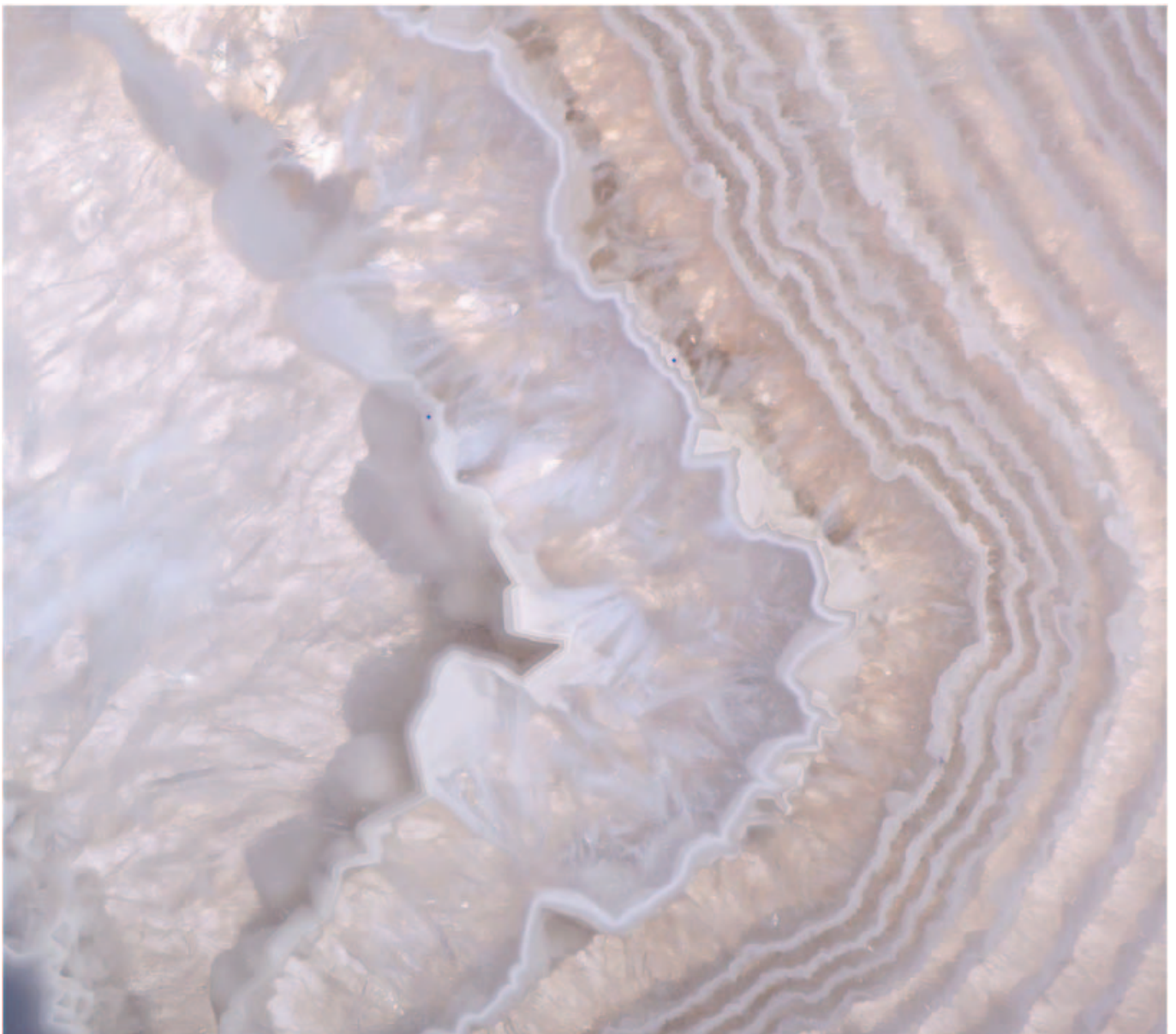


BAILLIE GIFFORD

Baillie Gifford Investment Funds ICVC

Interim Report and Financial Statements (Unaudited)
for the six months ended 30 June 2018



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*Collectively these comprise the Authorised Corporate Director's Report as required by the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("COLL").

About the Company

Baillie Gifford Investment Funds ICVC (Investment Company with Variable Capital) ('the Company') is an umbrella UK Open-Ended Investment Company ('OEIC') under regulation 14 (Authorisation) of the Open-Ended Investment Companies Regulations 2001. An OEIC is a collective investment vehicle in which your funds are pooled with those of other investors and spread across a portfolio of companies, thus reducing risk.

At 30 June 2018 the Company offered four sub-funds, and the range may be varied in the future. Each sub-fund is valued on a daily basis and is subject to different charging structures and subscription limits. All shares are single priced. Details of the sub-funds and the share classes are contained in the Prospectus, along with details of the switching facility available between sub-funds. The Prospectus was last revised on 25 May 2018 and the Instrument of Incorporation was last revised on 22 November 2016. Copies of the Prospectus or Instrument of Incorporation can be obtained from Baillie Gifford & Co Limited, the Authorised Corporate Director ('ACD') by contacting Client Relations.

The Company is registered in Great Britain, registered number IC000719, and the address of its Head Office is Calton Square, 1 Greenside Row, Edinburgh EH1 3AN. The operation of the Company is governed by the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL') and the Financial Conduct Authority's Investment Funds Sourcebook ('FUND'), collectively referred to as (the 'Regulations'), its Instrument of Incorporation and its Prospectus.

The Company's shareholders are not liable for its debts beyond the amount subscribed. Each sub-fund is classed as a non-UCITS retail scheme under COLL and an Alternative Investment Fund ('AIF') under FUND.

The ACD has, in respect of Baillie Gifford Diversified Growth Fund and Baillie Gifford Multi Asset Growth Fund, made an election into the Tax Elected Fund ('TEF') regime and these sub-funds may therefore pay both dividend and non-dividend distributions. No such election has been made in respect of Baillie Gifford Long Term Global Growth Investment Fund nor Baillie Gifford Positive Change Fund and these sub-funds may therefore only pay dividend distributions. Future sub-funds launched may or may not be TEFs and the tax treatment will vary accordingly.

Any comments expressed in this report should not be taken as a recommendation or advice.

Alternative Investment Fund Managers Directive ('AIFMD')

The Directive creates a regulatory and supervisory framework for alternative investment fund managers within the EU. The scope of the Directive captures the management and the marketing of all non-UCITS funds; the Fund, a UK authorised non-UCITS retail scheme, is therefore within its remit and is deemed to be an AIF. Ongoing disclosure under AIFMD is made in the annual report and financial statements.

Sub-fund Cross-holdings Table

| Sub-fund | Cross-holding | Number of Shares | Value of Shares £'000 |
|---|--|------------------|--------------------------|
| Baillie Gifford Diversified Growth Fund | Baillie Gifford Long Term Global Growth Fund C Acc | 39,835,225 | 248,094 |

At 30 June 2018 no other sub-funds had any cross-holdings.

About the Company cont.

Authorised Corporate Director ('ACD')/Alternative Investment Fund Manager ('AIFM')

Baillie Gifford & Co Limited
(Authorised and regulated by the Financial Conduct Authority, Financial Services Register No. 119179)
Calton Square,
1 Greenside Row,
Edinburgh EH1 3AN
Telephone: 0800 917 2113
Fax: 0131 275 3955

Directors of the ACD

A W Paterson (Chairman)
E Delaney
P J Edwardson
C M Fraser
D S McGowan
S Swindells
A J Telfer
M J C Wylie

Investment Adviser

Baillie Gifford & Co
(Authorised and regulated by the Financial Conduct Authority, Financial Services Register No. 142597)
Calton Square,
1 Greenside Row,
Edinburgh EH1 3AN

Depository

National Westminster Bank Plc
(Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, Financial Services Register No. 121878)
Trustee & Depositary Services,
Floor 2 South,
Drummond House,
1 Redheughs Avenue,
Edinburgh EH12 9RH

Registrar

Baillie Gifford & Co Limited
(Authorised and regulated by the Financial Conduct Authority, Financial Services Register No. 119179)
Calton Square,
1 Greenside Row,
Edinburgh EH1 3AN

Auditor

PricewaterhouseCoopers LLP
Atria One,
144 Morrison Street,
Edinburgh EH3 8EX

Baillie Gifford & Co Limited, the Authorised Corporate Director of the OEIC, is wholly owned by Baillie Gifford & Co. We only provide information about our products and do not provide investment advice.

Statement of Authorised Corporate Directors' Responsibilities

The Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL') requires the Authorised Corporate Director to prepare financial statements for each interim and annual accounting period which give a true and fair view of the financial position of the Company and of its income and expenditure and of its net gains and losses on the property of the Company for the year. In preparing the financial statements the Authorised Corporate Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with the disclosure requirements of the Statement of Recommended Practice relating to the Financial Statements of UK Authorised Funds issued in 2014;
- follow generally accepted accounting principles and applicable accounting standards;
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation; and
- take reasonable steps for the prevention and detection of fraud and irregularities.

The Authorised Corporate Director is responsible for the management of the Company in accordance with the Instrument of Incorporation, the Prospectus and the Regulations.

The Interim Report and Financial Statements were approved by the Authorised Corporate Director and signed on its behalf by:

D S McGowan, Director
C M Fraser, Director
Baillie Gifford & Co Limited
31 August 2018

BAILLIE GIFFORD

Baillie Gifford Diversified Growth Fund

a sub-fund of Baillie Gifford Investment Funds ICVC

*Interim Report and Financial Statements (Unaudited)
for the six months ended 30 June 2018*



Baillie Gifford Diversified Growth Fund

Investment Objective

The Fund aims to achieve long-term capital growth at a level of risk lower than investment in shares of companies.

Investment Policy

To invest in a variety of asset classes, either directly or indirectly or through other funds. The asset classes include, but are not limited to, shares, bonds, property, private equity, infrastructure, commodities, and currencies. Investment may be in transferable securities (such as bonds and shares), other funds, money market instruments, cash and near cash. Currency forwards and derivatives, which are types of financial contract, are used to protect or enhance the return of the Fund, including for investment purposes. Other bonds are used for investment purposes. The Fund is exposed to foreign currencies.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

| Typically lower rewards, lower risk | | | Typically higher rewards, higher risk | | | |
|--|---|---|--|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases. The Fund is classified in the category above because it invests in a variety of asset classes which generally provide higher rewards and higher risks than other investments such as investment solely in bonds or cash. The indicator does not take into account the following relevant material risks which may affect income and reduce the capital value of the Fund. You might not get back the amount originally invested.

The Fund does not guarantee positive returns. It aims to limit the extent of loss in any short-term period to a lower level than equities, however this is not guaranteed. Investment markets can go down as well as up and market conditions can change rapidly.

The Fund has exposure to foreign currencies and changes in the rates of exchange will cause the value of any investment, and income from it, to fall as well as rise. The Fund invests in emerging markets where difficulties in trading could arise, resulting in a negative impact on the value of your investment. Custody of assets, particularly in emerging markets, involves a risk of loss if the custodian becomes insolvent or breaches duties of care.

Bonds issued by companies and governments may be adversely affected by changes in interest rates, expectations of inflation and a decline in the creditworthiness of the bond issuer. The issuers of bonds in which the Fund invests, particularly in emerging markets, may not be able to pay the bond income as promised or could fail to repay the capital amount. Part of the Fund is invested in bonds that are exposed to the risk of extreme insurance losses from natural disasters such as earthquakes or hurricanes. If a number of specified disasters occur while the Fund is invested in such bonds, the Fund will suffer a capital loss.

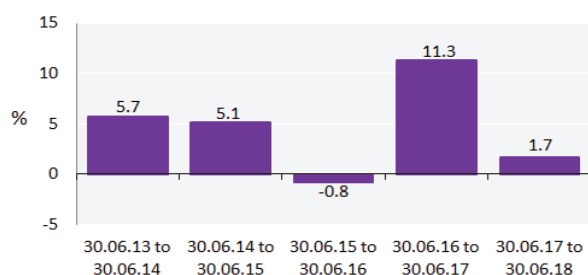
In certain circumstances it can be difficult to buy or sell the Fund's holdings and even small purchases or sales can cause their prices to move significantly. Market values for securities which are difficult to trade, or value less frequently than the Fund, such as holdings in weekly or monthly dealt funds, may not be readily available. There can be no assurance that any value assigned to them will reflect the price the Fund might receive upon their sale.

The result of the UK Referendum on membership of the European Union introduces elements of political uncertainty and may have practical consequences for the Fund. Developments will be closely monitored.

Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations.

Investment Report

Past Performance¹



The performance figures shown in this graph are for Class B1 Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.65%, but exclude any initial charge paid. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the six months to 30 June 2018, the return on B1 Accumulation Shares was -0.7%². We believe that shorter-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance. Over that period, the return on B1 Accumulation Shares has been 6.5%² on an annualised basis.

The beginning of 2018 saw the return of volatility to markets and after the previous year of rising indices, we saw a short-term sell-off at the beginning of February. Growing anticipation of rising interest rates in the US caused equity markets to sell-off, albeit they recovered to deliver a strong return in the second quarter. The fundamental investment environment remained broadly supportive: interest rates in developed markets remained stable; inflation was low; and the world economy grew at a good pace.

The key positive contributions to performance were from economically-exposed asset classes, such as listed equities and property. Of particular note here is the strong performance of the underlying Baillie Gifford equity funds which make up the majority of the Fund's listed equity exposure, with in-house funds providing returns above their comparative index levels. Positive performance also came from the absolute return asset class over the period, particularly our defensive position in volatility futures. By taking a position in volatility

futures, we had an expectation of generating a positive return should market volatility return to more 'normal' levels. This position served as a useful portfolio hedge during the spike in market volatility at the beginning of February, generating a positive return for the Fund. Elsewhere, there were some detractors from performance, most notably emerging market government bonds and active currency. The recent rise in the US dollar has impacted on a number of emerging market economies and their currencies – particularly those more heavily exposed to external capital flows, or with larger proportions of US dollar funding.

Our outlook for the global economy is that both developed and emerging economies will continue on their upward growth trajectory, however we are mindful of a range of political and economic risks which could alter the path of growth. We also note that valuations are at or above their long-term fair values across a broad range of assets. We therefore continue to be active and selective with our portfolio, seeking the inherent diversification that comes through having exposure to a genuinely wide range of different asset classes.

Baillie Gifford & Co, 12 July 2018

¹Source: FE, 10am dealing prices, income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset value, income accumulated. Please see Disclaimer on page 71. You should be aware that past performance is not a guide to future performance.

Principal Holdings as at 30 June 2018

| Investment | Percentage of total Fund |
|--|--------------------------|
| Baillie Gifford Emerging Markets Bond Fund C Acc ¹ | 8.77 |
| Baillie Gifford Global Alpha Growth Fund C Acc ¹ | 6.01 |
| Baillie Gifford Global Income Growth Fund C Acc ¹ | 5.84 |
| US TII 0.625% 15/01/2026 | 4.67 |
| Baillie Gifford Long Term Global Growth Investment Fund C Acc ¹ | 3.73 |
| Baillie Gifford Worldwide Japanese Fund C Acc GBP ¹ | 3.71 |
| Allianz Merger Arbitrage Strategy | 2.70 |
| ETFS Nickel | 2.38 |
| Japan (Govt) 0.1% CPI Linked 10/03/2027 | 2.11 |
| Galene Fund | 2.08 |

¹Baillie Gifford Investment Funds ICVC related party.

Material Portfolio Changes for the six months ended 30 June 2018

| Largest Purchases | Cost £'000 | Largest Sales | Proceeds £'000 |
|---|---------------|--|-------------------|
| Japan (Govt) 0.1% CPI Linked 10/03/2027 | 138,428 | Baillie Gifford Emerging Markets Bond Fund C Acc ¹ | 133,313 |
| ETFS Nickel | 136,624 | Baillie Gifford Global Alpha Growth Fund C Acc ¹ | 84,168 |
| Brazil 0% 01/07/2021 | 135,462 | Baillie Gifford Worldwide Global Credit Fund C Acc USD | 67,766 |
| UBS Crude Oil ETN | 68,195 | Galene Fund | 67,598 |
| Baillie Gifford Emerging Markets Bond Fund C Acc ¹ | 67,974 | Argentina 15.5% 17/10/2026 | 45,437 |
| HICL Infrastructure Co. | 41,077 | Baillie Gifford High Yield Bond Fund C Acc ¹ | 36,910 |
| Goldman Sachs Crude Oil ETN | 40,114 | Credit Suisse Nova (Lux) Global Senior Loan Fund | 35,154 |
| South Africa 8.75% 31/01/2044 | 33,599 | Baillie Gifford Global Income Growth Fund C Acc ¹ | 34,176 |
| Brazil 10% 01/01/2023 | 33,423 | Baillie Gifford Worldwide Japanese Fund C Acc GBP ¹ | 33,709 |
| John Laing Infrastructure | 31,420 | Merna Re 2015-1 | 28,399 |

¹Baillie Gifford Investment Funds ICVC related party.

The largest purchases and sales have been shown, with the exception of UK Treasury Bills, which are used for cash management purposes, and derivatives.

Portfolio Statement as at 30 June 2018

| Stock description | Holding | Market value £'000 | % of total net assets |
|---|-----------------|-----------------------|--------------------------|
| Absolute Return - 7.33% (7.32%) | | | |
| Allianz Merger Arbitrage Strategy | 165,535 | 179,783 | 2.70 |
| Aspect Core Trend Fund | 772,500 | 73,835 | 1.11 |
| Boussard & Gavaudan | 1,179,002 | 20,541 | 0.31 |
| Credit Suisse Lux Multi-Trend Fund | 87,400 | 62,741 | 0.95 |
| Goldman Sachs Cross Asset Trend Portfolio | 8,600,000 | 76,115 | 1.14 |
| Nomura Cross Asset Momentum Fund | 980,000 | 74,172 | 1.12 |
| Commodities - 4.32% (0.00%) | | | |
| BNP Paribas Crude Oil ETN | 36,000 | 25,187 | 0.38 |
| ETFS Nickel | 14,500,000 | 158,536 | 2.38 |
| Goldman Sachs Crude Oil ETN | 55,346 | 38,098 | 0.57 |
| UBS Crude Oil ETN | 924,400 | 65,438 | 0.99 |
| Emerging Market Bonds - 18.16% (18.06%) | | | |
| Argentina IL 2.5% 22/07/2021 | 305,737,346 | 10,671 | 0.16 |
| Argentina IL 5.83% 31/12/2033 | 62,641,388 | 11,783 | 0.18 |
| Argentina 6.875% 11/01/48 (USD) | 11,085,000 | 6,342 | 0.10 |
| Argentina 7.5% 22/04/2026 (USD) | 23,850,000 | 16,665 | 0.25 |
| Argentina 7.625% 22/04/2046 (USD) | 2,180,000 | 1,333 | 0.02 |
| Argentina T Bill 15/08/2018 | 900,000,000 | 22,455 | 0.34 |
| Argentina T Bill 18/07/2018 | 1,145,475,105 | 29,401 | 0.44 |
| Baillie Gifford Emerging Markets Bond Fund C Acc ¹ | 327,300,000 | 583,576 | 8.77 |
| Brazil 0% 01/07/2021 | 880,000 | 131,466 | 1.98 |
| Brazil 10% 01/01/2023 | 153,200 | 29,543 | 0.44 |
| Ecuador 10.5% 24/03/2020 (USD) | 13,680,000 | 10,595 | 0.16 |
| Egypt 7.5% 31/01/2027 (USD) | 4,700,000 | 3,511 | 0.05 |
| Egypt 8.5% 31/01/2047 (USD) | 12,300,000 | 9,107 | 0.14 |
| Egypt T Bill 07/08/2018 | 295,000,000 | 12,283 | 0.18 |
| Egypt T Bill 30/10/2018 | 300,000,000 | 11,947 | 0.18 |
| Ethiopia 6.625% 2024 (USD) | 15,200,000 | 11,211 | 0.17 |
| Ghana 10.75% 14/10/2030 (USD) | 6,800,000 | 6,241 | 0.09 |
| India 8.6% 02/06/2028 | 4,950,000,000 | 56,430 | 0.85 |
| Indonesia 7.5% 15/08/2032 | 345,000,000,000 | 16,990 | 0.26 |
| Indonesia 8.75% 15/05/2031 | 506,000,000,000 | 27,882 | 0.42 |

Portfolio Statement as at 30 June 2018 cont.

| Stock description | Holding | Market value £'000 | % of total net assets |
|---|----------------|-----------------------|--------------------------|
| Lebanon 6.4% 26/05/2023 (USD) | 14,400,000 | 9,202 | 0.14 |
| Mexico IL 4% 15/11/2040 | 1,300,000 | 31,271 | 0.47 |
| Mongolia 8.75% 09/03/2024 (USD) | 9,450,000 | 7,661 | 0.12 |
| Namibia 5.5% 03/11/2021 (USD) | 10,750,000 | 8,180 | 0.12 |
| Nigeria 7.143% 23/02/2030 (USD) | 4,582,000 | 3,276 | 0.05 |
| Nigeria 7.875% 16/02/2032 (USD) | 7,840,000 | 5,821 | 0.09 |
| Peru 6.95% 12/08/2031 | 197,000 | 50,035 | 0.75 |
| Petkim Petrokimya 5.875% 2023 (USD) | 6,000,000 | 4,132 | 0.06 |
| Petro TrinTobago 9.75 14/08/2019 (USD) | 8,000,000 | 6,256 | 0.09 |
| Petroleos Mexicanos 6.5% 13/03/2027 | 11,896,000 | 9,244 | 0.14 |
| Senegal 6.25% 23/05/2033 (USD) | 14,000,000 | 9,406 | 0.14 |
| South Africa 5.875% 22/06/2030 (USD) | 12,750,000 | 9,567 | 0.14 |
| South Africa 8.75% 31/01/2044 | 588,000,000 | 29,684 | 0.45 |
| Tajikistan 7.125% 14/09/2027 (USD) | 12,500,000 | 8,360 | 0.13 |
| Turkey 4.875% 09/10/2026 (USD) | 9,500,000 | 6,324 | 0.09 |
| Government Bonds - 6.78% (4.45%) | | | |
| Japan (Govt) 0.1% CPI Linked 10/03/2027 | 19,186,800,000 | 140,231 | 2.11 |
| US TII 0.625% 15/01/2026 | 391,200,000 | 310,698 | 4.67 |
| High Yield Credit - 6.08% (7.89%) | | | |
| Adient 4.875% 2026 (144A) | 200,000 | 136 | 0.00 |
| AmSurg 5.625% 2022 | 180,000 | 139 | 0.00 |
| Amsurg 6.25% 2024 (144A) | 80,000 | 64 | 0.00 |
| Antero Resources 5.125% 2022 | 368,000 | 279 | 0.00 |
| Apollo Senior Floating Rate Fund | 142,176 | 1,755 | 0.03 |
| APX Group Inc 7.875% 2022 | 305,000 | 229 | 0.00 |
| Aramark 5% 2028 (144A) | 570,000 | 415 | 0.01 |
| Ardagh Packaging 7.25% 2024 (144A) | 510,000 | 401 | 0.01 |
| Aroundtown Properties 5.25% Perp | 500,000 | 347 | 0.01 |
| Baillie Gifford High Yield Bond Fund C Acc ¹ | 9,500,000 | 33,440 | 0.50 |
| Barry Callebaut 5.5% 2023 (144A) | 275,000 | 215 | 0.00 |
| BlackRock Floating Rate Income Trust | 944,371 | 9,335 | 0.14 |
| Cable One 5.75% 2022 (144a) | 270,000 | 209 | 0.00 |
| Catalent 4.875% 2026 (144A) | 422,000 | 307 | 0.01 |

Portfolio Statement as at 30 June 2018 cont.

| Stock description | Holding | Market value £'000 | % of total net assets |
|--|------------|-----------------------|--------------------------|
| CCO Holdings 5.25% 2022 | 456,000 | 347 | 0.01 |
| Cemex 6% 2024 | 480,000 | 368 | 0.01 |
| Centurylink 7.6% 2039 | 497,000 | 315 | 0.01 |
| Cirsa 7.875% 2023 (144A) | 280,000 | 207 | 0.00 |
| CNH Industrial 3.875% 2021 | 212,000 | 160 | 0.00 |
| Codere 7.625% 2021 (144A) | 460,000 | 318 | 0.01 |
| Conduent 10.5% 2024 (144A) | 235,000 | 213 | 0.00 |
| Consolidated Energy 6.875% 2025 (144A) | 290,000 | 225 | 0.00 |
| Credit Suisse Nova (Lux) Global Senior Loan Fund | 42,300 | 41,912 | 0.63 |
| CVC Credit Partners European Opportunities EUR | 750,000 | 736 | 0.01 |
| CVC Credit Partners European Opportunities GBP | 9,000,000 | 10,170 | 0.15 |
| Deck Chassis 10% 2023 (144A) | 605,000 | 486 | 0.01 |
| Dell 7.125% 2024 (144A) | 452,000 | 363 | 0.01 |
| Eaton Vance Senior Income Trust | 643,744 | 3,101 | 0.05 |
| EDF 5.25% 2023 Perp | 350,000 | 258 | 0.00 |
| Enquest 7% 2022 PIK (USD) (144A) | 359,243 | 246 | 0.00 |
| Enviva Partners 8.5% 2021 (WI) | 245,000 | 194 | 0.00 |
| Fairfax Financial Holdings 4.875% 2024 (144A) | 402,000 | 311 | 0.01 |
| First Cash 5.375% 2024 (144A) | 548,000 | 415 | 0.01 |
| FMG Resources 4.75% 2022 (144A) | 345,000 | 252 | 0.00 |
| Freeport McMoran 3.55% 2022 | 289,000 | 207 | 0.00 |
| Frontier Communications 7.625% 2024 | 195,000 | 102 | 0.00 |
| Frontier Communications 8.5% 2026 | 142,000 | 104 | 0.00 |
| Goodyear 4.875% 2027 | 206,000 | 144 | 0.00 |
| Graham Holdings 5.75% 2026 (144A) | 561,000 | 432 | 0.01 |
| Hanesbrands 4.625% 2024 (144A) | 264,000 | 195 | 0.00 |
| Henderson Secured Loans Fund | 45,630,000 | 81,815 | 1.23 |
| IMS Health 5% 2026 (144A) | 342,000 | 252 | 0.00 |
| Inmarsat 6.5% 2024 (144A) | 510,000 | 387 | 0.01 |
| International Game Tech 6.5% 2025 (144A) | 370,000 | 289 | 0.01 |
| Invesco Senior Income Trust | 7,726,066 | 24,988 | 0.38 |
| James Hardie 4.75% 2025 (144A) | 420,000 | 310 | 0.01 |
| JBS 5.75% 2025 (144A) | 413,000 | 291 | 0.01 |
| L Brands 6.875% 2035 | 340,000 | 227 | 0.00 |
| Land O'Lakes 7.45% 2028 (144A) | 327,000 | 274 | 0.00 |

Portfolio Statement as at 30 June 2018 cont.

| Stock description | Holding | Market value £'000 | % of total net assets |
|---|------------|-----------------------|--------------------------|
| Liberty Interactive 4% 2029 Convertible | 472,000 | 251 | 0.00 |
| LKQ Corp 4.75% 2023 | 280,000 | 212 | 0.00 |
| Lycra 7.5% 2025 (144A) | 350,000 | 264 | 0.00 |
| Marfrig 8% 2023 | 270,000 | 207 | 0.00 |
| Matador 6.875% 2023 | 280,000 | 222 | 0.00 |
| Match.com 5% 2027 144A | 215,000 | 151 | 0.00 |
| Mednax 5.25% 2023 (144A) | 315,000 | 233 | 0.00 |
| Meritor 6.25% 2024 | 389,000 | 297 | 0.01 |
| Millicom 6% 2025 144A | 485,000 | 370 | 0.01 |
| Multi-Color Corp 4.875% 2025 144A | 300,000 | 212 | 0.00 |
| NB Distressed Debt Investment Fund EL | 14,803,100 | 10,848 | 0.16 |
| NB Global Floating Rate Income Fund | 49,315,066 | 46,356 | 0.70 |
| Netflix 4.375% 2026 Reg S | 415,000 | 296 | 0.01 |
| NN (L) Flex Senior Loans | 730 | 47,900 | 0.72 |
| Norbord 6.25% 2023 | 255,000 | 201 | 0.00 |
| Nuveen Senior Income Fund | 1,332,882 | 6,300 | 0.10 |
| Olin 9.75% 2023 | 356,000 | 305 | 0.01 |
| Penske Automotive Group 5.5% 2026 | 235,000 | 176 | 0.00 |
| Pioneer Floating Rate Trust | 788,900 | 6,668 | 0.10 |
| PTC 6% 2024 | 425,000 | 335 | 0.01 |
| QVC 4.375% 2023 | 265,000 | 198 | 0.00 |
| Range Resources 5.75% 2021 | 420,000 | 324 | 0.01 |
| Reynolds Group 7% 2024 (144A) | 386,000 | 298 | 0.01 |
| Sally 5.625% 2025 | 562,000 | 394 | 0.01 |
| Scientific Games 5% 2025 144A | 287,000 | 207 | 0.00 |
| Sealed Air 5.5% 2025 (144A) | 248,000 | 194 | 0.00 |
| Sensata Technologies 5% 2025 (144A) | 283,000 | 216 | 0.00 |
| Sequoia Economic Infrastructure Income Fund | 27,952,736 | 31,447 | 0.47 |
| Sirius Radio 5.375% 2025 (144A) | 435,000 | 325 | 0.01 |
| Six Flags 4.875% 2024 (144A) | 289,000 | 213 | 0.00 |
| SNF 4.875% 2025(144A) | 370,000 | 268 | 0.00 |
| Solarcity 1.625% 2019 Convertible | 440,000 | 310 | 0.01 |
| Sprint 7.25% 2021 | 478,000 | 376 | 0.01 |
| SQN Asset Finance Income Fund | 10,511,373 | 9,355 | 0.14 |
| SQN Asset Finance Income Fund C Shares | 2,028,171 | 1,846 | 0.03 |

Portfolio Statement as at 30 June 2018 cont.

| Stock description | Holding | Market value £'000 | % of total net assets |
|---------------------------------------|------------|-----------------------|--------------------------|
| Sunpower 4% 2023 Convertible | 352,000 | 214 | 0.00 |
| Teck Resources 8.5% 2024 (144A) | 325,000 | 269 | 0.00 |
| Telecom Italia 7.2% 2036 | 220,000 | 171 | 0.00 |
| Tempur Sealy 5.625% 2023 | 245,000 | 186 | 0.00 |
| Townsquare 6.5% 2023 (144A) | 126,000 | 86 | 0.00 |
| Transdigm 6.5% 2024 | 406,000 | 315 | 0.01 |
| TTM Technologies 5.625% 2025 144A | 282,000 | 208 | 0.00 |
| Unicredit 8% 2024 Perp | 330,000 | 234 | 0.00 |
| Verisign 5.25% 2025 | 480,000 | 369 | 0.01 |
| Voya Prime Rate Trust | 4,261,169 | 16,202 | 0.24 |
| Weight Watchers 8.625% 2025 (144A) | 260,000 | 216 | 0.00 |
| Wolverine 5% 2026 (144a) | 165,000 | 119 | 0.00 |
| XPO Logistics 6.5% 2022 (144A) | 245,000 | 190 | 0.00 |
| Ziggo 5.875% 2025 (144A) | 370,000 | 261 | 0.00 |
| Infrastructure - 9.61% (8.24%) | | | |
| 3i Infrastructure | 12,631,578 | 28,244 | 0.42 |
| Ameren | 224,300 | 10,338 | 0.16 |
| Avangrid | 293,000 | 11,749 | 0.18 |
| BBGI | 22,620,699 | 30,538 | 0.46 |
| Bluefield Solar Income Fund | 17,674,472 | 21,298 | 0.32 |
| Consolidated Edison | 160,950 | 9,506 | 0.14 |
| Edison International | 169,500 | 8,123 | 0.12 |
| EDP Renovaveis | 4,200,000 | 31,572 | 0.47 |
| Eversource Energy | 209,400 | 9,296 | 0.14 |
| Exelon Corporation | 346,000 | 11,162 | 0.17 |
| Foresight Solar Fund | 21,408,920 | 23,229 | 0.35 |
| Greencoat UK Wind | 33,500,213 | 41,875 | 0.63 |
| HICL Infrastructure Co. | 46,336,029 | 66,863 | 1.01 |
| Hydro One | 1,045,000 | 12,010 | 0.18 |
| International Public Partnerships | 29,068,144 | 41,626 | 0.63 |
| Italgas S.p.A | 2,380,000 | 9,932 | 0.15 |
| John Laing Environmental Assets Group | 22,700,000 | 23,494 | 0.35 |
| John Laing Group | 18,418,668 | 50,725 | 0.76 |
| John Laing Infrastructure | 54,900,000 | 64,892 | 0.98 |

Portfolio Statement as at 30 June 2018 cont.

| Stock description | Holding | Market value £'000 | % of total net assets |
|--|------------|-----------------------|--------------------------|
| Keppel Infrastructure Trust | 87,575,000 | 25,054 | 0.38 |
| Korea Electric Power | 531,000 | 11,530 | 0.17 |
| NextEnergy Solar Fund | 23,280,055 | 25,026 | 0.38 |
| PG&E Corp | 203,700 | 6,568 | 0.10 |
| Renewables Infrastructure Group | 30,312,693 | 33,283 | 0.50 |
| Tenaga Nasional | 4,025,000 | 11,034 | 0.17 |
| TerraForm Power | 1,310,357 | 11,602 | 0.17 |
| WEC Energy Group | 170,000 | 8,325 | 0.12 |
| Insurance Linked - 3.65% (3.43%) | | | |
| Blue Capital Global Reinsurance Fund | 10,010,000 | 5,004 | 0.08 |
| Blue Capital Reinsurance Holdings Fund | 629,438 | 5,244 | 0.08 |
| Blue Halo Re 2016-2 C | 21,250,000 | 16,084 | 0.24 |
| Caelus Re V Limited 2018-1 C | 9,000,000 | 6,822 | 0.10 |
| Caelus Re V Limited 2018-1 D | 4,000,000 | 3,046 | 0.05 |
| CatCo Reinsurance Opportunities Fund C Shares 2017 | 18,000,000 | 13,634 | 0.21 |
| CatCo Reinsurance Opportunity Fund | 34,016,258 | 15,201 | 0.23 |
| Frontline Re 2018-1 A | 11,500,000 | 8,708 | 0.13 |
| Golden State Re II 2014-1 | 12,500,000 | 9,463 | 0.14 |
| Horse Capital 1 B | 6,000,000 | 5,351 | 0.08 |
| Horse Capital 1 C | 12,750,000 | 11,442 | 0.17 |
| IBRD CAR 111-Class A | 18,000,000 | 13,731 | 0.21 |
| IBRD CAR 112-Class B | 6,500,000 | 4,780 | 0.07 |
| IBRD CAR 114-Class B | 6,000,000 | 4,529 | 0.07 |
| Kilimanjaro II Re 2017-1 C | 32,150,000 | 24,792 | 0.37 |
| Kilimanjaro II Re 2017-2 C | 20,600,000 | 15,936 | 0.24 |
| Manatee Re II 2018-1 - A | 15,000,000 | 11,349 | 0.17 |
| Manatee Re II 2018-1 - B | 3,500,000 | 2,648 | 0.04 |
| Operational Re A | 11,000,000 | 8,454 | 0.13 |
| Operational Re B | 11,000,000 | 8,495 | 0.13 |
| Operational Re II 2018 A | 5,000,000 | 3,804 | 0.06 |
| Operational Re II 2018 B | 10,000,000 | 7,609 | 0.11 |
| Residential Re Ltd 2018-I Class 11 | 8,250,000 | 5,535 | 0.08 |
| Sanders Re 2018-1 A | 17,500,000 | 13,396 | 0.20 |
| Vitality Re VII A | 14,000,000 | 10,649 | 0.16 |

Portfolio Statement as at 30 June 2018 cont.

| Stock description | Holding | Market value £'000 | % of total net assets |
|--|-------------|-----------------------|--------------------------|
| Vitality Re VII B | 9,000,000 | 6,879 | 0.10 |
| Listed Equities - 20.96% (21.49%) | | | |
| Baillie Gifford Global Alpha Growth Fund C Acc ¹ | 130,960,000 | 399,690 | 6.01 |
| Baillie Gifford Global Income Growth Fund C Acc ¹ | 27,500,000 | 388,300 | 5.84 |
| Baillie Gifford Long Term Global Growth Investment Fund C Acc ¹ | 39,835,225 | 248,094 | 3.73 |
| Baillie Gifford Pacific Fund C Acc | 12,080,000 | 96,725 | 1.45 |
| Baillie Gifford Worldwide Japanese Fund C Acc GBP ¹ | 12,500,000 | 246,917 | 3.71 |
| Damille Investments II ² | 423,938 | - | 0.00 |
| Fondul Proprietatea GDR | 1,710,079 | 14,377 | 0.22 |
| Other Bonds - 2.05% (3.02%) | | | |
| Baillie Gifford Worldwide Global Credit Fund C Acc USD | 12,850,000 | 136,169 | 2.05 |
| Private Equity - 0.70% (0.66%) | | | |
| Better Capital | 1,722,354 | 1,051 | 0.02 |
| Better Capital 2012 | 5,871,000 | 1,526 | 0.02 |
| Dunedin Enterprise Investment Trust | 1,461,877 | 5,643 | 0.09 |
| Eurovestech | 1,356,949 | 68 | 0.00 |
| HarbourVest Global Private Equity | 203,738 | 2,608 | 0.04 |
| ICG Graphite Enterprise Trust | 2,656,809 | 22,689 | 0.34 |
| NB Private Equity Partners | 1,266,042 | 12,850 | 0.19 |
| Property - 9.26% (7.57%) | | | |
| ADO Properties | 588,000 | 24,201 | 0.36 |
| Alstria Office | 2,241,253 | 25,470 | 0.38 |
| Beni Stabili REIT | 19,510,000 | 12,949 | 0.19 |
| British Land | 2,950,000 | 19,824 | 0.30 |
| Cofinimmo | 250,400 | 23,274 | 0.35 |
| Deutsche Wohnen | 1,580,000 | 57,876 | 0.87 |
| Ediston Property Investment Company | 10,516,665 | 11,673 | 0.18 |
| Gecina | 227,100 | 28,419 | 0.43 |
| Hammerson | 5,730,000 | 29,911 | 0.45 |

Portfolio Statement as at 30 June 2018 cont.

| Stock description | Holding | Market value £'000 | % of total net assets |
|---|------------|-----------------------|--------------------------|
| Hibernia | 18,275,000 | 24,243 | 0.36 |
| Icade | 423,500 | 29,588 | 0.45 |
| Immobiliare | 2,201,510 | 13,399 | 0.20 |
| Impact Healthcare REIT | 10,392,000 | 10,600 | 0.16 |
| Invista 9% 2016 Pref ³ | 23,800 | - | 0.00 |
| Land Securities | 3,010,500 | 28,807 | 0.43 |
| LEG Immobilien | 583,000 | 48,001 | 0.72 |
| Local Shopping REIT | 777,134 | 242 | 0.00 |
| LondonMetric Property | 14,662,260 | 27,111 | 0.41 |
| LXi REIT | 9,055,451 | 9,916 | 0.15 |
| Merlin Properties | 1,700,000 | 18,725 | 0.28 |
| Segro Plc | 3,368,000 | 22,539 | 0.34 |
| Target Healthcare REIT | 16,096,000 | 17,786 | 0.27 |
| Terra Catalyst Fund | 1,462,970 | 384 | 0.01 |
| Tritax Big Box REIT | 30,360,454 | 47,271 | 0.71 |
| UK Commercial Property Trust | 20,516,000 | 18,054 | 0.27 |
| Vastned Retail | 507,000 | 17,980 | 0.27 |
| Vonovia SE | 1,320,000 | 47,710 | 0.72 |
| Special Opportunities - 0.65% (0.62%) | | | |
| Amedeo Air Four Plus Limited | 22,423,077 | 23,993 | 0.36 |
| Doric Nimrod Air Two | 2,511,945 | 5,124 | 0.08 |
| DP Aircraft I | 16,500,000 | 13,373 | 0.20 |
| Juridica Investments | 8,404,904 | 773 | 0.01 |
| Structured Finance - 5.41% (6.17%) | | | |
| Blackstone/GSO Loan Financing Fund | 13,025,000 | 10,137 | 0.15 |
| Carador Income Fund | 15,164,344 | 7,581 | 0.12 |
| Fair Oaks Income Fund | 9,260,313 | 6,663 | 0.10 |
| Galene Fund | 941,000 | 138,515 | 2.08 |
| HSBC Global Asset Backed High Yield Bond Fund | 4,300,001 | 37,344 | 0.56 |
| Metreta Fund | 1,160,000 | 132,356 | 1.99 |
| TwentyFour Income Fund | 13,620,584 | 16,345 | 0.25 |
| UK Mortgages Limited | 12,297,943 | 10,638 | 0.16 |

Portfolio Statement as at 30 June 2018 cont.

| Stock description | Holding | Market value £'000 | % of total net assets |
|--|------------|-----------------------|--------------------------|
| Derivatives - -1.64% (0.10%) | | | |
| Forward currency contracts (see Table 1) | | (108,854) | (1.64) |
| Futures contracts (see Table 2) | | - | 0.00 |
| Portfolio of investments | | 6,206,053 | 93.31 |
| Cash Equivalents - 1.29% (5.69%) | | | |
| UK T Bill 23/07/2018 | 86,000,000 | 85,978 | 1.29 |
| Other Assets - 5.39% (5.29%) | | 358,778 | 5.39 |
| Net assets | | 6,650,809 | 100.00 |

¹Baillie Gifford Investment Funds ICVC related party.

²This stock was delisted at the period end and has been valued at the Investment Adviser's valuation.

³This stock was in liquidation at the period end and has been valued at the Investment Adviser's valuation.

Please note: figures are based on market values rather than economic exposure.

All investments are listed on recognised stock exchanges or are fixed interest securities and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets in the investment category headings refer to 31 December 2017.

Portfolio Statement as at 30 June 2018 cont.

Table 1: Unrealised gains/(losses) on open forward currency contracts

| Counterparty | Settlement | Buy | Buy Amount | Sell | Sell Amount | Unrealised gains/(losses) £'000 | % of total net assets |
|-------------------------|------------|-----|----------------|------|-----------------|---------------------------------|-----------------------|
| Barclays | 11/07/18 | GBP | 222,575,334 | EUR | 255,000,000 | (3,009) | (0.05) |
| Barclays | 12/07/18 | GBP | 34,331,664 | USD | 48,000,000 | (2,004) | (0.03) |
| Barclays | 25/07/18 | GBP | 165,520,337 | USD | 233,000,000 | (10,754) | (0.16) |
| Barclays | 08/08/18 | GBP | 303,423,302 | EUR | 343,000,000 | (280) | 0.00 |
| Barclays | 23/08/18 | JPY | 14,800,000,000 | GBP | 101,226,566 | 113 | 0.00 |
| Barclays | 23/08/18 | THB | 2,980,000,000 | GBP | 70,129,528 | (2,067) | (0.03) |
| Barclays | 06/09/18 | THB | 2,775,000,000 | GBP | 64,624,377 | (1,239) | (0.02) |
| Barclays | 12/09/18 | GBP | 116,061,221 | EUR | 131,300,000 | (319) | (0.01) |
| Barclays | 20/09/18 | GBP | 67,002,133 | KRW | 98,000,000,000 | 396 | 0.01 |
| Deutsche Bank | 19/07/18 | PLN | 355,000,000 | GBP | 73,583,853 | (1,809) | (0.03) |
| Deutsche Bank | 08/08/18 | GBP | 257,066,022 | USD | 349,000,000 | (6,800) | (0.10) |
| Deutsche Bank | 12/09/18 | GBP | 173,076,257 | KRW | 250,000,000,000 | 3,163 | 0.05 |
| Deutsche Bank | 13/09/18 | GBP | 476,184,515 | EUR | 541,800,000 | (4,065) | (0.06) |
| Deutsche Bank | 13/09/18 | RUB | 12,500,000,000 | GBP | 150,661,882 | (1,283) | (0.02) |
| HSBC | 11/07/18 | GBP | 50,624,976 | EUR | 58,000,000 | (684) | (0.01) |
| HSBC | 12/09/18 | GBP | 230,354,561 | EUR | 260,600,000 | (634) | (0.01) |
| HSBC | 13/09/18 | BRL | 635,500,000 | GBP | 125,940,300 | (2,172) | (0.03) |
| HSBC | 13/09/18 | GBP | 1,617,163 | EUR | 1,840,000 | (14) | 0.00 |
| HSBC | 27/09/18 | ZAR | 1,140,000,000 | GBP | 62,787,537 | (745) | (0.01) |
| HSBC | 21/11/18 | GBP | 130,900,485 | BRL | 675,000,000 | 606 | 0.01 |
| JP Morgan Chase | 12/07/18 | GBP | 65,802,362 | USD | 92,000,000 | (3,841) | (0.06) |
| JP Morgan Chase | 19/07/18 | PLN | 630,000,000 | GBP | 130,585,431 | (3,210) | (0.05) |
| JP Morgan Chase | 02/08/18 | GBP | 130,632,940 | EUR | 148,000,000 | (387) | (0.01) |
| JP Morgan Chase | 22/08/18 | GBP | 147,753,404 | USD | 200,000,000 | (3,363) | (0.05) |
| National Australia Bank | 11/07/18 | GBP | 192,751,045 | AUD | 356,000,000 | (6,377) | (0.10) |
| National Australia Bank | 12/07/18 | GBP | 87,617,274 | USD | 122,500,000 | (5,114) | (0.08) |
| National Australia Bank | 19/07/18 | SEK | 1,561,400,000 | GBP | 130,377,422 | 1,898 | 0.03 |
| National Australia Bank | 26/07/18 | GBP | 65,661,103 | AUD | 120,000,000 | (1,419) | (0.02) |
| National Australia Bank | 08/08/18 | GBP | 146,268,005 | AUD | 264,000,000 | (1,225) | (0.02) |
| National Australia Bank | 12/09/18 | GBP | 95,441,672 | AUD | 169,000,000 | 1,150 | 0.02 |
| National Australia Bank | 26/09/18 | GBP | 223,161,603 | USD | 298,000,000 | (1,684) | (0.03) |
| Royal Bank of Canada | 11/07/18 | GBP | 178,923,612 | JPY | 26,400,000,000 | (1,651) | (0.03) |
| Royal Bank of Canada | 11/07/18 | GBP | 32,088,330 | MXN | 880,000,000 | (1,740) | (0.03) |
| Royal Bank of Canada | 08/08/18 | GBP | 159,230,888 | EUR | 180,000,000 | (147) | 0.00 |
| Royal Bank of Canada | 08/08/18 | GBP | 57,492,992 | JPY | 8,440,000,000 | (277) | 0.00 |

Portfolio Statement as at 30 June 2018 cont.

| Counterparty | Settlement | Buy | Buy Amount | Sell | Sell Amount | Unrealised gains/(losses) £'000 | % of total net assets |
|--|------------|-----|---------------|------|-------------|---------------------------------|-----------------------|
| Royal Bank of Canada | 23/08/18 | JPY | 4,620,000,000 | GBP | 31,599,103 | 35 | 0.00 |
| Royal Bank of Scotland | 11/07/18 | GBP | 214,818,598 | USD | 304,100,000 | (15,392) | (0.23) |
| Royal Bank of Scotland | 12/07/18 | GBP | 73,341,020 | USD | 102,540,000 | (4,280) | (0.06) |
| Royal Bank of Scotland | 12/07/18 | NOK | 1,420,000,000 | GBP | 128,763,148 | 3,191 | 0.05 |
| Royal Bank of Scotland | 25/07/18 | GBP | 144,919,092 | USD | 204,000,000 | (9,416) | (0.14) |
| Royal Bank of Scotland | 08/08/18 | GBP | 62,609,201 | USD | 85,000,000 | (1,656) | (0.03) |
| Royal Bank of Scotland | 22/08/18 | GBP | 205,377,233 | USD | 278,000,000 | (4,675) | (0.07) |
| Royal Bank of Scotland | 12/09/18 | GBP | 370,615,681 | USD | 499,400,000 | (6,418) | (0.10) |
| Royal Bank of Scotland | 26/09/18 | GBP | 129,553,548 | USD | 173,000,000 | (978) | (0.01) |
| Standard Chartered Bank | 12/07/18 | GBP | 125,973,611 | USD | 176,127,000 | (7,352) | (0.11) |
| Standard Chartered Bank | 13/09/18 | BRL | 35,600,000 | GBP | 7,055,035 | (122) | 0.00 |
| Standard Chartered Bank | 27/09/18 | ZAR | 1,230,000,000 | GBP | 67,744,447 | (804) | (0.01) |
| Unrealised gains/(losses) on open forward currency contracts | | | | | | (108,854) | (1.64) |

Table 2: Unrealised gains/(losses) on futures contracts

| Futures | Maturity | Notional | Unrealised gains/(losses) £'000 | % of total net assets |
|--|----------|----------|---------------------------------|-----------------------|
| Euro Stoxx 50 Index Dividend Futures December 2019 | 20/12/19 | 4,010 | - | 0.00 |
| Euro Stoxx 50 Index Dividend Futures December 2020 | 18/12/20 | 3,862 | - | 0.00 |
| Euro Stoxx 50 Index Dividend Futures December 2021 | 17/12/21 | 3,738 | - | 0.00 |
| Euro Stoxx 50 Index Dividend Futures December 2022 | 16/12/22 | 3,300 | - | 0.00 |
| Euro Stoxx 50 Index Dividend Futures December 2023 | 15/12/23 | 2,000 | - | 0.00 |
| Euro Stoxx 50 Index Dividend Futures December 2024 | 20/12/24 | 500 | - | 0.00 |
| Euro-Bobl Future September 2018 | 10/09/18 | (549) | - | 0.00 |
| Japan 10yr Bond (OSE) Future September 2018 | 20/09/18 | (178) | - | 0.00 |
| S&P 500 Index Future September 2018 | 20/09/18 | (701) | - | 0.00 |
| US Ultra 10yr Note Future September 2018 | 28/09/18 | (2,883) | - | 0.00 |
| Unrealised gains/(losses) on futures contracts | | | - | 0.00 |

Portfolio Statement as at 30 June 2018 cont.

Breakdown of portfolio of investments

| | 30 June 2018 | | 31 December 2017 | |
|--------------------------|-----------------------|-----------------------------|-----------------------|-----------------------------|
| | Market value £'000 | Percentage of total Fund | Market value £'000 | Percentage of total Fund |
| Bonds - Direct | 1,299,232 | 19.54 | 1,062,011 | 15.51 |
| Bonds - Indirect | 1,402,530 | 16.45 | 1,380,853 | 20.17 |
| Commodities - Indirect | 287,259 | 4.32 | - | 0.00 |
| Derivatives | (108,854) | (1.64) | 7,053 | 0.10 |
| Equities - Direct | 638,894 | 9.61 | 564,479 | 8.24 |
| Equities - Indirect | 2,071,039 | 35.77 | 2,563,239 | 37.43 |
| Property - Indirect | 615,953 | 9.26 | 518,222 | 7.57 |
| Portfolio of investments | 6,206,053 | 93.31 | 6,095,857 | 89.02 |

Fund Information

| Fund and Share Information | 30.06.18 | 31.12.17 | 31.12.16 | 31.12.15 |
|---|-----------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Total net asset value of scheme property (£'000) | 6,650,809 | 6,847,502 | 6,428,562 | 5,939,342 |
| Synthetic Risk and Reward Indicator¹ | 3 | 3 | 3 | 3 |
| Net asset value per share (pence) | | | | |
| A Accumulation | 194.57 | 196.93 | 185.29 | 175.16 |
| A Income | 171.94 | 175.04 | 166.67 | 158.95 |
| B1 Accumulation | 206.96 | 208.59 | 194.60 | 182.55 |
| B2 Accumulation ² | 207.58 | 209.21 | 195.19 | n/a |
| B Income | 172.25 | 175.12 | 166.74 | 158.96 |
| C Accumulation | 231.50 | 232.56 | 215.57 | 200.19 |
| Number of shares in issue | | | | |
| A Accumulation | 334,253 | 415,495 | 420,131 | 671,410 |
| A Income | 20,213 | 19,429 | 19,100 | 226,231 |
| B1 Accumulation | 250,263,145 | 236,758,020 | 221,785,853 | 195,848,926 |
| B2 Accumulation ² | 1,405,717,398 | 1,528,119,902 | 1,292,298,018 | n/a |
| B Income | 195,064,286 | 125,814,222 | 41,315,992 | 8,367,477 |
| C Accumulation | 1,243,321,252 | 1,262,274,682 | 1,579,440,540 | 2,780,784,147 |
| Annual Income Record | Period to 30.06.18 (pence) | Year to 31.12.17 (pence) | Year to 31.12.16 (pence) | Year to 31.12.15 (pence) |
| Income per share (financial period) | | | | |
| A Accumulation | 1.00 | 2.33 | 1.60 | 1.72 |
| A Income | 1.00 | 2.10 | 2.35 | 1.88 |
| B1 Accumulation | 1.60 | 4.20 | 3.07 | 3.03 |
| B2 Accumulation ² | 1.60 | 4.20 | 3.64 | n/a |
| B Income | 1.50 | 3.75 | 3.16 | 3.26 |
| C Accumulation | 2.20 | 6.13 | 5.37 | 5.31 |

Fund Information cont.

| Yearly Highest and Lowest Prices | Period to 30.06.18 (pence) | Year to 31.12.17 (pence) | Year to 31.12.16 (pence) | Year to 31.12.15 (pence) |
|--|-------------------------------|-----------------------------|-----------------------------|-----------------------------|
| Highest (financial period) | | | | |
| A Accumulation | 200.5 | 198.1 | 186.4 | 182.2 |
| A Income | 178.2 | 177.9 | 168.3 | 167.0 |
| B1 Accumulation | 212.5 | 209.7 | 195.8 | 189.0 |
| B2 Accumulation ² | 213.1 | 210.4 | 196.1 | n/a |
| B Income | 178.4 | 178.9 | 169.3 | 167.4 |
| C Accumulation | 237.0 | 233.8 | 216.6 | 205.7 |
| Lowest (financial period) | | | | |
| A Accumulation | 194.5 | 185.7 | 166.2 | 171.9 |
| A Income | 172.9 | 166.9 | 150.8 | 157.2 |
| B1 Accumulation | 206.9 | 195.1 | 173.4 | 178.8 |
| B2 Accumulation ² | 207.5 | 195.5 | 173.4 | n/a |
| B Income | 173.7 | 167.0 | 151.0 | 157.7 |
| C Accumulation | 231.4 | 215.9 | 190.0 | 194.6 |
| Ongoing Charges Figures | 30.06.18 (%) | 31.12.17 (%) | 31.12.16 (%) | 31.12.15 (%) |
| Ongoing Charges Figures³ | | | | |
| A Accumulation | 1.68 | 1.65 | 1.69 | 1.72 |
| A Income | 1.67 | 1.65 | 1.71 | 1.72 |
| B1 Accumulation | 0.82 | 0.80 | 0.83 | 0.87 |
| B2 Accumulation ² | 0.82 | 0.80 | 0.83 | n/a |
| B Income | 0.82 | 0.80 | 0.82 | 0.87 |
| C Accumulation | 0.17 | 0.15 | 0.18 | 0.22 |

¹The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

²Class B2 Accumulation Shares were launched on 4 January 2016.

³The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. A further explanation of charges and costs relating to the Fund can be obtained by contacting Client Relations.

You should be aware that past performance is not a guide to future performance.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 30 June 2018

| | 30 June 2018 | | 30 June 2017 | |
|---|--------------|------------------|--------------|----------------|
| | £'000 | £'000 | £'000 | £'000 |
| Income | | | | |
| Net capital gains/(losses) | | (141,123) | | 230,085 |
| Revenue | 113,952 | | 85,915 | |
| Expenses | (13,793) | | (12,107) | |
| Net revenue before taxation | 100,159 | | 73,808 | |
| Taxation | (1,674) | | (1,316) | |
| Net revenue after taxation | | 98,485 | | 72,492 |
| Total return before distributions | | (42,638) | | 302,577 |
| Distributions | | (57,781) | | (35,477) |
| Change in net assets attributable to shareholders from investment activities | | (100,419) | | 267,100 |

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 30 June 2018

| | 30 June 2018 | | 30 June 2017 | |
|--|--------------|------------------|--------------|------------------|
| | £'000 | £'000 | £'000 | £'000 |
| Opening net assets attributable to shareholders | | 6,847,502 | | 6,428,562 |
| Amounts receivable on issue of shares | 253,697 | | 84,427 | |
| Amounts payable on cancellation of shares | (405,084) | | (209,508) | |
| | | (151,387) | | (125,081) |
| Dilution adjustment | | 1,261 | | 560 |
| Change in net assets attributable to shareholders from investment activities | | (100,419) | | 267,100 |
| Retained distributions on accumulation shares | | 53,852 | | 33,849 |
| Closing net assets attributable to shareholders | | 6,650,809 | | 6,604,990 |

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 30 June 2018

| | 30 June 2018 £'000 | 31 December 2017 £'000 |
|--|-----------------------|---------------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 6,325,459 | 6,143,216 |
| Current assets: | | |
| Debtors | 272,530 | 41,689 |
| Cash and bank balances | 149,199 | 337,173 |
| Cash equivalents | 85,978 | 389,678 |
| Total assets | 6,833,166 | 6,911,756 |
| Liabilities: | | |
| Investment liabilities | (119,406) | (47,359) |
| Creditors: | | |
| Distributions payable | (2,926) | (3,334) |
| Other creditors | (60,025) | (13,561) |
| Total liabilities | (182,357) | (64,254) |
| Net assets attributable to shareholders | 6,650,809 | 6,847,502 |

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those in the annual financial statements for the year ended 31 December 2017 and are described in those annual financial statements.

BAILLIE GIFFORD

Baillie Gifford Long Term Global Growth Investment Fund

a sub-fund of Baillie Gifford Investment Funds ICVC

*Interim Report and Financial Statements (Unaudited)
for the six months ended 30 June 2018*



Baillie Gifford Long Term Global Growth Investment Fund

Investment Objective

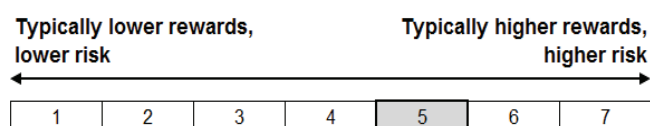
The Fund aims to produce capital returns over the long term.

Investment Policy

To invest mainly in shares in a small number of companies worldwide. The Fund will be concentrated.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases.

The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash. Where no share price history is available for any part of the last five years (and thus no returns), the returns of the Fund's sector are used in its place to calculate the Risk and Reward Indicator.

The indicator does not take into account the following relevant material risks:

Investment markets can go down as well as up and market conditions can change rapidly. The value of an investment in the Fund, and any income from it, can fall as well as rise and you may not get back the amount invested.

The Fund has exposure to foreign currencies and changes in the rates of exchange will cause the value of any investment, and income from it, to fall as well as rise and you may not get back the amount invested.

Custody of assets, particularly in emerging markets, involves a risk of loss if the custodian becomes insolvent or breaches duties of care.

The Fund invests in emerging markets where difficulties in trading could arise, resulting in a negative impact on the value of your investment.

The Fund's concentrated portfolio and long-term approach to investment may result in large movements in the share price.

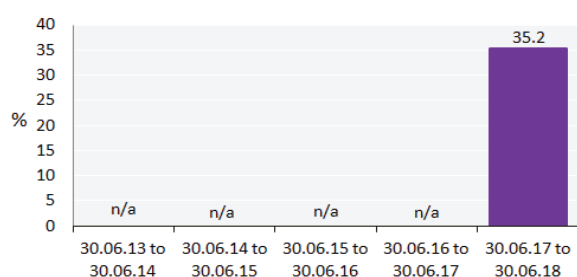
Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund.

The result of the UK Referendum on membership of the European Union introduces elements of political uncertainty and may have practical consequences for the Fund. Developments will be closely monitored.

Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations.

Investment Report

Past Performance¹



The performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.62% (until 30 September 2017, the ACD's annual fee on Class B Shares was 0.70%), but exclude any initial charge paid. There are not five full years of performance shown as the Fund launched on 8 April 2017. Performance figures for the share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the six months to 30 June 2018 the return on B Accumulation Shares was 20.0%² compared to the return on the MSCI All Country World Index of 2.0%³, in sterling terms. We believe that shorter-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance.

During the six months to June, we bought two new holdings for the Fund, Spotify and Delivery Hero, both are businesses disrupting large established markets and are based in Europe. We like Spotify's leading position in the nascent music streaming business, it has over 70m paid subscribers but the potential market remains huge. Spotify has proven its ability to support artists and labels with global music revenues growing again after many years of piracy and stagnation and we think its innovative culture and focus are differentiators versus its diversified competitors. Delivery Hero has leadership positions in 30 plus countries in the fast-growing food delivery market. We think the preparation and consumption of food are undergoing profound, long-lasting shifts and that the company has established a strong competitive position from which to exploit these changes.

These purchases were funded by small reductions to existing holdings, Amazon, Illumina and Intuitive Surgical and by the sale of two companies which were

spun out to us from existing holdings. These were Epiroc, the mining business of Atlas Copco, and Puma, the sportswear manufacturer from Kering, neither of which excited us as long-term holdings.

The period has been marked by continued strong operational and share price performance from many of the Fund's holdings. Amazon's growth rate continues to accelerate as more sellers use its platform and it monetises new businesses; Baidu has seen a strong recovery in its growth rate as the company puts recent difficulties in health care search behind it and Netflix now has more international subscribers than US for its streaming services. We continue to think about the possible regulatory or governmental threats to some of the larger companies in the portfolio with incidents such as the Cambridge Analytica data breach at Facebook but are striving to separate short-term noise from potential long-term operational impact.

It appears to us that no industry is 'undisruptable'. The combination of ubiquitous devices and connectivity is challenging incumbents in every area of the global economy. This combined with the smaller amount of capital needed to scale new businesses continues to create fantastic opportunities for growth whilst posing substantial risk to those companies who do not or cannot innovate and by implication to large parts of equity

¹Source: FE, 10am dealing prices, income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset value, income accumulated. ³Source: FE and relevant underlying index provider, total return. Please see Disclaimer on page 71. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

indices. Our task continues to be to find those companies which can best exploit these abundant opportunities with the rewards on offer to the victors appearing larger than ever.

Mark A. Urquhart, 14 July 2018

Principal Holdings as at 30 June 2018

| Investment | Percentage of total Fund |
|---------------|-----------------------------|
| Amazon.com | 9.43 |
| Tencent | 7.44 |
| Facebook | 6.75 |
| Illumina | 6.71 |
| Alibaba | 6.26 |
| Tesla Inc | 5.65 |
| Netflix Inc | 4.82 |
| Kering | 4.49 |
| Baidu.com ADR | 4.35 |
| NVIDIA | 3.99 |

Material Portfolio Changes for the six months ended 30 June 2018

| Largest Purchases | Cost £'000 | Largest Sales | Proceeds £'000 |
|-------------------------|---------------|-----------------------|-------------------|
| TAL Education Group ADR | 63,253 | Amazon.com | 87,152 |
| Spotify Technology SA | 45,360 | Juno Therapeutics Inc | 68,773 |
| Ctrip.com International | 21,133 | Illumina | 42,411 |
| Delivery Hero AG | 19,460 | Tencent | 38,565 |
| Ionis Pharmaceuticals | 12,312 | Intuitive Surgical | 31,545 |
| ASML | 4,413 | Facebook | 31,154 |
| Bluebird Bio Inc | 4,344 | Alibaba | 30,539 |
| Salesforce.com | 2,874 | Tesla Inc | 25,421 |
| Hermes International | 1,600 | Baidu.com ADR | 20,985 |
| | | NVIDIA | 18,434 |

Portfolio Statement as at 30 June 2018

| Stock description | Holding | Market value £'000 | % of total net assets |
|------------------------------------|-----------|-----------------------|--------------------------|
| China - 23.97% (25.51%) | | | |
| Alibaba | 1,475,191 | 207,158 | 6.26 |
| Baidu.com ADR | 781,154 | 143,782 | 4.35 |
| Ctrip.com International | 2,196,270 | 79,250 | 2.40 |
| NetEase.com ADR | 262,182 | 50,183 | 1.52 |
| TAL Education Group ADR | 2,371,089 | 66,073 | 2.00 |
| Tencent | 6,476,800 | 246,117 | 7.44 |
| France - 7.14% (7.16%) | | | |
| Hermes International | 117,375 | 54,185 | 1.64 |
| Kering | 347,785 | 148,587 | 4.49 |
| L'Oreal | 180,893 | 33,515 | 1.01 |
| Germany - 1.46% (0.86%) | | | |
| Delivery Hero AG | 502,750 | 20,248 | 0.61 |
| Rocket Internet SE | 1,155,030 | 28,172 | 0.85 |
| Hong Kong - 1.45% (1.69%) | | | |
| AIA Group | 7,254,200 | 48,044 | 1.45 |
| India - 1.77% (2.00%) | | | |
| HDFC Corp | 2,771,023 | 58,452 | 1.77 |
| Netherlands - 2.63% (2.74%) | | | |
| ASML | 579,519 | 86,870 | 2.63 |
| Spain - 2.55% (3.12%) | | | |
| Inditex | 3,257,684 | 84,269 | 2.55 |
| Sweden - 2.25% (1.36%) | | | |
| Atlas Copco A | 1,180,843 | 26,094 | 0.79 |
| Spotify Technology SA | 379,903 | 48,426 | 1.46 |

Portfolio Statement as at 30 June 2018 cont.

| Stock description | Holding | Market value £'000 | % of total net assets |
|---|-----------|-----------------------|--------------------------|
| United States - 54.53% (54.42%) | | | |
| Alphabet Inc Class C | 133,169 | 112,524 | 3.40 |
| Amazon.com | 242,356 | 311,829 | 9.43 |
| Atlassian Corp Plc | 917,732 | 43,459 | 1.31 |
| Bluebird Bio Inc | 427,137 | 50,745 | 1.53 |
| Dexcom Inc | 540,929 | 38,907 | 1.18 |
| Facebook | 1,517,069 | 223,266 | 6.75 |
| Illumina | 1,048,107 | 221,720 | 6.71 |
| Intuitive Surgical | 235,472 | 85,291 | 2.58 |
| Ionis Pharmaceuticals | 1,064,261 | 33,590 | 1.02 |
| Netflix Inc | 537,898 | 159,428 | 4.82 |
| NVIDIA | 734,974 | 131,875 | 3.99 |
| Salesforce.com | 651,778 | 67,367 | 2.04 |
| Seattle Genetics | 814,623 | 40,958 | 1.24 |
| Tesla Inc | 719,356 | 186,757 | 5.65 |
| Under Armour Inc Class A | 2,161,417 | 36,803 | 1.11 |
| Workday Inc | 638,027 | 58,528 | 1.77 |
| Portfolio of investments | | 3,232,472 | 97.75 |
| Net other assets - 2.25% (1.14%) | | 74,298 | 2.25 |
| Net assets | | 3,306,770 | 100.00 |

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules, unless otherwise stated.

Figures in brackets refer to 31 December 2017.

Fund Information

| Fund and Share Information | | |
|---|-------------------------------|-------------------------------|
| | 30.06.18 | 31.12.17 |
| Total net asset value of scheme property (£'000) | 3,306,770 | 3,111,247 |
| Synthetic Risk and Reward Indicator¹ | 5 | 5 |
| Net asset value per share (pence) | | |
| B Accumulation | 570.25 | 475.06 |
| C Accumulation | 622.52 | 517.00 |
| C Income | 576.69 | 478.93 |
| Number of shares in issue | | |
| B Accumulation | 117,801,914 | 16,391,215 |
| C Accumulation | 411,359,883 | 574,789,231 |
| C Income | 12,870,651 | 12,887,340 |
| Annual Income Record | | |
| | Period to 30.06.18 (pence) | Period to 31.12.17 (pence) |
| Income per share (financial period) | | |
| B Accumulation | 0.00 | 0.00 |
| C Accumulation | 0.00 | 1.25 |
| C Income | 0.00 | 1.16 |
| Yearly Highest and Lowest Prices | | |
| | Period to 30.06.18 (pence) | Period to 31.12.17 (pence) |
| Highest (financial period) | | |
| B Accumulation | 598.2 | 500.8 |
| C Accumulation | 653.0 | 544.7 |
| C Income | 604.9 | 505.8 |
| Lowest (financial period) | | |
| B Accumulation | 469.2 | 382.9 |
| C Accumulation | 511.5 | 414.8 |
| C Income | 473.8 | 385.2 |

Fund Information cont.

| Ongoing Charges Figures | 30.06.18 (%) | 31.12.17 (%) |
|--|-----------------|-------------------|
| Ongoing Charges Figures² | | |
| B Accumulation | 0.64 | 0.69 ³ |
| C Accumulation | 0.03 | 0.03 |
| C Income | 0.03 | 0.03 |

Class B Accumulation Shares, Class C Accumulation Shares and Class C Income Shares were launched on 8 April 2017.

¹The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

²The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. A further explanation of charges and costs relating to the Fund can be obtained by contacting Client Relations.

³With effect from 1 October 2017, the ACD's annual fee for Class B shares was decreased from 0.70% to 0.62%. As at 31 December 2017 the ACD considered 0.65% to be a indicative rate for the ongoing charges figure.

You should be aware that past performance is not a guide to future performance.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 30 June 2018

| | 30 June 2018 | | 30 June 2017 | |
|---|--------------|----------------|--------------|---------------|
| | £'000 | £'000 | £'000 | £'000 |
| Income | | | | |
| Net capital gains/(losses) | | 590,518 | | 43,481 |
| Revenue | 7,647 | | 1,236 | |
| Expenses | (1,770) | | (111) | |
| Net revenue before taxation | 5,877 | | 1,125 | |
| Taxation | (147) | | (22) | |
| Net revenue after taxation | | 5,730 | | 1,103 |
| Total return before distributions | | 596,248 | | 44,584 |
| Distributions | | (686) | | 1 |
| Change in net assets attributable to shareholders from investment activities | | 595,562 | | 44,585 |

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 30 June 2018

| | 30 June 2018 | | 30 June 2017 | |
|--|--------------|------------------|--------------|----------------|
| | £'000 | £'000 | £'000 | £'000 |
| Opening net assets attributable to shareholders | | 3,111,247 | | - |
| Amounts receivable on issue of shares | 90,890 | | 5,787 | |
| Amounts payable on cancellation of shares | (491,224) | | (2,427) | |
| Creation of shares settled by transfer of stocks | - | | 570,705 | |
| | | (400,334) | | 574,065 |
| Dilution adjustment | | 295 | | 7 |
| Change in net assets attributable to shareholders from investment activities | | 595,562 | | 44,585 |
| Closing net assets attributable to shareholders | | 3,306,770 | | 618,657 |

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 30 June 2018

| | 30 June 2018 £'000 | 31 December 2017 £'000 |
|--|-----------------------|---------------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 3,232,472 | 3,075,728 |
| Current assets: | | |
| Debtors | 43,302 | 2,932 |
| Cash and bank balances | 75,164 | 34,429 |
| Total assets | 3,350,938 | 3,113,089 |
| Liabilities: | | |
| Creditors: | | |
| Bank overdrafts | (1,908) | - |
| Distributions payable | - | (149) |
| Other creditors | (42,260) | (1,693) |
| Total liabilities | (44,168) | (1,842) |
| Net assets attributable to shareholders | 3,306,770 | 3,111,247 |

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those in the annual financial statements for the period ended 31 December 2017 and are described in those annual financial statements.

BAILLIE GIFFORD

Baillie Gifford Multi Asset Growth Fund

a sub-fund of Baillie Gifford Investment Funds ICVC

*Interim Report and Financial Statements (Unaudited)
for the six months ended 30 June 2018*



Baillie Gifford Multi Asset Growth Fund

Investment Objective

The Fund aims to achieve attractive returns, mainly through capital growth, over the long-term at a level of risk lower than investment in shares of companies.

Investment Policy

To invest in a variety of asset classes, either directly or indirectly or through other funds. The asset classes include, but are not limited to, shares, bonds, property, infrastructure, commodities, and currencies. Investment may be in transferable securities (such as bonds and shares), other funds, money market instruments, cash and near cash. Currency forwards and derivatives, which are types of financial contract, are used to protect or enhance the return of the Fund, including for investment purposes. Other bonds are used for investment purposes. The Fund is exposed to foreign currencies.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

| Typically lower rewards, lower risk | | | Typically higher rewards, higher risk | | | |
|--|---|---|--|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases. The Fund is classified in the category above because it invests in a variety of asset classes which generally provide higher rewards and higher risks than other investments such as investment solely in bonds or cash. Where no share price history is available for any part of the last five years (and thus no returns), the returns of the Fund's sector are used in its place to calculate the Risk and Reward Indicator. The indicator does not take into account the following relevant

material risks which may affect income and reduce the capital value of the Fund. You might not get back the amount originally invested.

The Fund does not guarantee positive returns. It aims to limit the extent of loss in any short-term period to a lower level than equities, however this is not guaranteed. Investment markets can go down as well as up and market conditions can change rapidly.

The Fund has exposure to foreign currencies and changes in the rates of exchange will cause the value of any investment, and income from it, to fall as well as rise.

The Fund invests in emerging markets where difficulties in trading could arise, resulting in a negative impact on your investment. Custody of assets, particularly in emerging markets, involves a risk of loss if the custodian becomes insolvent or breaches duties of care.

Bonds issued by companies and governments may be adversely affected by changes in interest rates, expectations of inflation and a decline in the creditworthiness of the bond issuer. The issuers of bonds in which the Fund invests, particularly in emerging markets, may not be able to pay the bond income as promised or could fail to repay the capital amount.

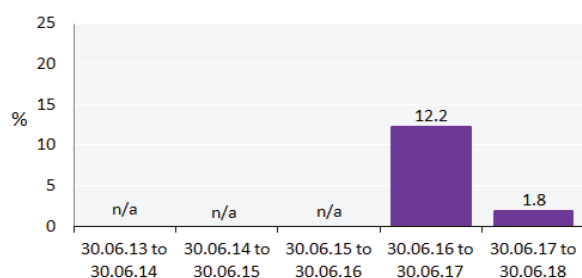
In certain circumstances it can be difficult to buy or sell the Fund's holdings and even small purchases or sales can cause their prices to move significantly. Market values for securities which are difficult to trade, or value less frequently than the Fund, such as holdings in weekly or monthly dealt funds, may not be readily available. There can be no assurance that any value assigned to them will reflect the price the Fund might receive upon their sale.

The result of the UK Referendum on membership of the European Union introduces elements of political uncertainty and may have practical consequences for the Fund. Developments will be closely monitored.

Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations.

Investment Report

Past Performance¹



The performance figures shown in this graph are for Class B1 Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.50%, but exclude any initial charge paid. There are not five full years of performance shown as the Fund was launched on 8 December 2015. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the six months to 30 June 2018, the return on B1 Accumulation Shares was -1.1%². We believe that shorter-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance. The Fund was launched on 8 December 2015, so the timeframe over which returns are quoted is particularly short.

The beginning of 2018 saw the return of volatility to markets and after the previous year of rising indices, we saw a short-term sell-off at the beginning of February. Growing anticipation of rising interest rates in the US caused equity markets to sell-off, albeit they recovered to deliver a strong return in the second quarter. The fundamental investment environment remained broadly supportive: interest rates in developed markets remained stable; inflation was low; and the world economy grew at a good pace.

The key positive contributions to performance were from economically-exposed asset classes, such as listed equities and property. Of particular note here is the strong performance of the underlying Baillie Gifford equity funds which make up the majority of the Fund's listed equity exposure, with in-house funds providing returns above their comparative index levels. Positive performance also came from the absolute return asset class over the period, particularly our defensive position in volatility futures. By taking a position in volatility

futures, we had an expectation of generating a positive return should market volatility return to more 'normal' levels. This position served as a useful portfolio hedge during the spike in market volatility at the beginning of February, generating a positive return for the Fund. Elsewhere, there were some detractors from performance, most notably emerging market government bonds and active currency. The recent rise in the US dollar has impacted on a number of emerging market economies and their currencies – particularly those more heavily exposed to external capital flows, or with larger proportions of US dollar funding.

Our outlook for the global economy is that both developed and emerging economies will continue on their upward growth trajectory, however we are mindful of a range of political and economic risks which could alter the path of growth. We also note that valuations are at or above their long-term fair values across a broad range of assets. We therefore continue to be active and selective with our portfolio, seeking the inherent diversification that comes through having exposure to a genuinely wide range of different asset classes.

Baillie Gifford & Co, 12 July 2018

¹Source: FE, 10am dealing prices, income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset value, income accumulated. Please see disclaimer on page 71. You should be aware that past performance is not a guide to future performance.

Principal Holdings as at 30 June 2018

| Investment | Percentage of total Fund |
|--|-----------------------------|
| Baillie Gifford Emerging Markets Bond Fund C Acc ¹ | 8.18 |
| Baillie Gifford Emerging Markets Leading Companies Fund C Acc ¹ | 6.02 |
| Baillie Gifford European Fund C Acc ¹ | 5.56 |
| US TII 0.625% 15/01/2026 | 5.52 |
| Baillie Gifford Worldwide Japanese Fund C Acc GBP ¹ | 4.94 |
| Baillie Gifford UK Equity Alpha Fund C Acc ¹ | 3.06 |
| Goldman Sachs Cross Asset Trend Portfolio | 3.03 |
| Japan (Govt) 0.1% CPI Linked 10/03/2027 | 2.93 |
| Baillie Gifford American Fund C Acc ¹ | 2.92 |
| Baillie Gifford Worldwide Global Credit Fund C Acc USD ¹ | 2.58 |

¹Baillie Gifford Investment Funds ICVC related party.

Material Portfolio Changes for the six months ended 30 June 2018

| Largest Purchases | Cost £'000 | Largest Sales | Proceeds £'000 |
|--|---------------|---|-------------------|
| Japan (Govt) 0.1% CPI Linked 10/03/2027 | 18,893 | Baillie Gifford Emerging Markets Bond Fund C Acc ¹ | 6,373 |
| Brazil 0% 01/07/2021 | 12,912 | Indonesia 7.5% 15/08/2032 | 6,175 |
| ETFS Nickel | 11,828 | Egypt T Bill 19/02/2019 | 4,261 |
| US TII 0.625% 15/01/2026 | 9,227 | Argentina 15.5% 17/10/2026 | 4,090 |
| Baillie Gifford Emerging Markets Bond Fund C Acc ¹ | 9,037 | Metreta Fund | 3,710 |
| UBS Crude Oil ETN | 6,688 | Argentina T Bill 16/05/2018 | 2,620 |
| Baillie Gifford Emerging Markets Leading Companies Fund C Acc ¹ | 5,867 | Argentina T Bill 21/06/2018 | 2,473 |
| Goldman Sachs Cross Asset Trend Portfolio | 5,206 | Blackstone/GSO Strategic Credit Fund | 2,436 |
| HICL Infrastructure Co. | 4,656 | Egypt T Bill 29/05/2018 | 2,264 |
| Indonesia 7.5% 15/08/2032 | 4,625 | Argentina IL 2.5% 22/07/2021 | 2,240 |

¹Baillie Gifford Investment Funds ICVC related party.

The largest purchases and sales have been shown, with the exception of UK Treasury Bills, which are used for cash management purposes, and derivatives.

Portfolio Statement as at 30 June 2018

| Stock description | Holding | Market value £'000 | % of total net assets |
|---|----------------|-----------------------|--------------------------|
| Absolute Return - 3.03% (3.00%) | | | |
| Goldman Sachs Cross Asset Trend Portfolio | 2,237,000 | 19,799 | 3.03 |
| Commodities - 4.02% (0.00%) | | | |
| BNP Paribas Crude Oil ETN | 3,400 | 2,379 | 0.37 |
| ETFS Nickel | 1,255,000 | 13,721 | 2.10 |
| Goldman Sachs Crude Oil ETN | 5,424 | 3,734 | 0.57 |
| UBS Crude Oil ETN | 90,800 | 6,428 | 0.98 |
| Emerging Market Bonds - 19.49% (19.97%) | | | |
| Argentina IL 5.83% 31/12/2033 | 11,912,292 | 2,241 | 0.34 |
| Argentina 6.875% 11/01/48 (USD) | 1,850,000 | 1,059 | 0.16 |
| Argentina 7.5% 22/04/2026 (USD) | 3,600,000 | 2,515 | 0.39 |
| Argentina T Bill 15/08/2018 | 53,000,000 | 1,322 | 0.20 |
| Argentina T Bill 18/07/2018 | 141,935,100 | 3,643 | 0.56 |
| Baillie Gifford Emerging Markets Bond Fund C Acc ¹ | 29,970,000 | 53,437 | 8.18 |
| Brazil 0% 01/07/2021 | 83,480 | 12,471 | 1.91 |
| Brazil 10% 01/01/2023 | 13,700 | 2,642 | 0.40 |
| Ecuador 10.5% 24/03/2020 (USD) | 1,840,000 | 1,425 | 0.22 |
| Egypt 7.5% 31/01/2027 (USD) | 750,000 | 560 | 0.09 |
| Egypt 8.5% 31/01/2047 (USD) | 1,700,000 | 1,259 | 0.19 |
| Egypt T Bill 07/08/2018 | 44,500,000 | 1,853 | 0.28 |
| Egypt T Bill 30/10/2018 | 27,000,000 | 1,075 | 0.16 |
| Ethiopia 6.625% 2024 (USD) | 2,250,000 | 1,660 | 0.25 |
| Ghana 10.75% 14/10/2030 (USD) | 1,280,000 | 1,175 | 0.18 |
| India 8.6% 02/06/2028 | 758,000,000 | 8,641 | 1.32 |
| Indonesia 7.5% 15/08/2032 | 20,500,000,000 | 1,010 | 0.16 |
| Indonesia 8.75% 15/05/2031 | 54,287,000,000 | 2,991 | 0.46 |
| Lebanon 6.4% 26/05/2023 (USD) | 2,070,000 | 1,323 | 0.20 |
| Mexico IL 4% 15/11/2040 | 181,000 | 4,354 | 0.67 |
| Mongolia 8.75% 09/03/2024 (USD) | 1,400,000 | 1,135 | 0.17 |
| Namibia 5.5% 03/11/2021 (USD) | 1,600,000 | 1,217 | 0.19 |
| Nigeria 7.143% 23/02/2030 (USD) | 778,000 | 556 | 0.09 |
| Nigeria 7.875% 16/02/2032 (USD) | 1,160,000 | 861 | 0.13 |
| Peru 6.95% 12/08/2031 | 25,320 | 6,431 | 0.98 |

Portfolio Statement as at 30 June 2018 cont.

| Stock description | Holding | Market value £'000 | % of total net assets |
|---|---------------|-----------------------|--------------------------|
| Petkim Petrokimya 5.875% 2023 (USD) | 850,000 | 585 | 0.09 |
| Petro TrinTobago 9.75 14/08/2019 (USD) | 1,250,000 | 978 | 0.15 |
| Petroleos Mexicanos 6.5% 13/03/2027 | 1,726,000 | 1,341 | 0.21 |
| Senegal 6.25% 23/05/2033 (USD) | 2,050,000 | 1,377 | 0.21 |
| South Africa 5.875% 22/06/2030 (USD) | 1,800,000 | 1,351 | 0.21 |
| South Africa 8.75% 31/01/2044 | 52,700,000 | 2,660 | 0.41 |
| Tajikistan 7.125% 14/09/2027 (USD) | 1,900,000 | 1,271 | 0.20 |
| Turkey 4.875% 09/10/2026 (USD) | 1,300,000 | 865 | 0.13 |
| Government Bonds - 8.45% (4.75%) | | | |
| Japan (Govt) 0.1% CPI Linked 10/03/2027 | 2,617,000,000 | 19,127 | 2.93 |
| US TII 0.625% 15/01/2026 | 45,400,000 | 36,058 | 5.52 |
| High Yield Credit - 4.30% (6.11%) | | | |
| Amsurg 6.25% 2024 (144A) | 41,000 | 33 | 0.00 |
| Antero Resources 5.125% 2022 | 79,000 | 60 | 0.01 |
| APX Group Inc 7.875% 2022 | 45,000 | 34 | 0.01 |
| Aramark 5% 2028 (144A) | 78,000 | 57 | 0.01 |
| Baillie Gifford High Yield Bond Fund C Acc | 915,000 | 3,221 | 0.49 |
| Blackstone/GSO Strategic Credit Fund | 208,300 | 2,494 | 0.38 |
| Cable One 5.75% 2022 (144a) | 37,000 | 29 | 0.00 |
| Catalent 4.875% 2026 (144A) | 57,000 | 41 | 0.01 |
| CCO Holdings 5.25% 2022 | 76,000 | 58 | 0.01 |
| Centurylink 7.6% 2039 | 71,000 | 45 | 0.01 |
| CNH Industrial 3.875% 2021 | 97,000 | 73 | 0.01 |
| Conduent 10.5% 2024 (144A) | 32,000 | 29 | 0.00 |
| Darling Ingredients 5.375% 2022 | 37,000 | 29 | 0.00 |
| Deck Chassis 10% 2023 (144A) | 90,000 | 72 | 0.01 |
| Dell 7.125% 2024 (144A) | 61,000 | 49 | 0.01 |
| Enquest 7% 2022 PIK (USD) (144A) | 49,993 | 34 | 0.01 |
| Enviva Partners 8.5% 2021 (WI) | 34,000 | 27 | 0.00 |
| Fairfax Financial Holdings 4.875% 2024 (144A) | 57,000 | 44 | 0.01 |
| First Cash 5.375% 2024 (144A) | 72,000 | 55 | 0.01 |
| FMG Resources 4.75% 2022 (144A) | 48,000 | 35 | 0.01 |
| Freeport McMoran 3.55% 2022 | 41,000 | 29 | 0.00 |

Portfolio Statement as at 30 June 2018 cont.

| Stock description | Holding | Market value £'000 | % of total net assets |
|---|-----------|-----------------------|--------------------------|
| Frontier Communications 7.625% 2024 | 27,000 | 14 | 0.00 |
| Frontier Communications 8.5% 2026 | 19,000 | 14 | 0.00 |
| Goodyear 4.875% 2027 | 60,000 | 42 | 0.01 |
| Graham Holdings 5.75% 2026 (144A) | 76,000 | 59 | 0.01 |
| Hanesbrands 4.625% 2024 (144A) | 38,000 | 28 | 0.00 |
| IMS Health 4.875% 2023 (144A) | 37,000 | 28 | 0.00 |
| Invesco Senior Income Trust | 1,396,644 | 4,517 | 0.69 |
| JBS 5.75% 2025 (144A) | 58,000 | 41 | 0.01 |
| L Brands 6.875% 2035 | 52,000 | 35 | 0.01 |
| Land O'Lakes 7.45% 2028 (144A) | 47,000 | 39 | 0.01 |
| Liberty Interactive 4% 2029 Convertible | 90,000 | 48 | 0.01 |
| LKQ Corp 4.75% 2023 | 111,000 | 84 | 0.01 |
| Matador 6.875% 2023 | 44,000 | 35 | 0.01 |
| Match.com 5% 2027 144A | 29,000 | 20 | 0.00 |
| Mednax 5.25% 2023 (144A) | 80,000 | 59 | 0.01 |
| Meritor 6.25% 2024 | 66,000 | 50 | 0.01 |
| Multi-Color Corp 4.875% 2025 144A | 40,000 | 28 | 0.00 |
| NB Global Floating Rate Income Fund | 6,009,000 | 5,649 | 0.86 |
| Netflix 4.375% 2026 Reg S | 59,000 | 42 | 0.01 |
| Netflix 4.875% 2028 (144A) | 20,000 | 14 | 0.00 |
| Norbord 6.25% 2023 | 36,000 | 28 | 0.00 |
| Nuveen Credit Strategies Income Fund | 360,300 | 2,167 | 0.33 |
| Olin 9.75% 2023 | 48,000 | 41 | 0.01 |
| Penske Automotive Group 5.5% 2026 | 73,000 | 55 | 0.01 |
| PTC 6% 2024 | 93,000 | 73 | 0.01 |
| QVC 4.375% 2023 | 41,000 | 31 | 0.00 |
| Range Resources 5.75% 2021 | 52,000 | 40 | 0.01 |
| Reynolds Group 7% 2024 (144A) | 85,000 | 66 | 0.01 |
| Sally 5.625% 2025 | 79,000 | 55 | 0.01 |
| Scientific Games 5% 2025 144A | 58,000 | 42 | 0.01 |
| Sealed Air 5.5% 2025 (144A) | 66,000 | 52 | 0.01 |
| Sensata Technologies 5% 2025 (144A) | 56,000 | 43 | 0.01 |
| Sequoia Economic Infrastructure Income Fund | 3,490,000 | 3,926 | 0.60 |
| Sirius Radio 5.375% 2025 (144A) | 94,000 | 70 | 0.01 |
| Six Flags 4.875% 2024 (144A) | 39,000 | 29 | 0.00 |

Portfolio Statement as at 30 June 2018 cont.

| Stock description | Holding | Market value £'000 | % of total net assets |
|--|-----------|-----------------------|--------------------------|
| Solarcity 1.625% 2019 Convertible | 62,000 | 44 | 0.01 |
| Sprint 7.25% 2021 | 81,000 | 64 | 0.01 |
| Sunpower 4% 2023 Convertible | 47,000 | 29 | 0.00 |
| Teck Resources 8.5% 2024 (144A) | 58,000 | 48 | 0.01 |
| Telecom Italia 7.2% 2036 | 44,000 | 34 | 0.01 |
| Tenet Healthcare 4.625% 2024 (144A) | 49,000 | 35 | 0.01 |
| Townsquare 6.5% 2023 (144A) | 17,000 | 12 | 0.00 |
| Transdigm 6.5% 2024 | 57,000 | 44 | 0.01 |
| TTM Technologies 5.625% 2025 144A | 38,000 | 28 | 0.00 |
| Verisign 5.25% 2025 | 107,000 | 82 | 0.01 |
| Voya Prime Rate Trust | 909,806 | 3,459 | 0.53 |
| Weight Watchers 8.625% 2025 (144A) | 35,000 | 29 | 0.00 |
| Wolverine 5% 2026 (144a) | 31,000 | 22 | 0.00 |
| XPO Logistics 6.5% 2022 (144A) | 82,000 | 64 | 0.01 |
| Infrastructure - 10.52% (9.07%) | | | |
| 3i Infrastructure | 1,112,447 | 2,487 | 0.38 |
| Ameren | 22,500 | 1,037 | 0.16 |
| Avangrid | 36,500 | 1,464 | 0.22 |
| BBGI | 2,146,282 | 2,897 | 0.44 |
| Consolidated Edison | 26,340 | 1,556 | 0.24 |
| Edison International | 30,500 | 1,462 | 0.22 |
| EDP Renovaveis | 455,000 | 3,420 | 0.52 |
| Eversource Energy | 29,500 | 1,310 | 0.20 |
| Exelon Corporation | 57,930 | 1,869 | 0.29 |
| Foresight Solar Fund | 1,859,900 | 2,018 | 0.31 |
| Greencoat UK Wind | 3,655,125 | 4,569 | 0.70 |
| HICL Infrastructure Co. | 5,169,707 | 7,460 | 1.14 |
| Hydro One | 103,600 | 1,191 | 0.18 |
| International Public Partnerships | 2,872,113 | 4,113 | 0.63 |
| Italgas S.p.A | 414,000 | 1,728 | 0.26 |
| John Laing Group | 2,210,666 | 6,088 | 0.93 |
| John Laing Infrastructure | 6,304,500 | 7,452 | 1.14 |
| Keppel Infrastructure Trust | 5,627,700 | 1,610 | 0.25 |
| Korea Electric Power | 55,100 | 1,196 | 0.18 |

Portfolio Statement as at 30 June 2018 cont.

| Stock description | Holding | Market value £'000 | % of total net assets |
|---|-----------|-----------------------|--------------------------|
| NextEnergy Solar Fund | 2,827,300 | 3,039 | 0.47 |
| PG&E Corp | 46,500 | 1,499 | 0.23 |
| Renewables Infrastructure Group | 2,600,000 | 2,855 | 0.44 |
| Tenaga Nasional | 494,000 | 1,354 | 0.21 |
| TerraForm Power | 379,800 | 3,363 | 0.52 |
| WEC Energy Group | 34,700 | 1,699 | 0.26 |
| Listed Equities - 22.50% (23.22%) | | | |
| Baillie Gifford American Fund C Acc ¹ | 2,186,100 | 19,069 | 2.92 |
| Baillie Gifford Emerging Markets Leading Companies Fund C Acc ¹ | 8,495,000 | 39,323 | 6.02 |
| Baillie Gifford European Fund C Acc ¹ | 1,520,200 | 36,333 | 5.56 |
| Baillie Gifford UK Equity Alpha Fund C Acc ¹ | 2,611,000 | 19,961 | 3.06 |
| Baillie Gifford Worldwide Japanese Fund C Acc GBP ¹ | 1,635,250 | 32,302 | 4.94 |
| Other Bonds - 2.58% (3.04%) | | | |
| Baillie Gifford Worldwide Global Credit Fund C Acc USD ¹ | 1,588,250 | 16,830 | 2.58 |
| Property - 8.15% (7.76%) | | | |
| ADO Properties | 51,780 | 2,131 | 0.33 |
| Alstria Office | 186,500 | 2,119 | 0.32 |
| Beni Stabili REIT | 1,730,000 | 1,148 | 0.17 |
| British Land | 550,535 | 3,700 | 0.57 |
| Cofinimmo | 22,900 | 2,128 | 0.32 |
| Deutsche Wohnen | 140,015 | 5,129 | 0.78 |
| Gecina | 16,340 | 2,045 | 0.31 |
| Hammerson | 658,300 | 3,436 | 0.53 |
| Hibernia | 1,612,500 | 2,139 | 0.33 |
| Icade | 29,540 | 2,064 | 0.32 |
| Immobiliare | 184,285 | 1,122 | 0.17 |
| Land Securities | 380,150 | 3,638 | 0.56 |
| LEG Immobilien | 54,908 | 4,521 | 0.69 |
| LondonMetric Property | 1,135,500 | 2,100 | 0.32 |
| Merlin Properties | 146,400 | 1,613 | 0.25 |

Portfolio Statement as at 30 June 2018 cont.

| Stock description | Holding | Market value £'000 | % of total net assets |
|---|-----------|--------------------|-----------------------|
| Segro Plc | 339,400 | 2,271 | 0.35 |
| Tritax Big Box REIT | 2,465,700 | 3,839 | 0.59 |
| UK Commercial Property Trust | 2,261,300 | 1,990 | 0.30 |
| Vastned Retail | 44,700 | 1,585 | 0.24 |
| Vonovia SE | 125,810 | 4,547 | 0.70 |
| Structured Finance - 4.09% (5.62%) | | | |
| ALME 4X BR | 1,800,000 | 1,592 | 0.25 |
| Babson CLO 2014-2X B1R ² | 2,000,000 | 1,780 | 0.27 |
| GLGE 3X B1 ² | 2,000,000 | 1,778 | 0.27 |
| HSBC Global Asset Backed High Yield Bond Fund | 690,000 | 5,992 | 0.92 |
| LWMC 2016-FL1 B ² | 1,500,000 | 1,560 | 0.24 |
| Metreta Fund | 122,700 | 14,000 | 2.14 |
| Derivatives - -1.12% (0.27%) | | | |
| Forward currency contracts (see Table 1) | | (7,335) | (1.12) |
| Futures contracts (see Table 2) | | - | 0.00 |
| Portfolio of investments | | 561,822 | 86.01 |
| Cash Equivalents - 3.21% (11.88%) | | | |
| UK T Bill 06/08/2018 | 7,000,000 | 6,996 | 1.07 |
| UK T Bill 10/09/2018 | 7,000,000 | 6,991 | 1.07 |
| UK T Bill 10/12/2018 | 7,000,000 | 6,982 | 1.07 |
| Other Assets - 10.78% (5.31%) | | 70,401 | 10.78 |
| Net assets | | 653,191 | 100.00 |

¹Baillie Gifford Investment Funds ICVC related party.

²This stock has been valued using a single broker quote.

Please note: figures are based on market values rather than economic exposure.

All investments are listed on recognised stock exchanges or are fixed interest securities and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets in the investment category headings refer to 31 December 2017.

Portfolio Statement as at 30 June 2018 cont.

Table 1: Unrealised gains/(losses) on open forward currency contracts

| Counterparty | Settlement | Buy | Buy Amount | Sell | Sell Amount | Unrealised gains/(losses) £'000 | % of total net assets |
|-------------------------|------------|-----|---------------|------|----------------|---------------------------------------|--------------------------|
| Barclays | 09/06/18 | THB | 286,000,000 | GBP | 6,664,730 | (132) | (0.02) |
| Barclays | 08/08/18 | GBP | 78,839,609 | USD | 105,900,000 | (1,227) | (0.19) |
| Barclays | 23/08/18 | JPY | 1,430,000,000 | GBP | 9,784,251 | 7 | 0.00 |
| Barclays | 23/08/18 | THB | 260,000,000 | GBP | 6,118,684 | (180) | (0.03) |
| Barclays | 20/09/18 | GBP | 6,495,105 | KRW | 9,500,000,000 | 38 | 0.01 |
| Barclays | 07/11/18 | GBP | 64,682,900 | USD | 87,580,000 | (1,617) | (0.25) |
| Barclays | 07/12/18 | GBP | 9,122,524 | USD | 12,740,000 | (521) | (0.08) |
| Deutsche Bank | 08/02/18 | RUB | 412,000,000 | GBP | 4,503,872 | 447 | 0.07 |
| Deutsche Bank | 19/07/18 | SEK | 134,400,000 | GBP | 11,220,642 | 165 | 0.03 |
| Deutsche Bank | 13/09/18 | GBP | 23,891,549 | EUR | 27,190,000 | (210) | (0.03) |
| Deutsche Bank | 13/09/18 | RUB | 707,000,000 | GBP | 8,713,872 | (265) | (0.04) |
| Deutsche Bank | 07/12/18 | NOK | 25,000,000 | GBP | 2,269,980 | 53 | 0.01 |
| Deutsche Bank | 07/12/18 | PLN | 26,200,000 | GBP | 5,434,471 | (136) | (0.02) |
| Deutsche Bank | 09/12/18 | GBP | 15,853,785 | KRW | 22,900,000,000 | 290 | 0.04 |
| HSBC | 13/09/18 | BRL | 55,700,000 | GBP | 11,038,530 | (191) | (0.03) |
| HSBC | 13/09/18 | GBP | 21,527,876 | EUR | 24,500,000 | (189) | (0.03) |
| HSBC | 27/09/18 | ZAR | 103,000,000 | GBP | 5,672,913 | (67) | (0.01) |
| HSBC | 07/11/18 | GBP | 45,090,522 | EUR | 51,050,000 | (71) | (0.01) |
| HSBC | 21/11/18 | GBP | 12,603,677 | BRL | 64,300,000 | 192 | 0.03 |
| HSBC | 09/12/18 | GBP | 53,977,680 | EUR | 61,000,000 | (91) | (0.01) |
| JP Morgan Chase | 08/02/18 | GBP | 12,357,170 | EUR | 14,000,000 | (37) | (0.01) |
| JP Morgan Chase | 19/07/18 | SEK | 17,450,000 | GBP | 1,456,847 | 21 | 0.00 |
| JP Morgan Chase | 07/11/18 | GBP | 2,850,833 | USD | 3,860,000 | (71) | (0.01) |
| JP Morgan Chase | 07/12/18 | GBP | 4,967,622 | USD | 6,937,500 | (284) | (0.04) |
| JP Morgan Chase | 07/12/18 | PLN | 64,940,000 | GBP | 13,470,020 | (337) | (0.05) |
| National Australia Bank | 26/07/18 | GBP | 6,206,616 | AUD | 11,343,000 | (134) | (0.02) |
| National Australia Bank | 08/08/18 | GBP | 27,428,699 | AUD | 49,100,000 | (3) | 0.00 |
| National Australia Bank | 07/11/18 | GBP | 15,485,056 | AUD | 28,600,000 | (512) | (0.08) |
| National Australia Bank | 07/12/18 | GBP | 5,699,787 | USD | 7,960,000 | (326) | (0.05) |
| Royal Bank of Canada | 08/08/18 | GBP | 7,970,000 | JPY | 1,170,000,000 | (38) | (0.01) |
| Royal Bank of Canada | 23/08/18 | JPY | 450,000,000 | GBP | 3,078,960 | 2 | 0.00 |
| Royal Bank of Canada | 07/11/18 | GBP | 26,838,542 | JPY | 3,960,000,000 | (248) | (0.04) |
| Royal Bank of Canada | 07/11/18 | GBP | 4,849,714 | MXN | 133,000,000 | (263) | (0.04) |
| Royal Bank of Canada | 07/11/18 | GBP | 7,828,714 | USD | 10,600,000 | (196) | (0.03) |
| Royal Bank of Scotland | 07/11/18 | GBP | 9,305,829 | USD | 12,600,000 | (233) | (0.04) |

Portfolio Statement as at 30 June 2018 cont.

| Counterparty | Settlement | Buy | Buy Amount | Sell | Sell Amount | Unrealised gains/(losses) £'000 | % of total net assets |
|--|------------|-----|-------------|------|-------------|---------------------------------|-----------------------|
| Royal Bank of Scotland | 07/12/18 | GBP | 6,043,493 | USD | 8,440,000 | (345) | (0.05) |
| Royal Bank of Scotland | 07/12/18 | NOK | 114,000,000 | GBP | 10,351,108 | 242 | 0.04 |
| Standard Chartered Bank | 13/09/18 | BRL | 8,000,000 | GBP | 1,585,426 | (27) | 0.00 |
| Standard Chartered Bank | 27/09/18 | ZAR | 109,000,000 | GBP | 6,003,373 | (71) | (0.01) |
| Standard Chartered Bank | 07/11/18 | GBP | 5,686,896 | USD | 7,700,000 | (142) | (0.02) |
| Standard Chartered Bank | 07/12/18 | GBP | 10,994,289 | USD | 15,354,000 | (628) | (0.10) |
| Unrealised gains/(losses) on open forward currency contracts | | | | | | (7,335) | (1.12) |

Table 2: Unrealised gains/(losses) on futures contracts

| Futures | Maturity | Notional | Unrealised gains/(losses) £'000 | % of total net assets |
|--|----------|----------|---------------------------------|-----------------------|
| Euro-Bobl Future September 2018 | 10/09/18 | (57) | - | 0.00 |
| Japan 10yr Bond (OSE) Future September 2018 | 20/09/18 | (24) | - | 0.00 |
| S&P 500 Index Future September 2018 | 20/09/18 | (12) | - | 0.00 |
| US Ultra 10yr Note Future September 2018 | 28/09/18 | (330) | - | 0.00 |
| Unrealised gains/(losses) on futures contracts | | | - | 0.00 |

Breakdown of portfolio of investments

| | 2018 | | 2017 | |
|--------------------------|--------------------|--------------------------|--------------------|--------------------------|
| | Market value £'000 | Percentage of total Fund | Market value £'000 | Percentage of total Fund |
| Bonds - Direct | 138,415 | 21.19 | 93,222 | 17.02 |
| Bonds - Indirect | 115,692 | 17.71 | 123,058 | 22.47 |
| Commodities - Direct | 26,262 | 4.02 | - | 0.00 |
| Derivatives | (7,335) | (1.12) | 1,463 | 0.27 |
| Equities - Direct | 68,736 | 10.52 | 49,689 | 9.07 |
| Equities - Indirect | 166,787 | 25.53 | 143,615 | 26.22 |
| Property - Indirect | 53,265 | 8.15 | 42,530 | 7.76 |
| Portfolio of investments | 561,822 | 86.01 | 453,577 | 82.81 |

Fund Information

| Fund and Share Information | 30.06.18 | 31.12.17 | 31.12.16 | 31.12.15 |
|---|-----------------------------------|---------------------------------|---------------------------------|-----------------------------------|
| Total net asset value of scheme property (£'000) | 653,191 | 547,681 | 170,644 | 5,643 |
| Synthetic Risk and Reward Indicator¹ | 4 | 4 | 5 | 5 |
| Net asset value per share (pence) | | | | |
| B1 Accumulation | 115.56 | 116.86 | 107.63 | 99.69 |
| B2 Accumulation | 116.12 | 117.43 | 108.17 | 99.79 |
| B Income ² | 112.54 | 114.93 | n/a | n/a |
| C Accumulation | 117.59 | 118.61 | 108.71 | 99.79 |
| C Income ³ | 114.38 | 116.63 | n/a | n/a |
| P Accumulation | 116.21 | 117.46 | 108.09 | 99.77 |
| Number of shares in issue | | | | |
| B1 Accumulation | 149,935,772 | 135,614,925 | 6,913,724 | 5,658,124 |
| B2 Accumulation | 151,764,332 | 161,864,628 | 114,253,800 | 1,000 |
| B Income ² | 29,668,720 | 12,009,136 | n/a | n/a |
| C Accumulation | 216,940,802 | 145,685,669 | 36,428,962 | 1,000 |
| C Income ³ | 7,990,297 | 7,786,388 | n/a | n/a |
| P Accumulation | 5,225,876 | 2,946,529 | 1,905 | 1,000 |
| Annual Income Record | Period to 30.06.18 (pence) | Year to 31.12.17 (pence) | Year to 31.12.16 (pence) | Period to 31.12.15 (pence) |
| Income per share (financial period) | | | | |
| B1 Accumulation | 1.10 | 1.92 | 1.40 | 0.14 |
| B2 Accumulation | 1.10 | 1.92 | 1.61 | 0.20 |
| B Income ² | 1.10 | 1.19 | n/a | n/a |
| C Accumulation | 1.25 | 2.50 | 2.13 | 0.20 |
| C Income ³ | 1.25 | 1.38 | n/a | n/a |
| P Accumulation | 1.10 | 2.03 | 1.66 | 0.18 |

Fund Information cont.

| Yearly Highest and Lowest Prices | Period to 30.06.18 (pence) | Year to 31.12.17 (pence) | Year to 31.12.16 (pence) | Period to 31.12.15 (pence) |
|--|-------------------------------|-----------------------------|-----------------------------|-------------------------------|
| Highest (financial period) | | | | |
| B1 Accumulation | 119.4 | 117.3 | 108.1 | 100.0 |
| B2 Accumulation | 119.9 | 117.9 | 108.6 | 100.0 |
| B Income ² | 117.4 | 116.6 | n/a | n/a |
| C Accumulation | 121.2 | 119.1 | 109.1 | 100.0 |
| C Income ³ | 119.2 | 118.5 | n/a | n/a |
| P Accumulation | 120.0 | 117.9 | 108.5 | 100.0 |
| Lowest (financial period) | | | | |
| B1 Accumulation | 115.5 | 108.0 | 93.57 | 98.22 |
| B2 Accumulation | 116.1 | 108.4 | 93.66 | 98.22 |
| B Income ² | 113.6 | 112.4 | n/a | n/a |
| C Accumulation | 117.5 | 109.0 | 93.71 | 98.21 |
| C Income ³ | 115.6 | 114.0 | n/a | n/a |
| P Accumulation | 116.2 | 108.3 | 93.65 | 98.21 |
| Ongoing Charges Figures | 30.06.18 (%) | 31.12.17 (%) | 31.12.16 (%) | 31.12.15 (%) |
| Ongoing Charges Figures⁴ | | | | |
| B1 Accumulation | 0.62 | 0.58 | 0.61 | 1.19 ⁵ |
| B2 Accumulation | 0.62 | 0.59 | 0.60 | 1.19 ⁵ |
| B Income ² | 0.61 | 0.58 | n/a | n/a |
| C Accumulation | 0.11 | 0.09 | 0.11 | 0.69 ⁶ |
| C Income ³ | 0.11 | 0.09 | n/a | n/a |
| P Accumulation | 0.52 | 0.48 | 0.51 | 1.09 ⁷ |

Class B1 Accumulations Shares, Class B2 Accumulations Shares, Class C Accumulations Shares and Class P Accumulations Shares were launched on 8 December 2015.

¹The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

²Class B Income Shares were launched on 22 May 2017.

³Class C Income Shares were launched on 30 June 2017.

⁴The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. A further explanation of charges and costs relating to the Fund can be obtained by contacting Client Relations.

⁵As at 31 December 2015 the ACD considered 0.70% to be a representative rate for the ongoing charges figure for Class B Shares.

⁶As at 31 December 2015 the ACD considered 0.20% to be a representative rate for the ongoing charges figure for Class C Shares.

Fund Information cont.

⁷As at 31 December 2015 the ACD considered 0.60% to be a representative rate for the ongoing charges figure for Class P Shares.

You should be aware that past performance is not a guide to future performance.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 30 June 2018

| | 30 June 2018 | | 30 June 2017 | |
|---|--------------|-----------------|--------------|---------------|
| | £'000 | £'000 | £'000 | £'000 |
| Income | | | | |
| Net capital gains/(losses) | | (16,340) | | 9,786 |
| Revenue | 10,449 | | 3,290 | |
| Expenses | (1,073) | | (542) | |
| Net revenue before taxation | 9,376 | | 2,748 | |
| Taxation | (292) | | (68) | |
| Net revenue after taxation | | 9,084 | | 2,680 |
| Total return before distributions | | (7,256) | | 12,466 |
| Distributions | | (5,722) | | (933) |
| Change in net assets attributable to shareholders from investment activities | | (12,978) | | 11,533 |

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 30 June 2018

| | 30 June 2018 | | 30 June 2017 | |
|--|--------------|----------------|--------------|----------------|
| | £'000 | £'000 | £'000 | £'000 |
| Opening net assets attributable to shareholders | | 547,681 | | 170,644 |
| Amounts receivable on issue of shares | 128,621 | | 243,695 | |
| Amounts payable on cancellation of shares | (16,395) | | (1,749) | |
| | | 112,226 | | 241,946 |
| Dilution adjustment | | 174 | | 373 |
| Change in net assets attributable to shareholders from investment activities | | (12,978) | | 11,533 |
| Retained distributions on accumulation shares | | 6,088 | | 1,808 |
| Closing net assets attributable to shareholders | | 653,191 | | 426,304 |

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 30 June 2018

| | 30 June 2018 £'000 | 31 December 2017 £'000 |
|--|-----------------------|---------------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 570,615 | 456,891 |
| Current assets: | | |
| Debtors | 13,302 | 3,699 |
| Cash and bank balances | 63,724 | 27,885 |
| Cash equivalents | 20,969 | 65,040 |
| Total assets | 668,610 | 553,515 |
| Liabilities: | | |
| Investment liabilities | (8,794) | (3,314) |
| Creditors: | | |
| Distributions payable | (426) | (250) |
| Other creditors | (6,199) | (2,270) |
| Total liabilities | (15,419) | (5,834) |
| Net assets attributable to shareholders | 653,191 | 547,681 |

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those in the annual financial statements for the year ended 31 December 2017 and are described in those annual financial statements.

BAILLIE GIFFORD

Baillie Gifford Positive Change Fund

a sub-fund of Baillie Gifford Investment Funds ICVC

*Interim Report and Financial Statements (Unaudited)
for the six months ended 30 June 2018*



Baillie Gifford Positive Change Fund

Investment Objective

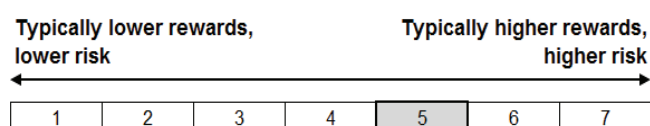
The Fund aims to produce capital growth over the long term.

Investment Policy

To invest in the shares of companies globally whose products or behaviour make a positive impact. This will include companies addressing critical challenges in areas such as, but not limited to; education, social inclusion, healthcare and the environment. The Fund will be concentrated.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator



Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases.

The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash. Where no share price history is available for any part of the last five years (and thus no returns), the returns of the Fund's sector are used in its place to calculate the Risk and Reward Indicator.

The indicator does not take into account the following relevant material risks:

Investment markets can go down as well as up and market conditions can change rapidly. The value of an investment in the Fund, and any income from it, can fall as well as rise and you may not get back the amount invested.

The Fund has exposure to foreign currencies and changes in the rates of exchange will cause the value of any investment, and income from it, to fall as well as rise and you may not get back the amount invested.

Custody of assets, particularly in emerging markets, involves a risk of loss if the custodian becomes insolvent or breaches duties of care.

The Fund invests in emerging markets where difficulties in trading could arise, resulting in a negative impact on the value of your investment.

The Fund's concentrated portfolio and long-term approach to investment may result in large movements in the share price.

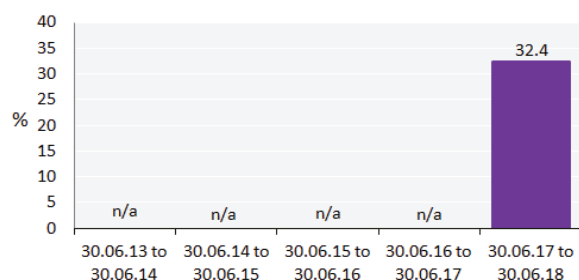
Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund.

The result of the UK Referendum on membership of the European Union introduces elements of political uncertainty and may have practical consequences for the Fund. Developments will be closely monitored.

Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations.

Investment Report

Past Performance¹



The Performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.50% (until 30 September 2017, the ACD's annual fee on Class B Shares was 0.55%), but exclude any initial charge paid. There is not five full years of performance shown as the Fund was launched on 3 January 2017. Performance figures for the share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the six months to 30 June 2018 the return on B Accumulation Shares was 12.9%² compared to the return on the MSCI All Country World Index of 2.0%³, in sterling terms. We believe that shorter-term performance measurements are of limited relevance in assessing investment ability, especially in the case of a new strategy such as this. We look forward to reporting to you on more meaningful performance time periods during the years to come.

Of course, investment performance is only part of the story. The Fund has dual objectives: to achieve attractive investment returns and to deliver positive change by contributing toward a more sustainable and inclusive world. We believe that every company within the portfolio has the potential to deliver positive impact as well as strong financial returns. We recently published our first annual Impact Report which provides a comprehensive analysis of the impact of all the holdings in the Fund. The report combines bespoke metrics for individual companies along with the portfolio's overall contribution to the 17 UN Sustainable Development Goals. Please let us know if you would like a copy by contacting Client Relations.

In terms of investment performance, the two largest contributors to performance over the six months were holdings in our Healthcare and Quality of Life theme. Abiomed was the largest contributor to investment

performance over the six months as impressive full year results were well received by the market. Revenue for the company's flagship technology, miniature heart pump Impella, increased by 35% year-on-year. This builds on strength following news that the number of patients able to benefit from the use of the Impella heart pump will increase after the US Food & Drug Administration approved its use in a wider range of circumstances. Abiomed's largest market is the US, however it has seen strong take up overseas with both Germany and Japan gaining significant traction.

Dexcom, the maker of continuous glucose monitoring devices, saw its share price rally after reporting record revenue of \$719m for 2017. Revenue growth was driven by increased demand in the US from direct-to-consumer advertising as well as strong international growth. The impact on patients' lives is significant with the continuous monitoring device eliminating the need for regular 'pin prick' tests throughout the day providing a superior and more convenient alternative. Dexcom's technology still has a relatively low penetration rate globally so we are excited by the growth potential over the next 10 years as awareness among both diabetics and medical professionals' increases.

Reflecting broader weakness in their domestic markets, a number of emerging market domiciled or exposed companies were weak during the quarter

¹Source: FE, 10am dealing prices, income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset value, income accumulated. ³Source: FE and relevant underlying index provider, total return. Please see Disclaimer on page 71. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

including Bank Rakyat and TSMC. Indonesian Bank, Bank Rakyat saw its share price weaken in line with the Indonesian stock market which closed at an 11 month low over the quarter. We remain optimistic for Bank Rakyat, Indonesia's largest provider of micro-finance as its competitive strengths are centred on its scale, strong customer relationships and a vast decentralised distribution network. Banking remains underpenetrated in Indonesia with over half of the adult population lacking access to formal banking services and we believe Bank Rakyat should help to improve financial inclusion in Indonesia while generating attractive returns on equity over the cycle.

TSMC, the world's largest foundry for core and graphic processors, saw its share price weaken over the period following revised guidance of 10% revenue growth year-on-year, down from the previous forecast of 10-15%. This was mainly due to weak shipments in smartphones and a delay in Apple's new 7 nanometre processor coming online. TSMC however remains a technological leader and a scale player in the global semiconductor manufacturing market, providing more efficient chips at lower costs which has a huge positive impact across the world especially emerging markets. Longer term, we believe revenues should improve as demand continues to ramp up from Artificial Intelligence, data centres and the migration of devices to 5G.

Being patient owners of the companies we invest in and encouraging management teams to take a long-term view are how we, as investors, can add value. Ultimately, change takes time; an ability to look beyond six month results and focus on long-term operational growth and positive impact is essential.

Baillie Gifford & Co, 11 July 2018

Principal Holdings as at 30 June 2018

| Investment | Percentage of total Fund |
|------------------------|-----------------------------|
| ABIOMED | 7.57 |
| Illumina | 6.23 |
| Tesla Inc | 6.18 |
| Umicore | 5.53 |
| ASML | 4.88 |
| Chr Hansen Holding A/S | 4.79 |
| TSMC | 4.59 |
| Dexcom Inc | 4.43 |
| Kingspan Group | 4.36 |
| Novozymes | 4.30 |

Material Portfolio Changes for the six months ended 30 June 2018

| Largest Purchases | Cost £'000 | Largest Sales | Proceeds £'000 |
|------------------------|---------------|---------------|-------------------|
| ABIOMED | 1,490 | ABIOMED | 631 |
| Tesla Inc | 1,471 | | |
| Umicore | 1,216 | | |
| Illumina | 1,203 | | |
| HDFC Corp | 1,157 | | |
| TSMC | 1,123 | | |
| ASML | 1,048 | | |
| Chr Hansen Holding A/S | 1,009 | | |
| Novozymes | 934 | | |
| M3 | 899 | | |

Portfolio Statement as at 30 June 2018

| Stock description | Holding | Market value £'000 | % of total net assets |
|------------------------------------|-----------|-----------------------|--------------------------|
| Belgium - 5.53% (4.76%) | | | |
| Umicore | 50,464 | 2,179 | 5.53 |
| Brazil - 0.65% (1.64%) | | | |
| Kroton Educacional | 139,700 | 256 | 0.65 |
| China - 3.84% (4.55%) | | | |
| Tencent | 39,900 | 1,516 | 3.84 |
| Denmark - 11.00% (13.05%) | | | |
| Chr Hansen Holding A/S | 27,016 | 1,889 | 4.79 |
| Novozymes | 44,007 | 1,695 | 4.30 |
| Orsted | 16,441 | 754 | 1.91 |
| India - 3.03% (0.00%) | | | |
| HDFC Corp | 56,629 | 1,195 | 3.03 |
| Indonesia - 2.93% (4.53%) | | | |
| Bank Rakyat Indonesia | 7,736,700 | 1,157 | 2.93 |
| Ireland - 4.36% (4.34%) | | | |
| Kingspan Group | 45,229 | 1,718 | 4.36 |
| Japan - 11.49% (11.41%) | | | |
| Euglena | 51,900 | 294 | 0.75 |
| M3 | 54,300 | 1,639 | 4.16 |
| Pigeon | 27,800 | 1,025 | 2.60 |
| Sysmex Corp. | 22,200 | 1,570 | 3.98 |
| Kenya - 0.54% (0.52%) | | | |
| Safaricom Ltd | 1,050,200 | 213 | 0.54 |
| Netherlands - 6.08% (6.85%) | | | |
| ASML | 12,831 | 1,924 | 4.88 |

Portfolio Statement as at 30 June 2018 cont.

| Stock description | Holding | Market value £'000 | % of total net assets |
|---|---------|-----------------------|--------------------------|
| Signify NV | 24,364 | 475 | 1.20 |
| South Africa - 2.24% (3.56%) | | | |
| Discovery Ltd | 108,356 | 883 | 2.24 |
| Sweden - 2.79% (2.83%) | | | |
| Nibe Industrier AB 'B' Shares | 135,427 | 1,099 | 2.79 |
| Taiwan - 4.59% (5.58%) | | | |
| TSMC | 337,000 | 1,808 | 4.59 |
| United Kingdom - 0.45% (0.00%) | | | |
| FDM Group | 17,923 | 176 | 0.45 |
| United States - 38.79% (34.67%) | | | |
| ABIOMED | 9,631 | 2,984 | 7.57 |
| Alnylam Pharmaceuticals | 15,736 | 1,174 | 2.98 |
| Alphabet Inc Class A | 1,764 | 1,509 | 3.83 |
| Dexcom Inc | 24,309 | 1,748 | 4.43 |
| Ecolab | 8,758 | 931 | 2.36 |
| Glaukos Corp | 23,811 | 733 | 1.86 |
| Illumina | 11,607 | 2,455 | 6.23 |
| Tesla Inc | 9,382 | 2,436 | 6.18 |
| Xylem | 25,910 | 1,322 | 3.35 |
| Portfolio of investments | | 38,757 | 98.31 |
| Net other assets - 1.69% (1.71%) | | 667 | 1.69 |
| Net assets | | 39,424 | 100.00 |

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules, unless otherwise stated.

Figures in brackets refer to 31 December 2017.

Fund Information

| Fund and Share Information | | |
|---|-------------------------------|-------------------------------|
| | 30.06.18 | 31.12.17 |
| Total net asset value of scheme property (£'000) | 39,424 | 14,775 |
| Synthetic Risk and Reward Indicator¹ | 5 | 5 |
| Net asset value per share (pence) | | |
| B Accumulation | 160.11 | 141.85 |
| B Income | 159.75 | 141.55 |
| C Accumulation ² | 131.97 | 116.65 |
| Number of shares in issue | | |
| B Accumulation | 17,600,276 | 4,669,757 |
| B Income | 7,037,211 | 5,757,616 |
| C Accumulation ² | 1,000 | 1,000 |
| Annual Income Record | | |
| | Period to 30.06.18 (pence) | Period to 31.12.17 (pence) |
| Income per share (financial period) | | |
| B Accumulation | 0.00 | 0.30 |
| B Income | 0.00 | 0.42 |
| C Accumulation ² | 0.00 | 0.22 |
| Yearly Highest and Lowest Prices | | |
| | Period to 30.06.18 (pence) | Period to 31.12.17 (pence) |
| Highest (financial period) | | |
| B Accumulation | 166.7 | 143.4 |
| B Income | 166.3 | 143.4 |
| C Accumulation ² | 137.4 | 117.8 |
| Lowest (financial period) | | |
| B Accumulation | 137.5 | 100.0 |
| B Income | 137.2 | 100.0 |
| C Accumulation ² | 113.1 | 99.79 |

Fund Information cont.

| Ongoing Charges Figures | 30.06.18 (%) | 31.12.17 (%) |
|--|-----------------|-------------------|
| Ongoing Charges Figures³ | | |
| B Accumulation | 0.60 | 0.60 ⁴ |
| B Income | 0.60 | 0.60 ⁴ |
| C Accumulation ² | 0.10 | 0.10 |

Class B Income Shares and Class B Accumulation Shares were launched on 3 January 2017.

¹The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

²Class C Accumulation Shares were launched on 14 July 2017.

³The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. A further explanation of charges and costs relating to the Fund can be obtained by contacting Client Relations.

⁴With effect from 1 March 2017, the ACD's annual fee for Class B shares was decreased from 0.70% to 0.55%. With effect from 1 October 2017, this rate was reduced further to 0.50%.

You should be aware that past performance is not a guide to future performance.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 30 June 2018

| | 30 June 2018 | | 30 June 2017 | |
|---|--------------|--------------|--------------|--------------|
| | £'000 | £'000 | £'000 | £'000 |
| Income | | | | |
| Net capital gains/(losses) | | 2,935 | | 1,060 |
| Revenue | 233 | | 38 | |
| Expenses | (58) | | (17) | |
| Net revenue before taxation | 175 | | 21 | |
| Taxation | (27) | | (4) | |
| Net revenue after taxation | | 148 | | 17 |
| Total return before distributions | | 3,083 | | 1,077 |
| Distributions | | 34 | | - |
| Change in net assets attributable to shareholders from investment activities | | 3,117 | | 1,077 |

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 30 June 2018

| | 30 June 2018 | | 30 June 2017 | |
|--|--------------|---------------|--------------|--------------|
| | £'000 | £'000 | £'000 | £'000 |
| Opening net assets attributable to shareholders | | 14,775 | | - |
| Amounts receivable on issue of shares | 21,734 | | 5,018 | |
| Amounts payable on cancellation of shares | (229) | | - | |
| | | 21,505 | | 5,018 |
| Dilution adjustment | | 27 | | - |
| Change in net assets attributable to shareholders from investment activities | | 3,117 | | 1,077 |
| Closing net assets attributable to shareholders | | 39,424 | | 6,095 |

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 30 June 2018

| | 30 June 2018 £'000 | 31 December 2017 £'000 |
|--|-----------------------|---------------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 38,757 | 14,523 |
| Current assets: | | |
| Debtors | 2,551 | 400 |
| Cash and bank balances | 539 | 301 |
| Total assets | 41,847 | 15,224 |
| Liabilities: | | |
| Creditors: | | |
| Distributions payable | - | (24) |
| Other creditors | (2,423) | (425) |
| Total liabilities | (2,423) | (449) |
| Net assets attributable to shareholders | 39,424 | 14,775 |

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those in the annual financial statements for the period ended 31 December 2017 and are described in those annual financial statements.

General Information

Dilution Adjustment

A Sub-fund suffers dilution (reduction) in the value of the Scheme Property attributable to it because the actual costs of buying or selling investments for the Sub-fund deviate from the mid-market values generally used in calculating the price of shares in the Sub-fund. Such deviation may occur as a result of the costs (which may include dealing charges and taxes) incurred in dealing in such investments and of any spread between the buying and selling prices of such investments. It is not possible to predict accurately whether dilution is likely to occur.

The COLL Rules allow the cost of dilution to be (1) met directly from the Scheme Property attributable to the sub-fund or (2) addressed by the imposition on investors of a dilution levy on the issue by the Company, sale by the ACD, cancellation by the Company or redemption by the ACD of shares in the sub-fund or (3) dealt with by means of a dilution adjustment, which is the policy which has been adopted by the ACD in relation to the sub-funds of the Company. With a view to mitigating the effects of dilution, the ACD therefore reserves the right, at its sole discretion, to make a dilution adjustment in the calculation of the dealing price, and thereby swing the dealing price, of shares in any sub-fund of the Company if in its opinion the existing shareholders (for net purchases of shares) or remaining shareholders (for net redemptions of shares) might otherwise be adversely affected. By 'purchases' of shares we mean issues by the Company and sales by the ACD and by 'redemptions' of shares we mean cancellations by the Company and redemptions by the ACD.

The COLL Rules acknowledge that the need to make a dilution adjustment may depend on the volume of purchases of shares or redemptions of shares. Accordingly, the ACD reserves the right at its sole discretion to impose a dilution adjustment in the following circumstances:

- (a) If the sub-fund is experiencing steady decline (net outflow of investment).
- (b) If the sub-fund is experiencing steady growth (net inflow of investment).

- (c) If the sub-fund is experiencing large levels of net purchases or net redemptions relative to its size.
- (d) Where the sub-fund experiences net purchases or net redemptions on any Dealing Day exceeding a particular value or a particular percentage of the value of the sub-fund.
- (e) In any other circumstances where the ACD believes it will be in the interests of shareholders to make a dilution adjustment.

The ACD is currently of the opinion that it is in the best interests of shareholders in the Company to make a dilution adjustment whenever dealings in the shares of any sub-fund result in shares in that sub-fund being issued or cancelled by the Company. The ACD believes that this policy should result in no significant dilution occurring. The adjustment will take account of any spread between the buying and selling prices of the relevant sub-fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments, as the case may be.

The level of the dilution adjustment is set by the ACD based on prevailing market conditions. Where liquidity is restricted and trading in size in the portfolio's investments results in significant movement in the prices of these investments the ACD may adjust the level of the dilution adjustment to protect the interests of the ongoing investors in a sub-fund. The ACD has thresholds for the sub-funds for daily net inflows or outflows of cash into or out of the sub-funds. Above these thresholds, which vary by sub-fund and according to market conditions, the ACD may increase the dilution adjustment to reflect the increased dealing costs incurred by the sub-funds as a result of larger inflows and outflows. A consequence of this policy is, however, that smaller transactions made on any day that the relevant threshold is exceeded may also trade at the price incorporating the higher adjustment and this may lead to increased dealing costs. Whether an adjustment may be necessary will depend upon the net movement into or out of a sub-fund on any given day and on the underlying market conditions on that day and it is therefore not possible to predict when an adjustment may be made. On any Dealing Day when the Company

General Information cont.

Dilution Adjustment cont.

neither issues nor cancels shares in a sub-fund the price of shares in that sub-fund will not contain any dilution adjustment.

This policy to swing the dealing price will be subject to regular review and may change. The ACD's decision on whether or not to make a dilution adjustment, and on what level of adjustment to make in particular circumstances or generally, will not prevent it from making a different decision in similar circumstances in the future.

Where a dilution adjustment is applied, it will increase the dealing price when there are net inflows into the relevant sub-fund and decrease the dealing price when there are net outflows. The dealing price of each class of share in a sub-fund will be calculated separately but any dilution adjustment will in percentage terms affect the dealing price of shares of each class identically.

On the occasions when no dilution adjustment is made there may be an adverse impact on the value of the Scheme Property attributable to the relevant sub-fund.

Stamp Duty Reserve Tax ('SDRT')

Generally, there will be no SDRT charge when shareholders surrender or redeem shares. However, where the redemption is satisfied by a non-pro rata in-specie redemption, then a charge to SDRT may apply.

Taxation Reporting

In order to fulfil its legal obligations, the ACD is required to collect and report certain information about shareholders, including their identity, tax residency and tax status. Shareholders must provide the ACD with any information required to meet these obligations, and may also be asked to provide self-certifications and tax reference numbers or the equivalent. The ACD reserves the right to refuse an application for shares or a transfer

of shares until it receives a declaration as to the shareholder's tax residency or status in the form prescribed by the ACD.

The ACD is also required to provide to HMRC certain information regarding shareholders, payments made to shareholders and proceeds arising on the disposal of shares, and HMRC may pass such information on to the tax authorities of another jurisdiction.

Share Classes

The net asset value of each sub-fund and the number of shares in each class are shown in the Comparative Tables section of the relevant sub-fund. The distributions per share class are shown in the Distribution Tables. In each sub-fund all share classes have the same rights on winding up.

Where Class C Shares are available, they are only available to persons to whom an associate of the ACD provides services under an investment management agreement or who has a separate fee arrangement with the ACD or one of its associates.

In the case of Baillie Gifford Multi Asset Growth Fund, Class P Shares are available to persons who: (i) are considered by the ACD to be institutional pension platforms and who have a relevant agreement with the ACD or an associate of the ACD; or (ii) are otherwise considered appropriate by the ACD at its sole discretion.

The minimum lump sum investment amounts are shown in the table on page 73.

Fund Charges and Costs

A further explanation of charges and costs relating to sub-funds of the ICVC can be found in the Enhanced Disclosure of Fund Charges and Costs document for each sub-fund on our website.

General Information cont.

Equalisation

The Company will operate grouping for equalisation. Each class of shares will operate its own equalisation account. Shares purchased during an accounting period are called Group 2 shares. Shares purchased during any previous accounting period are called Group 1 shares. Group 2 shares contain in their purchase price an amount called equalisation which represents a proportion of the net income of the relevant sub-fund that has accrued up to the date of purchase. The amount of equalisation is averaged across all the shareholders of Group 2 shares and is refunded to them as part of their first distribution and is treated as a return of capital for tax purposes. Being capital it is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

An 'income equalisation-like' mechanism will be operated by the ACD for conversions. The ACD will ensure that the mechanism is operated to ensure fair treatment of those converting their shares and other shareholders in the affected classes.

Conflicts of Interest

From time to time, there may be situations that give rise to a material interest or conflict of interest. Such interests can arise between the interests of the ACD, the Investment Adviser, other persons associated with them and the interests of the sub-funds and their shareholders. A material interest or a conflict of interest can also arise between the interests of different shareholders. In such circumstances the ACD will put in place effective organisational and administrative arrangements to manage and monitor the material interest or conflict of interest in a way that ensures shareholders are treated fairly, or where it is impractical to manage the conflict, it will be disclosed.

The ACD, the Investment Adviser and other associated persons may, from time to time, act as authorised corporate directors, investment managers or advisers to other persons, companies or funds which follow similar investment objectives to the sub-funds. It

is therefore possible that the ACD and/or the Investment Adviser may in the course of their business have potential conflicts of interest with the Company or a particular sub-fund. Each of the ACD and the Investment Adviser will, however, have regard in such event to, amongst other things, its obligation to act in the best interest of the Company so far as practicable, having regard to our obligations to other clients, when undertaking any investment where potential conflicts of interest may arise. The Depositary may, from time to time, act as the depositary or trustee of other companies or funds.

Third Party Data Provider Disclaimers

No third party data provider ('Provider') makes any warranty, express or implied, as to the accuracy, completeness or timeliness of the data contained herewith nor as to the results to be obtained by recipients of the data. No Provider shall in any way be liable to any recipient of the data for any inaccuracies, errors or omissions in the index data included in this document, regardless of cause, or for any damages (whether direct or indirect) resulting therefrom.

No Provider has any obligation to update, modify or amend the data or to otherwise notify a recipient thereof in the event that any matter stated herein changes or subsequently becomes inaccurate.

Without limiting the foregoing, no Provider shall have any liability whatsoever to you, whether in contract (including under an indemnity), in tort (including negligence), under a warranty, under statute or otherwise, in respect of any loss or damage suffered by you as a result of or in connection with any opinions, recommendations, forecasts, judgments, or any other conclusions, or any course of action determined, by you or any third party, whether or not based on the content, information or materials contained herein.

General Information cont.

MSCI Data

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General Information cont.

Minimum Lump Sum Investment Amounts and ACD's Annual Fee

| | Class A | Class B | Class C | Class P |
|---|---------|---------|----------|----------|
| Minimum lump sum investments: | | | | |
| Baillie Gifford Diversified Growth Fund | £1,000 | £1,000 | £250,000 | n/a |
| Baillie Gifford Long Term Global Growth Investment Fund | n/a | £1,000 | £250,000 | n/a |
| Baillie Gifford Multi Asset Growth Fund | n/a | £1,000 | £250,000 | £250,000 |
| Baillie Gifford Positive Change Fund | n/a | £1,000 | £250,000 | n/a |
| ACD's annual fee: | | | | |
| Baillie Gifford Diversified Growth Fund | 1.50% | 0.65% | Nil | n/a |
| Baillie Gifford Long Term Global Growth Investment Fund | n/a | 0.62% | Nil | n/a |
| Baillie Gifford Multi Asset Growth Fund | n/a | 0.50% | Nil | 0.40% |
| Baillie Gifford Positive Change Fund | n/a | 0.50% | Nil | n/a |

Active Share

Active Share is a measure of how actively managed a sub-fund is and is calculated by taking 100 minus the % of the sub-fund that overlaps with the comparative index. The Active Share as at the year end and the comparative index for each sub-fund is shown in the table below. The Active Share has been shown against these indices to highlight the active management style against what is deemed to be the most relevant index for each sub-fund.

| Sub-fund | Active Share | Comparative Index |
|---|--------------|------------------------------|
| Baillie Gifford Long Term Global Growth Investment Fund | 93% | MSCI All Country World Index |
| Baillie Gifford Positive Change Fund | 97% | MSCI All Country World Index |

Baillie Gifford Diversified Growth Fund and Baillie Gifford Multi Asset Growth Fund do not have a comparable index and therefore Active Share is not applicable for these funds.

General Information cont.

Corporate Governance

The Investment Adviser has a clear and considered policy towards its shareholder responsibilities, following its own detailed guidelines, when addressing corporate governance matters at the companies in which it invests and actively exercising its votes. The Investment Adviser recognises that companies operate under significantly differing conditions and for this reason it takes a pragmatic and flexible approach to corporate governance, whereby it applies its guidelines with care and gives due consideration to the specific circumstances of individual companies.

The Investment Adviser looks to have confidence in the quality and integrity of management. Consequently, its investment process involves keeping closely in touch with company management, learning how it plans to take the company's business forward and seeking to understand its goals and attitude towards shareholders. It believes that such dialogue is important in selecting successful investments and that it gets at the substance of corporate governance rather than concentrating merely on matters of form. Nevertheless, where the formal aspects of a company's corporate governance fall short of best practice and this is not fully supported by its circumstances, the Investment Adviser encourages improvements in face to face meetings and, where appropriate, votes against management recommendations at general meetings.

The Investment Adviser recognises that the right to vote on corporate proposals is the key formal mechanism by which shareholders play a role in a company's governance. It makes considered use of these votes and endeavours to contact companies to encourage improvements before it votes against management recommendations. Although the Investment Adviser generally supports management, it assesses each company proposal on its merits and avoids voting in a routine or mechanistic manner. In general, the Investment Adviser focuses on the issues it feels are most significant and where it can be most effective. Such issues include the alignment of management's interests

with those of shareholders, the effective operation of the board and its committees and the protection of shareholder rights.

The Investment Adviser's policy on social, environmental and ethical matters is integrated with its approach to corporate governance and, as such, it is based on dialogue and engagement rather than exclusion. Where appropriate, it discusses with company management those areas that may be most closely related to shareholder value such as sustainability, environmental impact, human rights and employee welfare. It also takes account of these matters in the selection, retention and realisation of investments, as part of its normal investment research and analysis process, where it thinks they may have a material impact on current or future valuations.

General Information cont.

The Group's Funds

Authorised Unit Trusts

Baillie Gifford Cash Fund

Baillie Gifford Bond Funds ICVC

Baillie Gifford Active Gilt Plus Fund

Baillie Gifford Active Index-Linked Gilt Plus Fund

Baillie Gifford Active Long Gilt Plus Fund

Baillie Gifford Emerging Markets Bond Fund

Baillie Gifford High Yield Bond Fund

Baillie Gifford Investment Grade Bond Fund

Baillie Gifford Investment Grade Long Bond Fund

Baillie Gifford Strategic Bond Fund¹

Baillie Gifford Investment Funds ICVC

Baillie Gifford Diversified Growth Fund

Baillie Gifford Long Term Global Growth Investment Fund

Baillie Gifford Multi Asset Growth Fund

Baillie Gifford Positive Change Fund

Baillie Gifford Investment Funds II ICVC

Baillie Gifford Global Select Fund

Baillie Gifford Japanese Income Growth Fund

Baillie Gifford Multi Asset Income Fund²

Baillie Gifford Sterling Aggregate Bond Fund

Baillie Gifford Sterling Aggregate Plus Bond Fund

Baillie Gifford UK Equity Core Fund³

Baillie Gifford Overseas Growth Funds ICVC

Baillie Gifford American Fund

Baillie Gifford Developed Asia Pacific Fund

Baillie Gifford Emerging Markets Growth Fund

Baillie Gifford Emerging Markets Leading Companies Fund

Baillie Gifford European Fund

Baillie Gifford Global Discovery Fund

Baillie Gifford Greater China Fund

Baillie Gifford Japanese Fund

Baillie Gifford Japanese Smaller Companies Fund

Baillie Gifford Pacific Fund

Baillie Gifford UK & Balanced Funds ICVC

Baillie Gifford British Smaller Companies Fund

Baillie Gifford Global Alpha Growth Fund

Baillie Gifford Global Income Growth Fund

Baillie Gifford International Fund

Baillie Gifford Managed Fund

Baillie Gifford UK and Worldwide Equity Fund

Baillie Gifford UK Equity Alpha Fund

Baillie Gifford UK Equity Focus Fund

Glenfinlas Global Fund⁴

¹With effect from 1 May 2018 the name of Baillie Gifford Corporate Bond Fund was changed to Baillie Gifford Strategic Bond Fund.

²Baillie Gifford Multi Asset Income Fund is currently not available for subscription.

³Baillie Gifford UK Equity Core Fund launched on 17 January 2018.

⁴Glenfinlas Global Fund is no longer available for subscription.

**For further information about the Funds or
Baillie Gifford's range of OEICs, please:**

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Edinburgh EH1 3AN

Call our Client Relations Team on 0800 917 2113. Your call may be recorded for training or monitoring purposes.

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Or fax us on 0131 275 3955.

