enhanced teammate learning and development with the support of our dedicated HR Business Partners (HRBPs), who provide tactical and strategic consulting to our business units on our people strategies.
- Offered expanded teammate training focused on inclusive culture and leadership (with examples focused on gender differences and continuous learning) via micro-learning videos and LinkedIn Learning.
- Offered mid- and senior-level leader training focused on accelerating leadership skills and business acumen, with 50% women in the inaugural cohort.
- Hosted interactive, practical workshop to help women manage and overcome imposter syndrome.
- Facilitated global “Power of 10” mentoring circles to keep female teammates across levels and business units connected and in community.



RETAIN

- Reviewed external market intelligence—assessing internal equity among teams, similar roles and functions—to ensure compensation practices are competitive with industry peers.
- Set representation targets to increase females at the Director level, a key pipeline to the most senior levels of the firm.
- Supported annual firm-wide talent review and performance management process.
- Held safe-space conversations to encourage discussion regarding topics considered important to diverse communities, including women.
- Promoted new hybrid work environment to encourage teammates to find an in-office and work-from-home schedule that maximizes their productivity and work-life balance.
- Offered 10 days of emergency back-up care for our teammates needing help caring for a loved one, helping make navigating work and home life easier.
- Conducted annual pay equity analysis to proactively identify and address any compensation discrepancies.

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