This document is the prospectus of Baillie Gifford Investment Funds ICVC prepared in accordance with The Financial Conduct Authority's Collective Investment Schemes Sourcebook and Investment Funds Sourcebook and is valid from the opening of business on 1 April 2019.

BAILLIE GIFFORD INVESTMENT FUNDS ICVC

FCA Product Reference Number: 488901

PROSPECTUS

for

BAILLIE GIFFORD DIVERSIFIED GROWTH FUND
BAILLIE GIFFORD MULTI ASSET GROWTH FUND
BAILLIE GIFFORD LONG TERM GLOBAL GROWTH INVESTMENT FUND
BAILLIE GIFFORD POSITIVE CHANGE FUND

Contents

Important Notice to Readers

IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS PROSPECTUS, YOU SHOULD CONSULT YOUR FINANCIAL ADVISER.

Potential investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters and are recommended to consult their own professional advisers concerning the acquisition, holding or disposal of Shares.

Responsibilities of Baillie Gifford & Co Limited for this document
Baillie Gifford & Co Limited, the authorised corporate director and alternative investment fund manager of Baillie Gifford Investment Funds, is the person responsible for the information contained in this Prospectus and has approved the contents of this Prospectus for the purpose of Section 21 of the Financial Services and Markets Act 2000. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information set out below does not contain any untrue or misleading statement or omit any matters required by the COLL Rules or FUND Rules to be included in it. Baillie Gifford & Co Limited accepts responsibility accordingly.

The Depositary is not a person responsible for information contained in this Prospectus and accordingly does not accept any responsibility therefore under the COLL Rules, FUND Rules or otherwise.

Status of the Prospectus
This Prospectus is based on information, law and practice at the opening of business on 1 April 2019. Copies of this Prospectus have been sent to the FCA and the Depositary.

No person has been authorised by the Company to give any information or to make any representations in connection with the offering of Shares other than those contained in the Prospectus and, if given or made, such information or representations must not be relied on as having been made by the Company. The delivery of this Prospectus (whether or not accompanied by any reports) or the issue of Shares shall not, under any circumstances, create any implication that the affairs of the Company have not changed since the date hereof. The Company cannot be bound by an out of date Prospectus when it has issued a new Prospectus, and investors should check with the ACD that this is the most recently published Prospectus.

This Prospectus contains details relevant to the legal jurisdictions in the United Kingdom. The distribution of this Prospectus and the offering of Shares in certain other jurisdictions may be restricted. Persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, and without prejudice to the foregoing generality the offering of Shares is not directed at the United States of America or to persons resident or domiciled in the United States of America.

Distribution of this Prospectus in certain jurisdictions will require that this Prospectus be translated into the official languages of those jurisdictions. Where such translation is required, the translated version of this Prospectus shall only contain the same information and shall only have the same meaning as in this Prospectus.

Target Market for MiFID II Purposes
The Target Market for MiFID II purposes for each Sub-fund of the Company is set out in Appendix A.

Listing of Shares in the Company
Shares in the Company are not listed on any investment exchange.

Instrument of Incorporation
The provisions of the Instrument of Incorporation are binding on each of the Company's Shareholders (who are deemed to have notice of them). Copies of the Instrument of Incorporation may be obtained from, or inspected at, the Company's Head Office.

Derivatives Transactions
Derivatives may be used from time to time in any Sub-fund of the Company for the purposes of hedging (which includes efficient portfolio management) and, for Baillie Gifford Diversified Growth Fund and Baillie Gifford Multi Asset Growth Fund, for the purposes of meeting the Sub-fund's investment objectives. The investment objectives and policies of each Sub-fund are set out in Appendix A and the Sub-funds' investment powers in relation to derivatives are set out in Section 3.2.1 below. The ACD does not anticipate such use of derivatives having any adverse effect on the overall risk profile of any Sub-fund of the Company.

The Company and its Service Providers

An investment company with variable capital incorporated with limited liability and registered in Great Britain under number IC000719.

Head office:
Calton Square
1 Greenside Row
Edinburgh
EH1 3AN

Authorised Corporate Director:
Baillie Gifford & Co Limited
Calton Square
1 Greenside Row
Edinburgh
EH1 3AN

Investment Adviser:
Baillie Gifford & Co
Calton Square
1 Greenside Row
Edinburgh
EH1 3AN

Depositary:
NatWest Trustee and Depositary Services Limited
Drummond House
1 Redheughs Avenue
Edinburgh
EH12 9RH

Custodian:
The Bank of New York Mellon, London Branch
One Canada Square
London
E14 5AL

Registrar:
Baillie Gifford & Co Limited
Calton Square
1 Greenside Row
Edinburgh
EH1 3AN

Auditors:
PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

Glossary

accumulation Shares	Shares (of whatever Class) in the Company as may be in issue from time to time in respect of which income allocated thereto is credited periodically to capital pursuant to the COLL Rules
the Authorised Corporate Director, the ACD or Registrar	Baillie Gifford & Co Limited
the Act	the Financial Services and Markets Act 2000
AIF	an alternative investment fund as defined in the AIFM Regulations
AIFM	Baillie Gifford & Co Limited, the alternative investment fund manager of the Company
AIFMD	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers, including any subordinate regulations or guidance published thereunder
AIFM Regulations	the Alternative Investment Fund Managers Regulations 2013
Anti-Money Laundering Rules	the laws, rules, regulations and guidance relating to anti-money laundering that apply to the ACD, investment in a Sub-fund and to the ACD's dealings with persons in contemplation of such an investment or in connection with this Prospectus from time to time
Approved Security	a transferable security which is (i) admitted to or dealt in on an Eligible Securities Market; or (ii) recently issued and the terms of issue include an undertaking that application will be made to be admitted to an Eligible Securities Market and such admission is secured within a year of issue
Baillie Gifford	Baillie Gifford & Co, every company wholly owned by Baillie Gifford & Co and (in relation to each such company) any subsidiary or holding company of that company and any subsidiary of a holding company of that company
Benchmark Regulation	Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds
Class or Classes	in relation to Shares, means (according to the context) a particular class of Share in issue from time to time relating to a single Sub-fund or in the Company or all of the Shares in issue from time to time relating to a single Sub-fund
the COLL Rules	the rules contained in the Collective Investment Schemes sourcebook (or COLL) published by the FCA as part of their Handbook of rules made under the Act, as amended or replaced from time to time, which shall, for the avoidance of doubt, not

	include guidance or evidential requirements contained in the said sourcebook
Company or Baillie Gifford Investment Funds	Baillie Gifford Investment Funds ICVC
Conversion	the conversion of Shares in one Class in a Sub-fund to Shares of another Class in the same Sub-fund and "**Convert**" and "**Conversions**" shall be construed accordingly
Dealing Day	any day other than a Saturday, a Sunday or a bank holiday in England and Wales, as the context may require and subject always to the ACD's discretion
Depositary	NatWest Trustee and Depositary Services Limited, the depositary of the Company
Derivatives	includes but is not limited to futures, swaps, options and contracts for differences
EEA State	a member state of the European Union and any other state which is within the European Economic Area, currently the United Kingdom, Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Iceland, Norway and Liechtenstein (but please note that in the meantime, until certain issues relating to the relevant securities markets in Cyprus and Malta have been resolved to the satisfaction of the Depositary, Cyprus and Malta will not be treated as EEA States for the purposes of this Prospectus)
Eligible Derivatives Market	(a) a market which is regulated, operates regularly, open to the public and in an EEA State; or (b) a regulated market as defined for the purposes of the COLL Rules; or (c) a market which the ACD, after consultation with and notification to the Depositary, has decided is appropriate for investment of, or dealing in, the property of the relevant Sub-fund. Such markets must be regulated, operate regularly, appropriately recognised by an overseas regulator, open to the public, adequately liquid and have adequate arrangements for unimpeded transmission of income and capital to or to the order of investors; and (d) a market identified as an eligible derivatives market for the relevant Sub-fund in Appendix D
Eligible Securities Market	(a) a market which is regulated, operates regularly, open to the public and in an EEA State; or

(b) a regulated market as defined for the purposes of the COLL Rules; or

(c) a market which the ACD, after consultation with and notification to the Depositary, has decided is appropriate for investment of, or dealing in, the property of the relevant Sub-fund. Such markets must be regulated, operate regularly, appropriately recognised by an overseas regulator, open to the public, adequately liquid and have adequate arrangements for unimpeded transmission of income and capital to or to the order of investors; and

(d) a market identified as an eligible securities market for the relevant Sub-fund in Appendix C

EPM	efficient portfolio management
the FCA	the Financial Conduct Authority, or any successor authority
the FUND Rules	the rules contained in the Investment Funds Sourcebook (or FUND) published by the FCA as part of their Handbook of rules made under the Act, as amended or replaced from time to time, which shall, for the avoidance of doubt, not include guidance or evidential requirements contained in the said sourcebook
FINRA	Financial Industry Regulatory Authority, Inc
GAPS or Government and public securities	transferable securities or approved money market instruments issued or guaranteed by (i) an EEA state; (ii) a local authority of an EEA state; (iii) a non-EEA state; or (iv) a public international body to which one or more EEA states belong
General Data Protection Regulation	the Regulation of the European Parliament and of the Council on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC
HMRC	HM Revenue and Customs
income Shares	Shares (of whatever Class) in the Company as may be in issue from time to time in respect of which income allocated thereto is distributed periodically to the holders thereof pursuant to the COLL Rules
Instrument of Incorporation	the instrument of incorporation of the Company, as amended from time to time, registered by the Company in accordance with the Regulations
Investment Adviser	Baillie Gifford & Co, the investment adviser to the Company and the ACD
Level 2 Regulation	European Commission Delegated Regulation (EU) No. 231/2013 of 19 December 2012 supplementing AIFMD

MiFID II	Markets in Financial Instruments Directive 2014/65/EU
NASD	National Association of Securities Dealers
Net Asset Value or NAV	the value of the Scheme Property of the Company (or, where the context requires, such part of the Scheme Property as is attributable to a particular Sub-fund) less all the liabilities of the Company (or such liabilities as are attributable to that Sub-fund as the case may be) as determined in accordance with the Instrument of Incorporation
NURS-KII	the current non-UCITS Retail Scheme Key Investor Information Document in respect of a Sub-fund
the OEIC Regulations	the Open-Ended Investment Companies Regulations 2001
OTC	over the counter, i.e. off-exchange
the PRA	the Prudential Regulation Authority, or any successor authority
Prospectus	the current prospectus of the Company
Register	the register of Shareholders of the Company
the Regulations	as the context requires may be a reference to: a) the Act; b) the COLL Rules; c) the FUND Rules; d) AIFMD; e) the Level 2 Regulation; f) the AIFM Regulations; or g) the OEIC Regulations
Scheme Property	the property of the Company to be given for safekeeping to the Depositary in accordance with the COLL Rules
Share or Shares	a share or shares in the Company (including larger denomination shares and smaller denomination shares)
Shareholder	holder(s) of registered Shares in the Company
Shares in or of a Sub-fund	Shares relating to a particular Sub-fund
Sub-fund	a sub-fund of the Company (being part of the Scheme Property of the Company which is pooled separately) and to which specific assets and liabilities of the Company are allocated and which is invested in accordance with the investment objective and policy applicable to such sub-fund
Supplementary Information Document	the current supplementary information document issued by ACD in relation to investment in the Company

Switch	the exchange of Shares of one Sub-fund for Shares of another Sub-fund and "**Switching**" and "**Switches**" shall be construed accordingly.
Tax Elected Fund or ("TEF") regime	the elective tax regime as described in the Authorised Investment Funds (Tax) Regulations 2006
unit	in relation to a collective investment scheme means the right or interest (however described) of the participants in that scheme (this includes, in relation to an authorised unit trust ("AUT"), a unit representing the rights or interests of the unitholders in the AUT and, in relation to an investment company with variable capital ("ICVC"), a share in the ICVC)
UCITS	an undertaking for collective investment in transferable securities established in accordance with the UCITS Directive
valuation point	the point, whether on a periodic basis or for a particular valuation, at which the ACD carries out a valuation of the Scheme Property for the Company or a Sub-fund (as the case may be) for the purpose of determining the price at which Shares of a Class may be issued, cancelled, sold, or redeemed
VAT	Value Added Tax
£/pound	pounds sterling of the United Kingdom

Subject to the foregoing, words and expressions which are defined in, or for the purposes of, the Regulations have the same meaning when they are used in this Prospectus (except where inconsistent with the context) and any references in this Prospectus to any statute or statutory instrument or other rule or regulation shall be deemed to include a reference to such statute or statutory instrument or other rule or regulation as from time to time amended and to any codification, consolidation or re-enactment thereof as from time to time in force.

PART 1: THE COMPANY

1.1 General

1.1.1 The Company

Baillie Gifford Investment Funds as described in this Prospectus is an investment company with variable capital, incorporated in Great Britain under the OEIC Regulations, and is an umbrella company as defined in the OEIC Regulations. It is governed by the OEIC Regulations, the COLL Rules and its Instrument of Incorporation.

The Company is a collective investment scheme as defined in the Act. It is authorised by the FCA.

The Company is a non-UCITS retail scheme in terms of the COLL Rules and an AIF in terms of the FUND Rules.

The Company was authorised by the Financial Services Authority, the predecessor of the FCA, on 11 December 2008. The Company has an unlimited duration.

1.1.2 Object of the Company

The object of the Company is to invest the Scheme Property in transferable securities, money market instruments, deposits, units in collective investment schemes, derivative instruments and forward transactions, immovable property and gold in accordance with the COLL Rules applicable to the Company and each Sub-fund, according to the type of authorisation of the Company, with the aim of spreading investment risk and giving its Shareholders the benefit of the results of the management of that property. The Shareholders have no interest in the Scheme Property, and are not liable for the debts of the Company.

1.1.3 Address of the Company and service and provision of documents

The address of the head office of the Company is Calton Square, 1 Greenside Row, Edinburgh EH1 3AN. This is also the address where notices, or other documents, can be served. Various documents, including copies of this Prospectus, the Instrument of Incorporation and long annual and half-yearly reports, may be inspected at, and are available from, this address. A charge of £10 will be levied for each copy of the Instrument of Incorporation supplied.

1.1.4 Issued Share Capital

The maximum size of the Company's issued share capital is £50,000,000,000. The minimum size of the Company's issued share capital is £1.

Shares in the Company have no par value. The share capital of the Company at all times equals the Net Asset Value of the Company.

1.1.5 Base Currency

The base currency of the Company and of each Sub-fund is pounds Sterling.

1.1.6 Directors

The sole director of the Company is Baillie Gifford & Co Limited, which acts as the authorised corporate director. It is not the present intention of the ACD that other directors will be appointed.

1.1.7 Shareholders

Shareholders are not liable for the debts of the Company. A Shareholder is not liable to make any further payment to the Company after they have paid the purchase price of the Shares.

1.1.8 Reports

Half-yearly long reports of the Company and each Sub-fund will normally be published on or before 31 August in each year and annual long reports of the Company and each Sub-fund will normally be published on or before 28 February in each year. Copies of the long reports (half-yearly and annual) are available on request and at https://www.bailliegifford.com.

The annual report of each Sub-fund will also include certain disclosures of information, such as the current risk profile, any changes to the maximum level of leverage and any new arrangements for managing liquidity in relation to the Sub-fund, which the ACD is required to provide to holders on a periodic basis under 3.2.5 R and 3.2.6 R of the FUND Rules.

1.2 The Structure of the Company and its Sub-funds

The Company is structured as an umbrella company, in that different Sub-funds may be established from time to time by the ACD with the approval of the FCA and the agreement of the Depositary. On the introduction of any new Sub-fund or Class, a revised Prospectus will be prepared setting out the relevant details of each Sub-fund or Class.

The assets of each Sub-fund will be treated as separate from those of every other Sub-fund and will be invested in accordance with the investment objective and policy applicable to that Sub-fund.

Each Sub-fund represents a segregated portfolio of assets and accordingly the assets of a Sub-fund belong exclusively to that Sub-fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body including any other Sub-fund and shall not be available for any such purpose.

Each Sub-fund will be charged with the liabilities, expenses, costs and charges of the Company attributable to that Sub-fund. Any assets, liabilities, expenses, costs or charges not attributable to a particular Sub-fund may be allocated by the ACD in a manner which is fair to the Shareholders of the Company generally, although they will normally be allocated to all of the Sub-funds pro rata to the value of the net assets of the respective Sub-funds.

The Sub-funds currently available are detailed in Appendix A. Each will be invested as a non-UCITS retail scheme, as defined for the purposes of the COLL Rules. Further Sub-funds may be added over time.

1.3 Shares

1.3.1 Classes of Share within the Sub-funds

Several Classes of Share may be issued in respect of each Sub-fund. The Classes of Shares currently available in respect of each Sub-fund are set out in Appendix A.

All Classes of Shares are gross paying Shares meaning that income shall be distributed (in the case of income Shares) or credited to capital (in the case of accumulation Shares) without any income tax being deducted or accounted for by the Company.

Holders of income Shares are entitled to be paid the income attributed to such Shares of the appropriate Class on or before the interim and annual income allocation dates applying to the relevant Sub-fund.

Holders of accumulation Shares are not entitled to be paid the income attributable to such Shares, but that income is automatically transferred to (and retained as part of) the capital property of the relevant Sub-fund at the end of the relevant accounting period and is reflected in the price of an accumulation Share. Where income shares are in issue in respect of the Sub-fund during that accounting period, this requires an adjustment in the proportion of the value of the Scheme Property attributed to the Sub-fund to which the accumulation Shares are related.

Where a Sub-fund has different Classes of Share, each may attract different charges and expenses, so that monies may be deducted from the assets attributable to each of those Classes in unequal proportions. In these circumstances the proportionate interests of the Classes of Share in a Sub-fund will be adjusted accordingly, in accordance with the terms of issue of Shares of those Classes.

Also, each Class of Shares may have its own investment minima or other features, such as (in the case of the second or any further Class of Shares in a Sub-fund) restricted access, at the discretion of the ACD. Any such differences or features are set out in Appendix A in relation to the Classes of Share that are currently in issue in respect of each of the Sub-funds.

1.3.2 The Characteristics of Shares in the Company

Details of each Class of Shares that is currently available (including any restrictions on availability) and the rights attached to it in so far as they vary from the rights attached to other Classes of Share are in Appendix A, which also sets out details of the Sub-funds to which the Classes of Share relate.

Shareholders are entitled (subject to certain restrictions) to Switch all or part of their Shares in a Sub-fund for Shares of the same or another Class within a different Sub-fund. Details of this Switching facility and the applicable restrictions are in Section 4.3.9 below. Shareholders are also entitled (subject to certain restrictions) to Convert all or part of their Shares in a Class for Shares in another Class within the same Sub-fund. Details of this Conversion facility are set out in Section 4.3.10 below.

Title to Shares in the Company is evidenced by an entry on the Register and certificates are not issued to Shareholders. Details of a Shareholder's entry on the Register are available from the ACD on request by that Shareholder (subject to such proof of identity as the ACD may reasonably require and any applicable charge). A statement of shareholding ("periodic statement") in respect of Shares will be sent to each Shareholder at least once a year in such form as the ACD may decide. Where the Shareholder uses the services of an authorised intermediary, the ACD will send a copy of the statement to that intermediary. A periodic statement shall not constitute a document of title to the Shares to which it refers.

The ACD or the registrar of the Company on the ACD's behalf may impose a charge of up to £25 for the account of the ACD on the person requesting its issue for issuing any document evidencing title to Shares or for recording any entry on the Register, except in circumstances constituting a purchase, sale, issue or cancellation of Shares.

It is not possible under the Regulations to have fractions of a Share linked to a Sub-fund. Accordingly, the rights attached to Shares of each Class are expressed in two denominations - smaller denomination and larger denomination. Each smaller denomination Share represents one 1,000th of a larger denomination Share and therefore, in practice, represents a fraction of a whole Share (being a larger denomination Share). The ACD shall, whenever not less than 1,000 smaller denomination Shares of any Class are included in any registered holding, consolidate 1,000 of such Shares into a larger denomination Share of the same Class, but may at any time for the purpose of effecting a transaction in Shares with a Shareholder replace that Shareholder's entitlement to one or more larger denomination Shares with an entitlement to the corresponding number of smaller denomination Shares of the same Class.

PART 2: THE SERVICE PROVIDERS

2.1 The Authorised Corporate Director and Alternative Investment Fund Manager

2.1.1 Baillie Gifford & Co Limited

The authorised corporate director and alternative investment fund manager is Baillie Gifford & Co Limited, whose registered office is at Calton Square, 1 Greenside Row, Edinburgh EH1 3AN, as is its head office. The ACD is a private limited company with an issued share capital of £50,000 which is fully paid up. The ACD was incorporated in Scotland on 8th October 1979 and is wholly owned by Baillie Gifford & Co, a partnership constituted under the law of Scotland and domiciled in Scotland. The Directors of the ACD are A W Paterson (Chairman), E Delaney, P J Edwardson, C M Fraser, D S McGowan, S Swindells, A J Telfer and M J C Wylie and the Secretary is R J Letham. Four Directors of the ACD, namely P J Edwardson, A W Paterson, A J Telfer and E Delaney are Partners in Baillie Gifford & Co. The significant business activities that are not connected with the business of the Company of those of the Directors who are such Partners are their activities as such Partners.

The ACD is responsible for managing and administering the affairs of the Company (including portfolio management and risk management) in compliance with the Regulations. The ACD must act honestly, fairly, professionally, independently and in the interest of the Company and Shareholders in carrying out its role. The ACD outsources all aspects of the management and administration of the affairs of the Company, other than risk management functions and the maintenance of the Register, to Baillie Gifford & Co (see Section 2.4 below). The drawing up of marketing literature and the distribution thereof is also delegated by the ACD to Baillie Gifford & Co.

The ACD is authorised and regulated by the FCA.

The ACD also manages or operates other regulated collective schemes. Appendix E gives the names of these schemes and the capacity in which the ACD acts in relation to them.

The ACD acts as Registrar of the Company. The Register is maintained at Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN where it may be inspected during normal business hours, without charge, by any Shareholder or any Shareholder's duly authorised agent.

The Register is prima facie evidence of entitlement to Shares. No notice of any trust shall be entered on the Register.

The ACD's fee for acting as Registrar is included in the ACD's annual fee.

The ACD maintains an appropriate level of "own funds" in accordance with Article 14 of the Level 2 Regulation in order to cover the professional liability risks detailed under the Level 2 Regulation, including risks such as loss of documents evidencing title to assets of the Company or acts, errors or omissions resulting in a breach of the law or the ACD's fiduciary duties.

2.1.2 Terms of Appointment

In terms of an agreement between the Company and the ACD (the "ACD Agreement"), the ACD is responsible for managing and administering the affairs of the Company (including portfolio management and risk management) in compliance with the Regulations. The ACD is entitled to the fees, charges and expenses detailed in Part 5 and elsewhere in this Prospectus. The Company will indemnify the ACD against any liability incurred by it (1) in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by it as a Director of the Company and in which judgement is given in its favour or it is acquitted or (2) in connection with any application under Regulation 63 of the OEIC Regulations pursuant to which relief is granted to it by the Court. It will also exempt the ACD from liability in certain circumstances (but not from any liability which by virtue of any rule of law would otherwise attach to it in respect of any negligence, default, breach of duty or breach of trust of which it may be guilty in relation to the Company). Subject to the Regulations, the ACD Agreement will terminate with immediate effect in certain circumstances, including the removal of the ACD by an ordinary resolution of the Company. The ACD will not be entitled to any compensation for loss of office. The Company and the ACD have also entered into an agreement supplementary to the ACD Agreement (the "Supplementary ACD Agreement"), dated 16 February 2015 as amended and restated from time to time, containing additional provisions relating to permitted derivatives and contingent liability investments trading. The Supplementary ACD Agreement will terminate on the earlier of the termination of (i) the ACD Agreement or (ii) the relevant trading arrangements. The Company and the ACD have also entered into a variation agreement amending the ACD Agreement and Supplementary ACD Agreement to ensure compliance with certain data protection laws applicable in the United Kingdom (including the General Data Protection Regulation).

The ACD is under no obligation to account to the Depositary, the Company or the Shareholders for any profit it makes on the issue or re-issue of Shares or cancellation of Shares which it has redeemed.

Subject to the OEIC Regulations, under the Instrument of Incorporation Shareholders may by ordinary resolution, remove the ACD. Such a removal cannot take effect until the FCA has approved the change of director. Shareholders have no personal right to directly enforce any rights or obligations under the ACD Agreement.

2.2 The ACD's Remuneration Policy

In accordance with the Regulations, the ACD is required to establish and apply a remuneration policy for certain categories of staff whose activities have a material impact on the risk profile of any UCITS and AIFs that it manages ("**Code Staff**").

The ACD has adopted a remuneration policy (the "**Remuneration Policy**") that is designed to be in line with the ACD's business strategy, objectives, values and long term interests of the ACD and the UCITS and AIFs that it manages and includes measures to avoid conflicts of interest. The Remuneration Policy:

- is consistent with and promotes sound and effective risk management;
- does not encourage risk taking which is inconsistent with the risk profiles or instruments constituting the UCITS and AIFs that the ACD manages;
- does not impair the ACD's compliance with its duty to act in the best interests of the UCITS and AIFs that the ACD manages;
- remuneration is made up of fixed and variable amounts and includes deferral arrangements to align to Baillie Gifford's long term approach;

- has mechanisms to make risk adjustments and individual awards can be adjusted via the annual appraisal process; and
- links variable pay to performance.

Remuneration for all Code Staff is approved by the Baillie Gifford Management Committee (the “**Management Committee**”).

Details of the current Remuneration Policy, including, but not limited to, a description of how remuneration and benefits are calculated, and the identity of the persons responsible for awarding remuneration and benefits including the composition of the Management Committee, is available at https://www.bailliegifford.com.

A paper copy is made available free of charge upon request at the ACD’s registered office.

2.3 The Depositary

2.3.1 NatWest Trustee and Depositary Services Limited

The Depositary is NatWest Trustee and Depositary Services Limited. The Depositary is incorporated in England & Wales as a privatelimited company. Its registered and head office is at 250 Bishopsgate, London, EC2M 4AA. The ultimate holding company of the Depositary is The Royal Bank of Scotland Group plc, which is incorporated in Scotland.

The principal business activity of the Depositary is the provision of trustee and depositary services.

The Depositary is authorised and regulated by the FCA.

2.3.2 Terms of Appointment

Subject to the Regulations, the Depositary is responsible for:

- the safe keeping of the Company’s property and assets entrusted to it;
- cash monitoring and verifying the Company's cash flows;
- ensuring the sale, issue, re-purchase, redemption, cancellation and valuation of Shares are carried out in accordance with the Instrument of Incorporation and the Regulations;
- ensuring that in transactions involving Scheme Property any consideration is remitted to the Company within the usual time limits;
- ensuring the Company's income is applied in accordance with the Instrument of Incorporation and the Regulations; and
- carrying out the instructions from the ACD unless they conflict with the Instrument of Incorporation or the Regulations.

The Depositary provides its services under the terms of an agreement between the Company and the Depositary (the “Depositary Agreement”) which may be terminated, inter alia, by three months notice given by either the Company or the Depositary, provided that the Depositary may not retire voluntarily except on the appointment of a new Depositary. The Depositary is entitled to the fees, charges and expenses detailed in Part 5 and elsewhere in this Prospectus.

Shareholders have no personal right to directly enforce any rights or obligations under the Depositary Agreement.

2.3.3 Liability of the Depositary

As a general rule the Depositary is liable for any losses suffered or incurred by the Company as a result of the Depositary's fraud, negligence, misconduct, bad faith, or intentional failure to properly fulfil its obligations except that it will not be liable or responsible for:

- any indirect, special or consequential loss or damages whether caused by negligence or breach of duty or arising in any other way;
- any loss which has arisen as a result of an external event beyond the reasonable control of the Depositary (or, as the case may be, of the delegate);
- any liabilities arising or resulting from acts of third parties appointed by the ACD or caused by the improper performance of their functions;
- any liabilities resulting from erroneous, incomplete or non-transmission of messages and instructions; or
- any liabilities arising from force majeure events, including (but not limited to) events caused in particular by an act of God, insurrection or civil disorder, war or military operations, national or local emergency, acts or omissions of government, highway authority or other competent authority, compliance with any statutory obligation, industrial disputes of any kind, fire, explosion, break-down of means of communication, or any other situation whether similar or dissimilar outside its reasonable control and any such event or circumstance is a force majeure.

In the case of loss of a financial instrument by the Depositary, the loss shall be assessed by the AIFM in accordance with the meaning given to this term in the AIFMD and the AIFM shall act in cooperation with the Depositary in this process. The ascertainment of the loss shall follow the process agreed and documented by the AIFM and the Depositary. The Depositary shall not be liable in the case of loss of a financial instrument held by a delegate, where the contract between the Depositary and the delegate expressly transfers the liability for a loss to the Sub-Custodian and the following pre-conditions are met:

- such transfer and discharge of liability is made under an objective reason as envisaged by the AIFMD as reasonably assessed by the Depositary; and/or
- the Depositary had no other option but to delegate the custody to such delegate due to local law requirements, or irrespective of the risk warnings given by the Depositary the AIFM insisted on maintaining the investment in the relevant country; and
- the Shareholders have been duly informed that such delegation is required due to the local constraints in the law of the third country and of the circumstances justifying the delegation, prior to their investment; and
- the AIFM consents to the Depositary delegating the custody of such financial instruments to such local entity.

The Depositary Agreement contains indemnities by the Company in favour of the Depositary against any and all liabilities suffered or incurred by the Depositary in the proper performance of its obligations and duties under the Depositary Agreement or as a result of the Depositary acting on any proper instructions, but the Depositary is neither indemnified against nor exempted from any liability as a result of an intentional or negligent breach by the Depositary in the discharge of its functions in respect of the Company.

2.3.4 Delegation of safe keeping function

Under the terms of the Depositary Agreement the Depositary has the power to delegate its safe keeping functions.

The Depositary has delegated safekeeping of the Company's Property to Bank of New York Mellon, London Branch (the "Custodian"). In turn, the Custodian has delegated the custody of assets in certain markets in which the Company may invest to various sub-delegates ("**sub-custodians**"). A list of sub-custodians is given in Appendix F. Shareholders should note that the list of sub-custodians is updated only at each Prospectus review.

As a general rule, whenever the Depositary delegates any of its safe keeping functions, the Depositary will remain liable for any losses suffered as a result of an act or omission of the delegate as if such loss had arisen as a result of an act or omission of the Depositary. However, see Section 2.3.3 above for situations in which the Depositary is not liable for loss.

2.3.5 Re-use of assets by the Depositary

Under the Depositary Agreement the Depositary has agreed that it, and any person to whom it delegates safe keeping functions, may not re-use any of the Company's assets with which it has been entrusted.

2.4 The Investment Adviser

2.4.1 Baillie Gifford & Co

The Investment Adviser is Baillie Gifford & Co. As stated earlier, the ACD is wholly owned by Baillie Gifford & Co.

The principal activity of the Investment Adviser is investment management and it provides investment management services to a number of collective investment schemes and segregated accounts.

The Investment Adviser is authorised and regulated by the FCA.

2.4.2 Terms of Appointment

The Investment Adviser is retained by, and at the expense of, the ACD under an investment management agreement (the "Investment Management Agreement") which may be terminated by either party on one month's notice and by the ACD with immediate effect when this is in the interests of the Shareholders of the Company. The Investment Adviser has full authority to make all investment decisions on behalf of the ACD concerning the property of the Sub-funds. However, such decisions must be consistent with the investment objective and policy of each Sub-fund, the Regulations and this Prospectus. The ACD has agreed to indemnify the Investment Adviser against all losses and liabilities incurred in acting as investment manager of the Sub-funds other than where there has been negligence, wilful default, breach of duty or breach of trust on the part of the Investment Adviser. However, the Company is not liable for the fees, charges and expenses payable to the Investment Adviser under the Investment Management Agreement.

The ACD will discharge, at its own expense, the fees, charges and expenses payable to the Investment Adviser under the Investment Management Agreement.

Shareholders have no personal right to directly enforce any rights or obligations under the Investment Management Agreement.

2.5 The Auditors

The auditors to the Company are PricewaterhouseCoopers LLP, Atria One, 144 Morrison Street, Edinburgh, EH3 8EX.

Under the Regulations, the auditor is responsible for auditing and expressing an opinion in relation to the Company's accounts on at least an annual basis (or in certain other circumstances when requested to do so by the ACD).

Shareholders have no personal right to directly enforce any rights or obligations under the terms appointing the auditor.

2.6 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 persons associated with them 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 interests of the Company so far as practicable, having regard to its 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.

Full details of the ACD's conflicts of interest policy can be inspected at the offices of the ACD at Calton Square, 1 Greenside Row, Edinburgh EH1 3AN during normal business hours.

From time to time, conflicts of interest may arise from the appointment by the Depositary of its delegates. For example, the Depositary may place the Company's cash on deposit with a bank which is an associate of the Depositary. It is therefore possible that a conflict of interest could arise. The Bank of New York Mellon and any other delegates are required to manage any such conflict having regard to the Regulations and its duties to the Depositary as more particularly set out at Section 2.3.

PART 3: THE COMPANY'S INVESTMENT AND BORROWING POWERS

3.1 The Investment Objectives and Policies

The investment objectives and policies of each Sub-fund are set out in Appendix A.

3.2 The Investment and Borrowing Powers

All the investment and borrowing powers which apply to a non-UCITS retail scheme, as set out in the COLL Rules, apply to each Sub-fund, subject to each Sub-fund's investment objective and policy and any particular restrictions referred to below. The ACD must ensure that, taking account of each Sub-fund's investment objective and policy, the Scheme Property attributed to each Sub-fund aims to provide a prudent spread of risk.

3.2.1 Investment Powers applying to each Sub-fund

The main investment powers which apply to each Sub-fund, based on the net value (determined in accordance with the COLL Rules, after deducting any outstanding borrowings) of the Scheme Property attributed to the Sub-fund, can be summarised as follows:

Subject to its investment objective and policy a Sub-fund must only consist of any or all of:

- transferable securities (including warrants);
- money market instruments;
- derivatives and forward transactions;
- deposits and (in accordance with the COLL Rules) cash and near cash;
- units in collective investment schemes;
- permitted immovables; and
- gold,

in each case subject to certain criteria.

(a) Transferable securities

A Sub-fund may invest in transferable securities but not more than 20% of a Sub-fund is to consist of transferable securities which are not Approved Securities or money market instruments which do not fall within (b)(i) below.

(b) Money Market Instruments

A Sub-fund may invest in money market instruments provided that (except as mentioned below):

(i) (a) the money market instrument is, as appropriate, admitted to or dealt in on an Eligible Securities Market or an Eligible Derivatives Market, or (b) the money market instrument is an approved money market instrument (as defined for the purposes of the COLL Rules) not admitted to or dealt in on an Eligible Securities Market or an Eligible Derivatives Market provided that certain requirements of the COLL Rules are complied with; or

(ii) if it does not fall within (i) above, the money market instrument is liquid and has a value which can be accurately determined at any time and the issue or issuer of the money market instrument is regulated for the purpose of protecting investors and savings and the money market instrument is:

- issued or guaranteed by a central, regional or local authority of an EEA State, a central bank of an EEA State, the European Central Bank, the European Union or the European Investment Bank, a non-EEA State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more EEA States belong ; or
- issued by a body, any securities of which are dealt in on an eligible market; or
- issued or guaranteed by an establishment subject to prudential supervision in accordance with criteria defined by Community law or by an establishment which is subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by Community law; or
- it is another money market instrument with a regulated issuer and the FCA has given its express consent (in the form of a waiver) for a Sub-fund to invest in it.

Not more than 20% of a Sub-fund may consist of money market instruments which do not fall within (i) above.

(c) Derivatives

Baillie Gifford Diversified Growth Fund and Baillie Gifford Multi Asset Growth Fund may use derivatives for the purposes of hedging (which includes efficient portfolio management) or meeting its investment objectives or both. Baillie Gifford Long Term Global Growth Investment Fund and Baillie Gifford Positive Change Fund may use derivatives for the purposes of hedging (which includes efficient portfolio management) only.

Subject to certain detailed restrictions, a transaction in a derivative or a forward transaction may be effected for a Sub-fund if:

(i) it is a permitted transaction. Transactions in approved derivatives are permitted, i.e. transactions effected on or under the rules of an Eligible Derivatives Market. In addition, subject to restrictions, certain OTC transactions in derivatives are permitted.

Any transaction in a derivative must have the underlying consisting of any one or more of the types of property to which the relevant Sub-fund is dedicated, for example, equities, investment grade and high yield bonds, property, private equity, infrastructure, gold, currencies and units in collective investment schemes. A transaction in a derivative must not be entered into if the intended effect is to create the potential for what, for the purposes of the COLL Rules, would be regarded as an uncovered sale of one or more equities, investment grade and high yield bonds, property, private equity, infrastructure, commodities, currencies, money market instruments, units in collective investment schemes or derivatives. Any forward transactions must be with an eligible institution or an approved bank as defined for the purposes of the COLL Rules. A derivatives or forward transaction which would or could lead to delivery of property for the account of the Company may be entered into only if such property can be held for the account of the Company, and the ACD has taken reasonable care to determine that delivery of the property under the transaction will not occur or will not lead to a breach of the COLL Rules; and

(ii) the transaction is covered. Investment in derivatives and forward transactions may be made as long as the exposure to which the Sub-funds are committed by that transaction itself is suitably covered from within the scheme property of the relevant Sub-fund. Each Sub-fund is required to hold scheme property sufficient in value or amount to match the exposure arising from a derivative obligation to which the Sub-fund is committed. In other words, the exposure must be covered "globally". The ACD must calculate global exposure on at least a daily basis, taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate positions.

The Company may use derivatives from time to time in keeping with the investment objective of Baillie Gifford Diversified Growth Fund and Baillie Gifford Multi Asset Growth Fund with the intention of either hedging (which includes efficient portfolio management) and for the purposes of meeting the Sub-fund's investment objectives. The ACD does not anticipate such use of derivatives having any adverse effect on the overall risk profile of Baillie Gifford Diversified Growth Fund and Baillie Gifford Multi Asset Growth Fund. The strategies which may be used include active currency management, bond curve strategies, interest rate strategies, asset allocation and market spread strategies.

In addition, derivatives and forwards may be used for the purposes of efficient portfolio management, which is explained further in Section 3.3 below, for any Sub-fund. The ACD does not anticipate such use of derivatives having any adverse effect on the overall risk profile of any Sub-fund. The ACD intends to make use of these strategies as and when it considers it appropriate to do so. Any such derivative investments (which may be exchange-traded and/or off-exchange) will be undertaken on a covered basis and the types of asset which will underlie the derivative contract will be appropriate in relation to the relevant Sub-fund. Additional strategies may be adopted in the future, subject to the risk management process being reviewed and amended as necessary to allow the ACD to monitor and control risk.

Certain requirements regarding counterparties and collateral shall be applied.

Use of one or more separate counterparties will be made to undertake derivative transactions on behalf of any Sub-fund and collateral may be required to pledge or transfer collateral paid from within the assets of that Sub-fund to secure such contracts.

The ACD's Risk Management Policy ("RMP"), which is available on request, details how risks are managed in relation to counterparties and collateral. The RMP requires compliance with a Counterparty Risk Policy ("CRP"), which is subject to change and regular review. The ACD's CRP defines "eligible" collateral including any applicable haircuts. Collateral will generally be of high quality and liquid (i.e. cash and government securities).

All collateral used to reduce counterparty risk will comply with the following criteria at all times:

- it must be highly liquid and traded on a regulated market;
- it must be valued at least daily;
- it must be of high quality;
- it will not be highly correlated with the performance of the counterparty;
- it will be sufficiently diversified in terms of country, markets and issuers;
- it will be held by the depositary or a third party custodian subject to prudential supervision who is unrelated to the provider of the collateral; and
- it will be capable of being fully enforced by the ACD and/or the Company at any time without reference or approval from the counterparty.

Permitted collateral includes (subject to the rules under COLL 5.4 of the Regulations):

- cash;
- GAPS;
- certificates of deposit issued by "relevant institutions"; and
- bonds or commercial paper issued by "relevant institutions".

Non-cash collateral will not be sold, re-invested or pledged.

Cash collateral will only be:

- placed on deposit;
- invested in high-quality government bonds;
- used for the purpose of reverse repo transactions with credit institutions that are subject to prudential supervision (and on terms that permit the ACD or the Company to recall at any time the full amount of cash on an accrued basis); or
- invested in short-term money market funds (as defined for the purposes by ESMA).

Where cash collateral is reinvested it will be diversified in accordance with ESMA guidelines.

The ACD's CRP may from time to time include any additional restrictions which the ACD considers appropriate.

The exposure to any one counterparty in an OTC transaction must not exceed 5% in value of the property of a Sub-fund; this limit being raised to 10% where the counterparty is an approved bank (as defined for the purposes of the COLL Rules). Counterparty risk exposures will be aggregated across both financial derivative instruments and efficient portfolio management techniques.

(d) Deposits

A Sub-fund may invest in deposits only with an approved bank and which are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve months.

This is, however, without prejudice to each Sub-fund's ability to hold cash and near cash in accordance with the COLL Rules.

(e) Collective investment schemes

A Sub-fund may invest in units in collective investment schemes (for this purpose, each Sub-fund of a collective investment scheme which is structured as an "umbrella" is treated as a separate scheme) if that other scheme:

(i) (a) satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS Directive; or

(b) is a non-UCITS retail scheme; or
(c) is a recognised scheme; or
(d) is constituted outside the UK and the investment and borrowing powers are the same or more restrictive than that of a non-UCITS retail scheme; or
(e) is a scheme not falling within (a) – (d) in respect of which no more than 20% in value of the Scheme property (including any transferable securities which are not Approved Securities) is invested;

(ii) operates on the principle of the prudent spread of risk;

(iii) is prohibited from having more than, in respect of Baillie Gifford Diversified Growth Fund and Baillie Gifford Multi Asset Growth Fund, 15% in value of the property, or in respect of Baillie Gifford Long Term Global Growth Investment Fund and Baillie Gifford Positive Change Fund 10% of in value of the property, consisting of units in collective investment schemes;

(iv) entitles its participants to have their units redeemed in accordance with the scheme at a price (a) related to the net value of the property to which the units relate and (b) determined in accordance with the scheme;

(v) a Sub-fund may invest in units in other collective investment schemes which are managed or operated by (or, if it they are ICVCs, whose authorised corporate director is) the ACD or an associate of the ACD provided that certain provisions in the COLL Rules designed to prevent double charging are complied with;

(vi) a Sub-fund may invest in the Shares of another Sub-fund (the "Second Sub-fund") provided that:

- the Second Sub-fund does not hold Shares in any other Sub-fund of the Company;
- the requirements set out at paragraph (e)(v) above are complied with; and
- the investing or disposing Sub-fund is not a "feeder UCITS" (as defined for the purposes of the COLL Rules) of the Second Sub-fund; and

(vii) Subject to COLL 5.6.10A, a Sub-fund may invest in the units of a collective investment scheme which is:

(a) a feeder UCITS; or
(b) a feeder non-UCITS retail scheme; or
(c) a scheme dedicated to units in a single property authorised investment fund; or
(d) a scheme dedicated to units in a recognised scheme.

(f) Immovable Property

(i) Subject to the restrictions set out below a Sub-fund may invest in immovable property (for these purposes land or building ("immovable")) provided that the immovable is (1) situated in a country or territory identified in the Prospectus; and (2) if situated in England and Wales or Northern Ireland is a freehold or leasehold interest or, if situated in Scotland is any interest or estate in or over land or heritable right including a long lease or, if situated outwith England, Wales, Northern Ireland or Scotland is equivalent to any of those interests; and (3) the ACD must have taken reasonable care to determine that the title to the immovable is a good and marketable title; and (4) the ACD must have received a report from an appropriate valuer containing a valuation of the immovable (with and without any relevant subsisting mortgage) and either (a) a statement that in his opinion the immovable, if acquired by a Sub-fund, would be capable of being disposed of reasonably quickly at that valuation or (b) a statement that the immovable is adjacent to or in the vicinity of another immovable included in the Scheme Property of a Sub-fund or is another legal interest (see (2) above) in an immovable already included in the Scheme Property of a Sub-fund (both of which for the purposes of the investment limits with COLL 5.6 are to be regarded as one immovable) and that in his opinion the total value of both immovables would at least equal the sum of the price payable for the immovable and the existing value of the other immovable; and (5) (a) bought or agreed by enforceable contract to be bought within six months after the receipt of the report of the appropriate valuer; (b) not bought if it is apparent to the ACD that the appropriate valuer's report could no longer be reasonably relied upon; and (c) not bought at more than 105% of the valuation for the relevant immovable in the appropriate valuer's report;

(ii) an overseas immovable may be held through an intermediate holding vehicle or a series of such vehicles whose purpose is to enable the holding of immovables, provided certain requirements of the Regulations are satisfied. Any investment in an intermediate holding vehicle for the purpose of holding an overseas immovable shall be treated as if it were a direct investment in the immovable;

(iii) not more than 20% of the Net Asset Value of the Scheme Property of a Sub-fund is to consist of immovables that are subject to a mortgage and any mortgage must not secure more than 100% of the value provided by the appropriate valuer (on the assumption that the immovable is not mortgaged);

(iv) the aggregate value of:-

(a) mortgages secured on immovables under paragraph (iii) above;
(b) borrowing of the scheme; and
(c) any transferable securities that are not approved securities must not at any time exceed 20% of the Net Asset Value of the Scheme Property of a Sub-fund;

(v) not more than 50% of the Net Asset Value of the Scheme Property of a Sub-fund may consist of immovables which are unoccupied and non-income producing or in the course of substantial development, redevelopment or refurbishment;

(vi) the income receivable from any one group in any accounting period must not be attributable to immovables comprising more than 25% (which figure may be increased to 35% in the case of a government or public body) of the Net Asset Value of the Scheme Property of a Sub-fund; and

(vii) no option may be granted to a third party to buy any immovable comprised in the Scheme Property of a Sub-fund unless the value of the relevant immovable does not exceed 20% of the Net Asset Value of the Scheme Property of a Sub-fund (together with, where appropriate, the value of units in unregulated collective investment schemes and any transferable securities which are not Approved Securities).

This Section (f) does not currently apply to Baillie Gifford Diversified Growth Fund, Baillie Gifford Multi Asset Growth Fund, Baillie Gifford Positive Change Fund or Baillie Gifford Long Term Global Growth Investment Fund.

(g) Gold

Not more than 10% in value of a Sub-fund may include gold.

This Section (g) does not currently apply to Baillie Gifford Long Term Global Growth Investment Fund or Baillie Gifford Positive Change Fund.

(h) Spread

There are limitations on the proportion of a Sub-fund which may be held in certain forms of investment. The rules on spread of investments do not apply during any period in which it is not reasonably practical to comply, provided that the rules on a prudent spread of risk are complied with. The general spread requirements are as follows (for the purposes of (i) to (vii) below companies included in the same group for the purposes of consolidated accounts as defined in accordance with Seventh Council Directive 83/349/EEC of 13 June 1983 or in the same group in accordance with international accounting standards are regarded as a single body):

(i) not more than 20% of a Sub-fund is to consist of deposits with a single body;

(ii) not more than 10% of a Sub-fund is to consist of transferable securities or money market instruments issued by a single body, except that the 10% limit is increased to 25% in respect of covered bonds.;

(iii) the exposure to any one counterparty in an OTC derivative transaction must not exceed 10% of a Sub-fund although it should be noted that the COLL Rules allows such exposure to be collateralised, and OTC derivatives positions with the same counterparty to be netted, in certain circumstances;

(iv) not more than 35% of a Sub-fund is to consist of units in any one collective investment scheme. For the purposes of this spread requirement, if investment is made in sub-funds of an umbrella scheme, each sub-fund is treated as if it were a separate scheme;

(v) not more than 15% of the Net Asset Value of the Scheme Property of a Sub-fund is to consist of any one immovable but the figure of 15% may be increased to 25% once the immovable has been included in the Scheme Property of a Sub-fund.

(vi) the above restrictions do not apply to GAPS;

(vii) normally a maximum of 35% of each Sub-fund may be invested in GAPS issued or guaranteed by any one body. Apart from this, there is no limit on the amount that can be invested in such securities or in any one issue or guarantee; and

(viii) if Appendix A so provides, up to 100% of a Sub-fund may be invested in GAPS issued or guaranteed by one body. If more than 35% of a Sub-fund is invested in GAPS issued or guaranteed by any one body, up to 30% of that Sub-fund may consist of GAPS of any one issue or guarantee and the Scheme Property attributed to that Sub-fund must include at least six different issues or guarantees of GAPS whether of that body or another body.

(i) Nil and partly paid securities

A transferable security or a money market instrument on which any sum is unpaid falls within a power of investment only if it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid at the time when payment is required without contravening Chapter 5 of the COLL Rules.

(j) General power to accept or underwrite placings

Underwriting, sub-underwriting and placing agreements or understandings may be entered into, subject to certain conditions set out in the COLL Rules.

(k) Cash and near cash

The Scheme Property attributed to a Sub-fund may consist of cash and near cash where this may reasonably be regarded as necessary to enable:

- the pursuit of the Sub-fund’s investment objectives (although, without prejudice to each Sub-fund’s ability to hold money market instruments and deposits as described above); or
- the redemption of Shares in the Sub-fund; or
- efficient management of the Sub-fund in accordance with its investment objectives; or
- other purposes which may reasonably be regarded as ancillary to the investment objectives of the Sub-fund including the use of liquidity in certain market conditions where the ACD believes it is appropriate that the Sub-fund not be fully invested. In other words, the ACD's investment policy for a Sub-fund may mean that at times, where it is considered appropriate, the Sub-fund will not be fully invested and prudent levels of liquidity will be maintained. For Baillie

Gifford Long Term Global Growth Investment Fund, such liquidity will not normally exceed 25% of the Sub-fund.

(l) *Lending or Mortgaging of Scheme Property*

Subject to the COLL Rules, money in the Scheme Property attributed to a Sub-fund must not be lent. Not included in this is the acquiring of a debenture or the placing of money on deposit or in a current account.

Subject again to the COLL Rules, and, in the case of lending, without prejudice to the stocklending powers explained in Section 3.4 below and, in either case, without prejudice to the ability of the Company or the Depositary at the request of the Company to lend, deposit, pledge or charge Scheme Property for margin requirements where transactions in derivatives or forward transactions are used for the account of the Company or a Sub-fund (as appropriate) in accordance with Chapter 5 of the COLL Rules, such lending, depositing, pledging or charging of Scheme Property being permissible in relation to any Sub-fund property other than money in the Scheme Property must not be lent.

(m) *Guarantees and Indemnities*

Subject to the COLL Rules, the Company must not provide any guarantee or indemnity in respect of the obligation of any person and none of the Scheme Property may be used to discharge any obligation arising under a guarantee or indemnity with respect to the obligation of any person.This does not, however, apply to any indemnity or guarantee given for margin requirements where the derivatives or forward transactions are being used in accordance with Chapter 5 of the COLL Rules, such indemnities, guarantees and use of Scheme Property being permissible, or to certain other permissible indemnities specified in the COLL Rules, which include the indemnities referred to in Sections 2.1.2 and 2.3.2 above.

3.3 Efficient Portfolio Management

3.3.1 Powers to enter into EPM Transactions

The Company may use its property to enter into transactions for the purposes of EPM.

Permitted EPM transactions (excluding stocklending transactions) are:

- permitted transactions in derivatives that are in approved derivatives or in off-exchange futures, swaps, options or contracts for differences resembling options or in synthetic futures; or
- permitted forward currency transactions.

3.3.2 Limitations on use of EPM Transactions

There is no limit on the amount of the Scheme Property which may be used for EPM. Briefly, transactions for the purposes of EPM must satisfy three broadly-based requirements:

(a) an EPM transaction must be economically appropriate (in that it is realised in a cost effective way) to the efficient portfolio management of the relevant Sub-fund. EPM may not include speculative transactions;

(b) the purpose of an EPM transaction must be to achieve one or more of the following in respect of the relevant Sub-fund:

(i) reduction of risk;

(ii) reduction of cost; or

(iii) the generation of additional capital or income with a level of risk which is consistent with the risk profile of the relevant Sub-fund.

The generation of additional capital or income may arise out of taking advantage of pricing imperfections or from the receipt of a premium for the writing of covered call or covered put options (even if the benefit is obtained at the expense of surrendering the chance of yet greater benefit) or pursuant to stocklending as permitted by the COLL Rules.

The relevant purpose must relate to Scheme Property attributed to the relevant Sub-fund; property (whether precisely identified or not) which is to be or is proposed to be acquired for the relevant Sub-fund; and anticipated cash receipts of the relevant Sub-fund, if due to be received at some time and likely to be received within one month; and

(c) each EPM transaction must be fully covered "individually" by Scheme Property attributed to the relevant Sub-fund of the right kind (i.e., in the case of exposure in terms of property, sufficient transferable securities or other property, and, in the case of exposure in terms of money, sufficient cash, "near cash", permitted borrowed cash or transferable securities which can be sold to realise sufficient cash). It must also be covered "globally" (i.e. after providing cover for existing EPM transactions there must be adequate cover for the fresh transaction from within the Scheme Property attributed to the relevant Sub-fund). Scheme Property attributed to the relevant Sub-fund, including cash, can be used only once for cover. The lending transaction in "back to back" borrowing for currency hedging purposes does not require cover.

3.4 Stocklending

The Company (or the Depositary in accordance with the instructions of the ACD) may enter into certain repo contracts or stocklending transactions of the kind described in Section 263B of the Taxation of Chargeable Gains Act 1992 and permitted under the Regulations and if such arrangement is for the account or benefit of the Sub-fund and in the interests of Shareholders. Such arrangements are not in the interest of Shareholders unless in respect of a Sub-fund it reasonably appears to the Company or the ACD to be appropriate to do so with a view to generating additional income for the relevant Sub-fund with an acceptable degree of risk. Briefly, such transactions are those where the Company or the Depositary delivers securities which are the subject of the transaction to the borrower in return for which it is agreed that those securities or securities of the same type and amount should be redelivered to the Company or the Depositary by the borrower at a later date. The Company or the Depositary at the time of delivery receives collateral to cover the Company against the risk of the future redelivery not being completed. The collateral obtained to secure the obligations of the counterparty must be high quality and liquid and acceptable to the Depositary. It should also be adequate in terms of the Regulations and sufficiently immediate. There is no limit on the value of the Scheme Property which may be the subject of stocklending transactions. The counterparty to any such arrangement must be acceptable in accordance with the Regulations.

This Section 3.4 does not currently apply to any of the Sub-funds.

3.5 Borrowing Powers

The Company may, subject to the COLL Rules, borrow money for the use of a Sub-fund from an eligible institution or an approved bank (each as defined for the purposes of the COLL

Rules) on terms that the borrowing is to be repayable out of the Scheme Property. The ACD must ensure that the borrowing (as defined for that purpose in the COLL Rules) of any Sub-fund does not, on any business day, exceed 10% of the value of the Scheme Property attributed to that Sub-fund. These borrowing restrictions do not apply to "back to back" borrowing for currency hedging purposes, (i.e. borrowing permitted in order to reduce or eliminate risk arising by reason of fluctuations in exchange rates).

The policy in relation to the exercise of borrowing powers is that the Company and each Sub-fund may use its borrowing powers as and when the ACD considers the circumstances which then exist make it appropriate to do so.

3.6 Global Exposure

In terms of the COLL Rules, the AIFM uses the methodology set out in Section 3.7 for the calculation of global exposure.

The AIFM carries out a calculation of each Sub-fund's global exposure in accordance with the requirements of COLL 5.3.3B and 5.3.3C and uses a risk management process enabling it to monitor and measure on at least a daily basis the risk of a Sub-fund's derivatives and forwards positions and their contribution to the overall risk profile of the Sub-fund. This process takes into account the investment objective and policy of the Sub-fund. The Depositary is obliged to take reasonable care to review the appropriateness of the risk management process in line with its duties under the COLL Rules.

The ACD must use a risk management process enabling it to monitor and measure as frequently as appropriate the risk of a Sub-fund's positions and their contribution to the overall risk profile of the Sub-fund. This process must take into account the investment objective and policy of the Sub-fund. The Depositary is obliged to take reasonable care to review the appropriateness of the risk management process in line with its duties under the COLL Rules.

3.7 Leverage

The term "leverage" is defined under AIFMD as any method by which the ACD increases the exposure of a Sub-fund whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means. The ACD has, in accordance with the Regulations, set the maximum level of leverage which each Sub-fund will employ. This is intended to reduce the extent that leverage may magnify a loss in value of scheme property resulting from fluctuations in the value of assets in which it invests, exposure to other market participants or to systemic risks. The maximum level of leverage is expressed as a percentage of "exposure" compared to the net asset value of each Sub-fund, with "exposure" being calculated in accordance with a "gross" and "commitment" method. The "gross" method, generally speaking, takes account of the absolute exposure of each Sub-fund while the "commitment" method takes into account netting or hedging arrangements put in place.

The maximum level of exposure to be employed by Baillie Gifford Diversified Growth Fund and Baillie Gifford Multi Asset Growth Fund, calculated in accordance with the "gross" method, is 1,000%. In the case of Baillie Gifford Long Term Global Growth Investment Fund and Baillie Gifford Positive Change Fund, the maximum level of exposure calculated in accordance with the "gross" method, is 120%.

The maximum level of exposure to be employed by Baillie Gifford Diversified Growth Fund calculated in accordance with the "commitment" method, is 300%. In the case of Baillie Gifford Multi Asset Growth Fund, the maximum level of exposure calculated in accordance with the commitment method is 500%. In the case of Baillie Gifford Long Term Global Growth Investment Fund and Baillie Gifford Positive Change Fund, the maximum level of exposure calculated in accordance with the commitment method is 110%.The ACD may also apply other calculation methods which are equivalent to the "**gross**" and "**commitment**" method as set out in the AIFMD Regulations.

Typical types and sources of leverage which each Sub-fund employs include: (i) borrowing cash; (ii) derivatives for efficient portfolio management purposes (including hedging); and (iii) derivatives for investment purposes. For information on the associated risks with these types and sources of leverage please refer to the section under the heading "Risk Warnings" in Appendix B below.

PART 4: VALUATIONS, PRICING AND DEALING

4.1 Valuations

4.1.1 Valuation Point

The price of a Share in the Company is calculated by reference to the Net Asset Value (or the relevant proportion of the Net Asset Value) of the Sub-fund to which it relates. Each of the Sub-funds will have a regular valuation point at 10 a.m. on each Dealing Day. The ACD may create an additional valuation point for any Sub-fund at any time.

At each valuation point of a Sub-fund the Scheme Property attributed to the Sub-fund will be valued and the proportion of the Net Asset Value attributable to each Class of Shares in that Sub-fund determined, for the purpose of calculating the price of each Class of Shares in the Sub-fund.

The value of the Scheme Property attributed to the Sub-fund will be the value of its assets less the value of its liabilities. All the Scheme Property attributed to the Sub-fund will be included in each valuation. All instructions to issue or cancel Shares given for a prior valuation point shall be assumed to have been carried out (and any cash paid or received).

4.1.2 Valuation Basis

The valuation will be based on the following:

(a) Cash and amounts held in current, deposit and margin accounts and in other time-related deposits will be valued at their nominal value. For this purpose, foreign currency balances will be converted into base currency at prevailing foreign exchange rates.

(b) Except in the case of units in an authorised unit trust or units in other collective investment schemes, all transferable securities will be valued:-

   (i) if a single price for buying and selling the security is quoted, at that price;

   (ii) if separate buying and selling prices are quoted, at the average of the two prices; or

   (iii) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no price exists, at a value which, in the opinion of the ACD, is fair and reasonable.

(c) Units in an authorised unit trust or other collective investment scheme will be valued:-

   (i) if a single price for buying and selling units is quoted, at that price;

   (ii) if separate buying and selling prices are quoted, at the average of the two prices providing the buying price has been reduced by any preliminary charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto; or

   (iii) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no price exists, at a value which, in the opinion of the ACD, is fair and reasonable.

(d) Money market instruments which have a residual maturity of less than three months and have no specific sensitivity to market parameters, including credit risk, shall be valued on an amortised basis.

(e) Exchange-traded derivatives will be valued:-

  (i) if a single price for buying and selling the exchange-traded derivative is quoted, at that price; or

  (ii) if separate buying and selling prices are quoted, at the average of the two prices.

(f) Over-the-counter derivatives will be valued on the basis of an up to date market valuation which the ACD and the Depositary have agreed is reliable or if this is not available, on the basis of a pricing model which the ACD and the Depositary have agreed.

(g) Immovable property will be valued:

  (i) by a standing independent valuer (as defined in the glossary to the Regulations) appointed by the ACD with the approval of the Depositary, in accordance with UKPS 2.3 of the RICS Valuation Standards (The Red Book) (9th edition published November 2013) as updated and amended from time to time, or in the case of overseas immovables on an appropriate basis, but subject to 6.3 of the COLL Rules; and

  (ii) on the basis of a full valuation with physical inspection (including, where the immovable, is or includes, a building, internal inspection), at least once a year; and

  (iii) on the basis of the last full valuation, at least once a month.

(h) Property other than that described in (a), (b), (c), (d), (e), (f) and (g) will be priced at a value which, in the opinion of the ACD, represents a fair and reasonable mid-market price.

(i) If there are any outstanding agreements to purchase or sell any of the Scheme Property attributed to the relevant Sub-fund which are uncompleted, then the valuation will assume completion of the agreement. However, agreements made shortly before the valuation point need not be taken into account if, in the opinion of the ACD, their omission will not materially affect the valuation. Not included in this paragraph are any futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options.

(j) Added to the valuation (to the extent that they are attributable to a Sub-fund) will be:-

  (i) an estimated amount for accrued claims for tax of whatever nature which may be recoverable;

  (ii) any other credits or amounts due to be paid into the Scheme Property; and

  (iii) a sum representing any interest or any income accrued due or deemed to have accrued but not received. Income on fixed interest securities is calculated on an Effective Yield basis. The Effective Yield basis includes any premiums or discounts arising on the purchase of fixed income securities, amortised to their maturity, within the calculation of income accrued.

(k) Deducted from the valuation (to the extent that they are attributable to the Sub-fund) will be:-

  (i) an estimated amount for anticipated tax liabilities (on unrealised capital gains where liabilities have accrued and are payable out of the property of the Scheme; on realised capital gains in respect of previously completed and current accounting periods; and on income where liabilities have accrued) including (as applicable and without limitation) capital gains tax, income tax, corporation tax, value added tax, stamp duty and stamp duty reserve tax (if any);

  (ii) an estimated amount for any liabilities payable out of the Scheme Property and any tax thereon treating periodic items as accruing from day to day;

(iii) the principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings.

Where there are difficulties regarding obtaining or processing data on securities or other relevant data, then the ACD may utilise validated market indices for pricing and connected purposes. Such indexation would be utilised in the pricing of the relevant Sub-fund until such time as the ACD is reasonably satisfied that the difficulties in obtaining or processing data have been resolved.

Please also note the ACD's Fair Value Pricing Policy as explained in Section 4.3.12 below.

4.1.3 Calculation of Dilution Adjustment

As explained in Section 4.3.2 below, the ACD may make a dilution adjustment when calculating the price of a Share. In deciding whether to make a dilution adjustment the ACD must use the following bases of valuations:

(a) When by reference to any valuation point the aggregate value of the Shares of all Classes in the Sub-fund issued exceeds the aggregate value of Shares of all Classes cancelled, any adjustment must be upwards; and

(b) The dilution adjustment must not exceed the ACD's reasonable estimate of the difference between what the price would have been had the dilution adjustment not been taken into account and what the price would have been if the Scheme Property attributable to that Sub-fund had been valued on the best available market offer basis plus dealing costs; or

(c) When by reference to any valuation point the aggregate value of the Shares of all Classes in the Sub-fund cancelled exceeds the aggregate value of Shares of all Classes issued, any adjustment must be downwards; and

(d) The dilution adjustment must not exceed the ACD's reasonable estimate of the difference between what the price would have been had the dilution adjustment not been taken into account and what the price would have been if the Scheme Property attributable to that Sub-fund had been valued on the best available market bid basis less dealing costs.

4.2 Price of Shares and Publication of Prices

There must be only a single price for any Share as determined from time to time by reference to a particular valuation point. The price of Shares of each Class in each Sub-fund will be calculated by reference to the value of the Scheme Property of the relevant Sub-fund (excluding the distribution account and the unclaimed payments account) calculated at the relevant valuation point as in Section 4.1.1 above. The price of a Share of any Class is calculated by:-

(a) taking the proportion of that value (as specified in the paragraph above) attributable to the Shares of the relevant Class; and

(b) dividing the result by the number of Shares of the relevant Class in issue immediately before the valuation concerned.

The most recent prices of Class A and Class B (including B1 and B2) Shares of Baillie Gifford Diversified Growth Fund, the Class B (including B1 & B2) Shares for Baillie Gifford Multi Asset Growth Fund and for Class B Shares of Baillie Gifford Long Term Global Growth Investment Fund and Baillie Gifford Positive Change Fund, together with the latest preliminary charge and estimated yield for those Classes, are published daily on the Baillie

Gifford website (www.bailliegifford.com) and on other selected websites and may also be obtained by calling the ACD free on 0800 917 2113. In addition, the most recent prices of Class C and Class P Shares (where in issue) can be obtained from the ACD on request. The ACD issues and redeems Shares on a forward pricing basis, and not on the basis of the published prices. Accordingly the prices published will not be the prices at which Shares will be issued and redeemed at the next valuation point.

4.3 Dealing in Shares

4.3.1 Dealing Prices

Shares may normally be dealt in with the ACD between 9 a.m. and 5 p.m. on any Dealing Day (or other times at the ACD's discretion). Typically, the ACD will trade as principal in respect of trades, however if requested the ACD may deal as agent for the Company, such as when processing in specie transactions.

Subject to the Regulations, dealing will normally be on a forward basis. In other words the ACD will normally issue and redeem Shares at forward prices, that is, at a price calculated by reference to the next valuation following receipt of the application to buy/instruction to sell Shares.

When buying Shares, an investor pays the price of the Shares calculated on the basis set out in Section 4.2, subject to any dilution adjustment (if applicable – see Section 4.3.2), to which price may be added any preliminary charge or, if applicable, Switching charge (see Section 5.1), subject to any applicable discount on either charge. When selling Shares, a Shareholder receives the price of the Shares calculated on the basis set out in Section 4.2, subject to any dilution adjustment (if applicable – see Section 4.3.2), from which price may be deducted the aggregate of any redemption charge (see Section 5.2) permitted by the COLL Rules to be retained by the ACD and (where applicable and at the ACD's discretion) the cost of remitting the sum abroad.

4.3.2 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 will 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 will 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 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. Maximum dilution adjustments applicable to purchases and redemptions for each Sub-fund and the number of days on which a dilution adjustment was applied during the relevant period are specified in Appendix I.

More information about the application of the dilution adjustment is provided in Appendix I.

4.3.3 Buying Shares

In order to meet the ACD's obligations under the Regulations to provide investors with certain information before they invest, the following documents are required to be made available to investors before they invest

- the NURS-KII;
- the Supplementary Information Document;
- the Prospectus; and
- the latest annual report

These documents can be obtained directly from the ACD on 0800 917 2113 or if potential investors are receiving advice, from financial advisers and other distributors of the Sub-funds. Institutional investors can obtain these documents directly from the institutional investor section of www.bailliegifford.com.

Shares may be bought through intermediaries or direct from the ACD typically acting as principal except in limited circumstances where the ACD acts as agent for the Company such as when processing in specie transactions. An intermediary who recommends Shares in the Company to you may be entitled to receive initial commission and/or renewal commission from the ACD. The intermediary will provide details of the amount receivable.

The ACD will on any Dealing Day accept requests from individuals in writing to buy Shares up to the value of £25,000, provided the request is accompanied by a valid cheque and a completed application form.

For fax instructions, please see Section 4.3.6 headed "Fax Instructions" below.

The ACD does not accept requests from individuals to buy shares by telephone. It may accept telephone deals from other types of investors at its discretion. Telephone calls may be recorded.

Payment for the purchase of Shares, if this has not already been made, will be due in cash or cleared funds not later than the third business day after the valuation point by reference to which the price of the Shares was determined.

Any individual wishing to invest over £25,000 should deliver a completed application form to the ACD and transfer funds by telegraphic transfer to the ACD's bank account prior to the deal being struck. Further details are available on request by contacting the ACD on the above telephone number.

Investment criteria (which include minimum investment amounts and restrictions on availability) for each Class of Shares that is currently available in each Sub-fund, any of which may be waived at the ACD's discretion in any particular case or generally, are given in Appendix A.

A contract note confirming the transaction will be dispatched by the close of business on the first business day after the valuation point at which the transaction was priced.

Applications, once made, are irrevocable. However, subject to its obligations under the COLL Rules, the ACD has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for Shares in whole or in part, and in this event the ACD will return any monies sent, or the balance of such monies, at the risk of the applicant.

Certain private investors may have the right to cancel their lump sum investment in a Sub-fund. However, such rights do not apply in the case of a private investor who is not relying on the ACD or his independent financial adviser to advise him on, or exercise any judgement on his behalf about, the merits of or suitability for him of that investment. Nor do they apply where a private investor has not had face to face contact with the ACD or his independent financial adviser, or where the investment is made pursuant to a customer agreement between a private investor and the ACD or his independent financial adviser under which the investor has waived the right to cancel.

If a private investor has the right to cancel his lump sum investment in a Sub-fund, he may exercise those rights during the two week period after he has received notice from the ACD of his right to cancel (which will usually be sent with the contract note relating to the purchase of the relevant Shares). Such notice will describe in more detail the investor's cancellation rights (including when they begin and end and how to exercise them). An investor who exercises his cancellation rights will be refunded his investment although, if the price of the Shares representing the investment to be cancelled has fallen before the cancellation notice is received by the ACD, an amount equal to such fall (known as the "shortfall") will be deducted from the refund.

When an investor submits an order to buy Shares, the Register is updated to reflect their instruction at the next valuation point following the ACD's receipt of their instruction, however the investor is due to pay for such shares not later than the third business day after the relevant valuation point. In accordance with COLL 6.4.4 R (6) (e) where a Shareholder defaults on paying for Shares the ACD must make an alteration to the Register or deletion from the Register to compensate for such default. Accordingly entitlement to Shares does not fully transfer to the Shareholder until the Shareholder has paid in full for their Shares.

4.3.4 Selling Shares

Instructions for the sale of Shares may be given in writing or, at the ACD's discretion, by telephone to the ACD's dealing department (Tel. 0800 917 4751) on any Dealing Day. Telephone calls may be recorded. Typically, the ACD will act as principal except in limited circumstances where the ACD acts as agent for the Company such as when processing in specie transactions.

When a Shareholder instructs the sale of their Shares the register will be updated at the next valuation point following the ACD's receipt of their instructions, and subject to the COLL Rules, the redemption proceeds of a sale of Shares (net of any permitted deductions) will be paid not later than the close of business on the third business day after the later of the valuation point immediately following receipt by the ACD of the redemption request and the ACD receiving all duly executed instruments and authorisations to effect (or enable the ACD to effect) transfer of title to the Shares (for example, the ACD reserves the right, at all times, to require a form of renunciation to be completed - if this is necessary, it will be issued with the contract note).

Redemption proceeds are normally payable only to one or more of the registered Shareholders and the ACD reserves the right to send redemption proceeds by cheque to the registered address.

Where the redemption proceeds are paid by cheque, no interest will be payable in respect of the period between the cheque being issued and it being presented for payment.

A contract note confirming the transaction will be dispatched by the close of business on the first business day after the valuation point at which the transaction was priced.

Instructions to redeem Shares, once given, are irrevocable, but neither the Company nor the ACD shall be required to make payment in respect of any redemption of Shares where the money due on the earlier issue or sale of those Shares has not yet been received.

For fax instructions, please see Section 4.3.6 headed "Fax Instructions" below.

Investment criteria (which include minimum redemption amounts) for each Class of Shares that is currently available in each Sub-fund, any of which may be waived at the ACD's discretion in any particular case or generally, are given in Appendix A.

Any Shares transferred directly to the Company, with the ACD acting as agent, will be cancelled.

4.3.5 Delivery versus Payment Exemption

In order to facilitate trades the ACD uses a delivery versus payment exemption that is available under the FCA Client Asset Sourcebook, under this exemption the ACD is not required to treat money received as client money until the close of the business day following receipt. Accordingly under the exemption when investors are buying Shares the ACD will protect investor money in a client money account if it does not pass the investor's money onto the Depositary by the close of the business day following receipt. Similarly when Shareholders sell shares in the ICVC, the ACD will protect their money in a client money account if it does not pass their money to them by the close of the business day following receipt from the Depositary.

4.3.6 Fax Instructions

The ACD will accept instructions by fax subject to the following conditions:

(a) by sending instructions by fax, the sender authorises the ACD to accept instructions by fax

(b) the onus is on the sender to ensure that such instructions are complete and received in legible form;

(c) the sender accepts that fax communications are inherently insecure and are sent at the sender's risk.

(d) the sender's proof of sending a fax, return receipt or transmission report does not establish the ACD's receipt, and fax communications are only deemed to have been duly received by the ACD when the sender contacts the ACD by telephone to obtain confirmation of receipt;

(e) the ACD will not automatically confirm receipt of any fax and the sender must contact the ACD to confirm receipt;

(f) the ACD accepts no liability for any damages, costs and losses arising as a result of the use of fax as a means of transmitting communications, including by reason of a failure or an error during transmission or receipt, incomplete or inaccurate instructions, abuse or fraudulent use; and

(g) the sender will be liable to the ACD on demand against all costs, losses, claims and expenses which may be incurred by the ACD or made against the ACD in consequence of the ACD acting upon instructions given by fax.

4.3.7 Issue of Shares in Exchange for In Specie Assets

The ACD may, by special arrangement and at its discretion, arrange for the Company to issue Shares in exchange for assets other than cash but will only do so where the Depositary is satisfied that the acquisition by the Company of those assets in exchange for the Shares concerned is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders.

The ACD will, by the close of business on the third business day next after the issue of any Shares in exchange for assets as above, ensure transfer to the Depositary of the assets to be taken in exchange and will ensure that the beneficial interest in the assets is transferred to the Company with effect from the issue of the relevant Shares, even if legal ownership is not then transferred to the Depositary.

The ACD will not arrange the issue of Shares in any Sub-fund in exchange for assets the holding of which would be inconsistent with the investment objective or policy of that Sub-fund.

4.3.8 In Specie Redemptions and Cancellations of Shares

Where a Shareholder requests redemption or cancellation of Shares, the ACD may, at its discretion, give written notice to the Shareholder before the proceeds would otherwise become payable that, in lieu of paying such proceeds in cash, the Company will transfer to that holder property attributable to the relevant Sub-fund having the appropriate value.

The ACD shall, at its discretion, be entitled to charge for its own account an administration fee of up to £50 for each investment (other than cash) transferred which shall be deducted from the cash balance due.

The selection of the property to be transferred will be made by the ACD in consultation with the Depositary, with a view to achieving no more advantage or disadvantage to the Shareholder requesting cancellation of his Shares than to continuing Shareholders.

4.3.9 Switching Shares

A Shareholder in a Sub-fund may at any time Switch all or some of his Shares of one Sub-fund (“the Original Shares”) for Shares of another Sub-fund (“the New Shares”), subject always to any applicable restrictions on the redemption and issue of Shares contemplated in the Regulations and any restrictions on the availability of any Class of Shares as specified in Appendix A.

A Shareholder wishing to Switch Shares should contact the ACD in writing, or at the ACD’s discretion, telephone the ACD’s dealing department (Tel. 0800 917 4751) on any Dealing Day. Telephone calls may be recorded. In general the procedures relating to a redemption of Shares will apply equally to a Switch of Shares but the Switch will be priced at the first valuation point after the Switching instructions are received or at such other valuation point as the ACD, at the request of the Shareholder, may agree. Switching instructions will be irrevocable and in no circumstances will a Shareholder who Switches Shares in one Sub-fund for Shares in another Sub-fund be given a right by law to withdraw from or cancel the transaction. Written confirmation of the Switch, and of any Switching charge which may be levied (see Section 5.1), will be dispatched by the close of business on the first business day after the valuation point at which the Switch was priced.

If a Switch would result in the Shareholder holding a number of Original Shares or New Shares of a value which is less than the minimum holding in the Class of Shares concerned, the ACD may, if it thinks fit, Switch the whole of the applicant's holding of Original Shares for New Shares (and deem the applicant's instructions to be amended accordingly) or refuse to effect any Switch of the Original Shares. No Switch will be made during any period when the right of Shareholders to require the redemption of their Shares is suspended.

The ACD may adjust the number of New Shares to be issued to reflect the imposition of any Switching charge together with any other charges or levies in respect of the issue or sale of the New Shares or redemption or cancellation of the Original Shares as may be permitted pursuant to the COLL Rules.

Please note that a Switch of Shares in one Sub-fund for Shares in any other Sub-fund is treated as a redemption and sale and therefore will, for persons subject to United Kingdom taxation, be a disposal for the purposes of Capital Gains Taxation (see Part 8).

4.3.10 Share Conversions

Shareholders are permitted to Convert their Shares subject to any restrictions on the availability of Shares as specified in Appendix A.

Conversions will be effected by the ACD recording the change of Class on the Register.

A Shareholder wishing to Convert Shares should apply to the ACD in the same manner as for a Switch as set out in Section 4.3.9 above.

Conversions will be effected by the ACD at the next valuation point following receipt of instructions to Convert from a Shareholder.

Conversions are not treated as redemptions or sales and therefore will not be treated as a disposal for the purposes of Capital Gains Tax (see Part 8).

The ACD may, upon appropriate notice to affected Shareholders, effect a compulsory Conversion of Shares in one Class of a Sub-fund for another Class of the same Sub-fund. Such compulsory Conversion shall be conducted as described above in this section. A compulsory Conversion will only be undertaken where the ACD reasonably considers it is in the best interests of affected Shareholders. By way of example, the ACD may effect a compulsory Conversion where the ACD reasonably believes it is in the best interests of Shareholders to reduce the number of available Classes.

4.3.11 Anti-Money Laundering

Persons conducting investment business, such as the ACD, must comply with Anti-Money Laundering Rules. The ACD can ask for proof of identity from any person or legal entity applying for Shares, the Shareholder or any other person (for example, someone providing monies for investment on behalf of another person) at any time, in order to comply with its duties under Anti-Money Laundering Rules. The ACD can also use electronic checking services, which may keep a record of those checks, in order to satisfy its anti-money laundering requirements at any time. For individuals, the ACD will normally rely on a bank cheque, building society cheque or banker's draft, provided that the ACD can confirm from the cheque or draft that the payment is from a UK bank or building society account in the name (including joint names) of the Shareholder. (Banks and building societies may be able to print the necessary details onto the cheque or draft).

In other circumstances, please contact the ACD to establish the necessary verification steps.

If the ACD cannot satisfactorily complete its anti-money laundering procedures then:-

i. the ACD will reject the relevant application; or

ii. the ACD, the Company, the Depositary and the Registrar will refuse to accept additional investments and delay payments and transfers (including direct debits).

No interest is payable in those circumstances.

If required, the ACD will provide the current anti-money laundering leaflet to Shareholders (or potential Shareholders) to help explain why certain documents are required to be delivered to the ACD to verify identities of Shareholders and potential Shareholders. Where documents are sent to the ACD by the Shareholder (or potential Shareholder) or returned by the ACD to the Shareholder (or potential Shareholder) it will be at the Shareholder or potential Shareholder's own risk and the ACD does not accept any liability for any lost documents.

4.3.12 Fair Value Pricing and Market Timing

Where a Sub-fund invests in markets that are closed for trading at the Sub-fund's valuation point, there is a danger that the calculated price of the Sub-fund does not reflect its Net Asset Value at the valuation point because of developments since the markets closed. Such developments may relate to a particular investment or to the whole market. This potentially causes losses or gains to the Sub-fund and opens a window of opportunity for investors to buy or sell Shares at prices calculated on stale (i.e. out of date) asset prices. Such transactions, particularly if they are relatively large, can be detrimental to the continuing investors in a Sub-fund.

The COLL Rules provide that Fair Value Pricing ("FVP") may be used where the ACD has reasonable grounds to believe that no reliable price exists for a particular security at a valuation point, or that the most recent price available does not reflect the ACD's best estimate of the value of the security at the valuation point. In these circumstances the ACD should value the investment at what, in its opinion, is a fair and reasonable price. The ACD will consider the use of FVP in the following circumstances, and any others the ACD may deem appropriate: war, natural disasters, terrorist activities, political instability, failure of a pricing provider, local holidays and unexpected market closures.

The term market timing generally covers two activities, arbitrage and short-term trading. Arbitrage can occur when an investor is aware that the prices upon which a Sub-fund's dealing price is calculated do not take account of the most recently available market information. Short-term trading is when investors take short-term trading positions based upon their own independent views, often resulting from quantitative analysis as to future market directions. Both arbitrage and short-term trading can be disruptive to the management of the Sub-fund and can cause dilution in the Sub-fund to the detriment of continuing investors.

The ACD is required to ensure that the Sub-funds are being protected from the activities of market timers and has taken a number of steps to reduce the attractiveness of the Sub-funds to market timers, including the use of swinging single pricing and the adoption of an FVP policy as noted above. Further the ACD reviews trading patterns and reserves the right to refuse to deal with a suspected Market Timer.

4.3.13 Transfers

Shareholders are entitled to transfer their Shares to another person or body. All transfers must be in writing in the form of an instrument of transfer in any usual or common form or in any other form as may be approved by the ACD for this purpose. Completed instruments of transfer must be returned to the ACD. The transfer must be in writing unless the ACD decides otherwise. The signature on the instrument of transfer may be affixed manually or electronically and may be an actual signature or a facsimile signature. The ACD need not enquire as to the genuineness of any signature. For fax instructions please see Section 4.3.6 headed "Fax Instructions" above. No instrument of transfer may be given in respect of more than one Class. In the case of a transfer to joint holders, the number of joint holders to whom a Share is to be transferred may not exceed four. Unless the ACD in its discretion decides otherwise, no transfer may result in either the transferor or the transferee holding fewer Shares of the Class concerned or Shares having a lesser aggregate value than any number or value as is stated in the Prospectus as the minimum which may be held.

4.3.14 Restrictions and Compulsory Transfer and Redemption

Shares in the Company may not be acquired or held by any person in circumstances ("relevant circumstances") which constitute a breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory or which would (or would if other Shares were acquired or held in like circumstances) result in the Company incurring any liability to taxation or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory). In this connection, the ACD may, inter alia, reject at its discretion any application for the purchase, sale, transfer, Switching or Conversion of Shares.

If it comes to the notice of the ACD that any Shares ("affected Shares") have been acquired or are being held, beneficially or otherwise, in any relevant circumstances or if it reasonably believes this to be the case, the ACD may give notice to the holder(s) of the affected Shares requiring the transfer of such Shares to a person who is qualified or entitled to own them or that a request in writing be given for the redemption or cancellation of such Shares in accordance with the COLL Rules. If any person upon whom such a notice is served does not within thirty days after the date of such notice transfer his affected Shares to a person qualified to own them give such a request or establish to the satisfaction of the ACD (whose judgement is final and binding) that he (and if any the beneficial owner) is qualified and entitled to own the affected Shares, he shall be deemed upon the expiration of that thirty day period to have given a request in writing for the redemption or cancellation (at the discretion of the ACD) of all the affected Shares pursuant to the COLL Rules.

A person who becomes aware that he is holding or owns affected Shares in any relevant circumstances, shall forthwith, unless he has already received a notice as aforesaid, either transfer all his affected Shares to a person qualified to own them or give a request in writing for the redemption or cancellation of all his affected Shares pursuant to the COLL Rules.

When the holder of any Shares fails or ceases for whatever reason to be entitled to receive distributions or have allocations made in respect of his holding of Shares in a manner, in terms of the Company making or not making any deduction of United Kingdom tax prior to the distribution or allocation to the holder, as is envisaged for such Shares, he shall, without delay, give notice thereof to the Company and the Company shall, upon receipt of such notice, treat the Shareholder concerned as if he had served on the Company a notice or notices requesting a Switch or Conversion (as the case may be) of all of the relevant Shares owned by such holder for Shares which, in the opinion of the ACD, such holder is entitled to hold and most nearly equate to the Shares being Switched or Converted by that Shareholder.

If at any time the Company or the ACD becomes aware that the holder of any Shares, that make or intend to make distributions or allocations without any tax being deducted or accounted for by the Company, has failed or ceased for whatever reason to be entitled to receive distributions or have allocations made in respect of his holding of such Shares without deduction of United Kingdom tax, then the Company shall, without delay, treat the Shareholder concerned as if he had served on the Company a notice or notices requesting a Switch or Conversion (as the case may be) of all of the relevant Shares owned by such holder for Shares which, in the opinion of the ACD, such holder is entitled to hold and most nearly equate to the Shares held by that Shareholder.

An amount equal to any tax charge incurred by the Company or for which the Company may be held liable as a result of a Switch pursuant to this Section 4.3.14 shall be recoverable from the Shareholder concerned and may be accounted for in any adjustment made of the number of new Shares to be issued pursuant to the Switch.

If at any time the ACD is not entitled to receive distributions or have income allocations made in respect of Shares held by it without deduction of United Kingdom tax and has redeemed, pursuant to the COLL Rules, any Shares that make distributions or allocations without any tax being deducted or accounted for by the Company, the ACD shall forthwith following such redemption arrange for the Company to cancel any such Shares or (at its discretion) the ACD shall forthwith sell such Shares to a person who is (or appears to the ACD to be) entitled to hold the same.

4.3.15 Suspension of Dealings in the Company

The ACD may, at any time, with prior agreement of the Depositary, or shall without delay if the Depositary so requires, suspend the issue, cancellation, sale and redemption of Shares temporarily where due to exceptional circumstances it is in the interests of all Shareholders. At the time of suspension the ACD, or the Depositary if it has required the ACD to suspend dealings in Shares, must inform the FCA immediately stating the reason for its actions and, as soon as is practicable, give the FCA written confirmation of the suspension and the reasons for it.

The ACD must also notify Shareholders of the suspension as soon as is practicable after it commences, explaining the exceptional circumstances justifying the suspension and giving details of how to find further information about the suspension.

The suspension may be restricted to any single Sub-fund, or Class of Shares within that Sub-fund. During any such period of suspension, the ACD may agree to issue, redeem or Switch Shares at prices calculated by reference to the first valuation point after the end of the suspension. Any deals outstanding prior to the suspension shall be undertaken at a price calculated by reference to the first valuation point after the suspension.

Where such suspension takes place, the ACD will publish details on its website or by other general means, sufficient details to keep Shareholders appropriately informed about the suspension, including, if known, its possible duration.

The ACD and the Depositary must formally review the suspension at least every 28 days and inform the FCA of the result of the review with a view to ending the suspension as soon as practicable after the exceptional circumstances have ceased.

4.3.16 ACD holding Shares as principal

The ACD does not generally seek to hold Shares as principal (commonly known as running a manager's box) but may from time to time hold Shares on its own account. Such holding of Shares is at the ACD's risk and is not detrimental to Shareholders' interests. The ACD is under no obligation to account to the Depositary, the Company or the Shareholders for any profit or loss it may make on the re-issue or cancellation of such Shares.

4.3.17 Governing Law, Recognition and Enforcement of Judgments

All deals in Shares are governed by the law of Scotland.

Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (the "Brussels Regulation") sets out a system for the allocation of jurisdiction and for the reciprocal enforcement of judgments between Member States of the European Union. Subject to the Brussels Regulation and the circumstances of a particular claim, holders residing outside of the UK may be able to bring a claim before their local court and have that judgment enforced in the UK.

4.3.18 Electronic Communications

The ACD will accept instructions to transfer title to Shares on the basis of an authority communicated by electronic means and delivered on behalf of the shareholder by a person that is authorised by the FCA or regulated in another jurisdiction by an equivalent supervisory authority, subject to:

(a) prior agreement between the ACD and the person making the communication as to:

- (i) the electronic media by which such communications may be delivered; and
- (ii) how such communications will be identified as conveying the necessary authority; and

(b) assurance from the person that they will have obtained the required appointment in writing from the shareholder.

PART 5: CHARGES AND EXPENSES

5.1 The ACD's Preliminary and Switching Charges

The ACD may, at its sole discretion in any particular case or generally, make (and retain) a preliminary charge on the sale or issue of Shares. The level of the preliminary charge varies for different Classes of Share, and is expressed as a percentage of the price of the Shares being acquired and is added to the price of those Shares.

Subject to Regulation 6.7.9 of the COLL Rules, the ACD may also, at its sole discretion in any particular case or generally, make (and retain) a charge on Switches between Shares of one Sub-fund and Shares of another Sub-fund. Again, the level of this charge varies for different Classes of Share, and is expressed as a percentage of the price of the Shares being Switched. There is no charge on Conversions.

The current preliminary and switching charges for those Classes of Shares that are currently available are given in Appendix A.

5.2 The ACD's Redemption Charge

The ACD may, at its sole discretion in any particular case or generally, make a charge on the redemption of Class A Shares of any Sub-fund. At present no redemption charge is levied on such Shares.

Any redemption charge introduced will apply only to Class A Shares sold or issued since its introduction and, for the purpose of the imposition of such charge, where a Shareholder has acquired Class A Shares at different times and is redeeming part only of his holding, he shall be deemed to be redeeming the Shares which he has held longest.

5.3 Payments by the Company to the ACD

5.3.1 The Annual Fee

An annual fee is paid by the Company out of the Scheme Property to the ACD by way of remuneration for its services as the Company's authorised corporate director and registrar in respect of Class A, Class B (including B1 and B2) and Class P Shares. In the case of Class C shares, however, holders will account for this separately. The ACD's annual fee which accrues, in respect of each Sub-fund, daily in respect of successive daily accrual intervals and is paid out of each Sub-fund on the last business day of the calendar month in which it accrues or as soon as is reasonably practicable thereafter. The ACD's annual fee is reflected in the value of the Shares on a daily basis.

The level of this fee varies for different Classes of Share and for different Sub-funds and is expressed as an annual percentage of the proportion of the Net Asset Value of the Sub-fund attributed to each Class of Shares.

The current annual fee for each Class of Shares that is currently available in each Sub-fund is given in Appendix A.

VAT will be added to this fee, where applicable.

On a winding-up of the Company or on the termination of a Sub-fund or a Class of Shares in a Sub-fund the ACD is entitled to its pro rata fees and expenses to the date of completion of the winding-up or termination and any additional expenses necessarily realised in settling or receiving any outstanding obligations. No compensation for loss of office is provided for in the Agreement with the ACD.

The current annual fee of the ACD for a Class of Shares in a Sub-fund may normally be increased 60 days after:

(i) the ACD has given notice of the increase and the date of its introduction in writing to all Shareholders of that Class; and

(ii) the ACD has revised and published the Prospectus showing the new rate of charge, and its commencement date.

5.3.2 Charging of Annual Fee and Other Payments to Capital

Where in respect of a Sub-fund the ACD and the Depositary have agreed that all or part of the annual fee of the ACD or any other income expense payments may be charged against capital instead of against income, which may result in capital erosion or constrain capital growth, this is stated in Appendix A, along with details of the actual or maximum amount thereof which may be so charged. For the avoidance of doubt, any income expense payments in respect of a Sub-fund or Class of Shares in excess of the income attributable or deemed to be attributable to that Sub-fund or Class may be taken from the capital property attributable or deemed to be attributable to that Sub-fund or Class, which may also result in capital erosion or constrain capital growth.

5.3.3 Out of Pocket Expenses

The ACD is also entitled to be paid by the Company out of the Scheme Property all reasonable, properly vouched, out of pocket expenses (plus VAT, if any) incurred in the performance of its duties including (without limitation) the costs of setting up the Company or a new Sub-fund.

5.4 Investment Adviser's Fee

The ACD discharges, at its own expense, the fees, charges and expenses payable to the Investment Adviser under the Investment Management Agreement.

5.5 Depositary's Fees, Charges and Expenses

The Depositary receives for its own account a periodic fee which will be calculated, accrued and paid on the same basis as the ACD's annual fee. The rate of the periodic fee is agreed between the ACD and the Depositary and is calculated for each Sub-fund on the following basis:

- 0.007 % per annum of the Scheme Property.

This rate can be varied from time to time in accordance with the Regulations.

In addition to the periodic fee referred to above, the Depositary shall also be entitled to be paid transaction and custody charges in relation to transaction handling and safekeeping of the Scheme Property of each Sub-fund as follows:

Item	Range
Transaction Charges	£5 to £100.
Custody Charges	0.00225% to 0.60%.

These charges vary from country to country depending on the markets and the type of transaction involved. Transaction charges accrue at the time the transactions are effected and are payable as soon as is reasonably practicable, and in any event not later than the last business day of the month when such charges arose or as otherwise agreed between the Depositary and the ACD. Custody charges accrue and are payable as agreed from time to time by the ACD and the Depositary.

Where relevant, the Depositary may in relation to each Sub-fund, also make a charge for (or otherwise benefit from) providing services in relation to: distributions, the provision of banking services, holding money on deposit, lending money, or engaging in stock lending or derivative transactions, in relation to the Sub-fund and may purchase or sell or deal in the purchase or sale of Scheme Property, provided always that the services concerned and any such dealings are in accordance with the provisions of the Regulations.

The Depositary will also be entitled to payment and reimbursement of all costs, liabilities and expenses properly incurred in the performance of, or arranging the performance of, functions conferred on it by the Instrument, the Regulations or by the general law.

On a winding up of a Sub-fund the Depositary will be entitled to its pro rata fees, charges and expenses to the date of winding up, the termination, or the redemption (as appropriate) and any additional expenses necessarily realised in settling or receiving any outstanding obligations.

Any value added tax on any fees, charges or expenses payable to the Depositary will be added to such fees, charges or expenses.

In each such case such payments, expenses and disbursements may be payable to any person (including the ACD or any associate or nominee of the Depositary or of the ACD) who has had the relevant duty delegated to it pursuant to the COLL Rules by the Depositary.

5.6 Ongoing Charges Figure

From time to time the ACD may, at its sole discretion, consider that the Ongoing Charges Figure ("OCF") of a Sub-fund or Class of Shares is too high. In these circumstances, the ACD may from time to time, meet some of the expenses that are otherwise payable out of the Scheme Property out of its own pocket. Where the ACD elects to meet such expenses from time to time, this will not oblige the ACD to do so in the future and the ACD may cease to meet such expense at any time. The OCF for each Class of Shares is set out in the relevant NURS-KII.

5.7 Other Expenses Payable out of the Scheme Property

Subject to the COLL Rules, the costs of the incorporation and authorisation of the Company, the expenses of any offer of Shares in any Sub-fund, the preparation and printing of any Prospectus issued in connection with any such offer and the fees for professional services provided to the Company in connection with any such offer and the costs and expenses of the Depositary in connection with any such matters (including any agreement between the Depositary and the Company) will be borne by the Company (unless borne by some other person) and be charged to the Scheme Property attributed to each Sub-fund in existence at the relevant time, as and when incurred or as otherwise arranged, in such proportions as the ACD may determine in accordance with COLL Rules.

Other expenses incurred by or on behalf of the Company, which may be determined where appropriate by agreement with the relevant parties, may also be paid out of the Scheme Property, as and when incurred or as otherwise arranged, including (but not limited to):

(a) Broker's commission, fiscal charges and any other disbursements which are properly incurred in effecting transactions for the Company. This will include expenses incurred in acquiring and disposing of investments, including legal fees and expenses, whether or not the acquisition or disposal is carried out.

(b) Any costs incurred in modifying the Instrument of Incorporation or the Prospectus (including any costs incurred in establishing a Sub-fund).

(c) Any costs incurred in respect of meetings of the Shareholders (including meetings of Shareholders of any particular Sub-fund or Class of Shares).

(d) Interest on permitted borrowings and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings.

(e) Taxation and duties payable in respect of the Scheme Property, the Instrument of Incorporation, the Prospectus or the issue or cancellation of Shares.

(f) The fees of the Auditors and the tax, legal and other professional advisers to the Company and to the ACD and the Depositary properly payable and any proper expenses of the Auditors, tax, legal and other professional advisers to the Company and to the ACD and the Depositary.

(g) The fees of the FCA, or any corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which Shares are or may be marketed.

(h) Any expenses properly incurred by the Depositary in performing duties imposed upon it (or exercising powers conferred on it) by the OEIC Regulations or the COLL Rules. The relevant duties include (but are not limited to) the delivery of stock to the Depositary or to any custodian, the custody of assets, the collection of income, the submission of tax returns, the handling of tax claims, the preparation of the Depositary's annual report and any other duties the Depositary is required to perform by law. In each case such expenses and disbursements will also be so payable if incurred by any person (including the ACD or an associate or a nominee of the Depositary or of the ACD) who has had the relevant duty delegated to it pursuant to the COLL Rules by the Depositary.

(i) Fees in respect of the publication and circulation of details of the prices and yields of Shares, and other such information which the ACD is required by law to publish.

(j) The costs of printing (and, in the case of reports, accounts and the Prospectus, distributing) reports, accounts, the Prospectus and any key features, NURS-KII, simplified prospectus or equivalent document relating to the Company or any Sub-fund and any costs incurred as a result of periodic updates of the Prospectus or any key features, NURS-KII, simplified prospectus or equivalent document and any other administrative expenses.

(k) Insurance which the Company may purchase and/or maintain for the benefit of and against any liability incurred by any directors of the Company in the performance of their duties.

(l) Any liability arising after the property of a body corporate or another collective investment scheme is transferred to the Company or the Depositary in consideration for the issue of Shares to the Shareholders in that body or to participants in that other scheme, provided that it could have been paid out of that other property had it arisen before the transfer and, in the absence of any express provision in the Instrument of Incorporation forbidding such payment, the ACD is of the opinion that proper provision was made for meeting such liabilities as were known or could reasonably have been anticipated at the time of transfer.

(m) Any costs incurred in establishing and maintaining the Register and related matters.

(n) Any costs incurred in establishing and maintaining any plan register and related matters.

(o) It is not currently proposed to seek a listing for the Shares on any stock exchange, but if a listing is sought in future, the fees connected with the listing may be payable by the Company.

(p) Any other costs or expenses that may be taken out of the Scheme Property in accordance with the COLL Rules.

VAT will be added to the above payments, where applicable.

PART 6: GENERAL INFORMATION

6.1 Complaints

If you wish to make a complaint about the operation of the Company you should contact the Client Relations Manager of the ACD at Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN, who will supply you with a copy of the internal complaints handling procedure. Complaints which cannot be settled can be referred to the Financial Ombudsman Service, Exchange Tower, Harbour Exchange Square, London E14 9SR. Making a complaint will not prejudice your rights to commence legal proceedings.

6.2 Material Contracts

The following contracts, not being contracts entered into in the ordinary course of business, have been or are to be entered into by the Company and are, or may be, material:

(a) the ACD Agreement, dated 17 December 2008, the Supplementary ACD Agreement, dated 8 April 2009, and the Second Supplementary ACD Agreement, dated 23 December 2009, between the Company and the ACD, each as subsequently amended on 23 May 2013, 1 July 2014, 14 October 2015, 23 May 2018, and 30 August 2018; and

(b) the Depositary Agreement, dated 17 December 2008 between the Company and the Royal Bank of Scotland (the former depositary) as novated in favour of the National Westminster Bank with effect from 21 September 2011 (as aemended on 15 July 2013 and as amended and restated on 1 July 2014 and as as amended by addendum dated 12 June 2018 and as novated with effect on and from 10 October 2018 to the Depositary.

Details of the above contracts are given under the heading "The Service Providers" in Part 2

6.3 Liability to Account

None of the ACD, the Depositary, the Investment Adviser, any associate of any of the foregoing or the Auditors are liable to account to any of the others or to the Company or to the Company's Shareholders for any profits or benefits it, or any of the others, makes or receives that are made or derived from or in connection with: dealings in the Shares of any Sub-fund; or any transaction in the Scheme Property; or the supply of services to the Company.

6.4 Notices

Any notice or document to be served on a Shareholder will be sent to the Shareholder's registered address (or, in the case of joint holders, to the registered address of the first-named). As at the date of this Prospectus, no notice has been given to Shareholders of the ACD's intention to propose a change, to the Company or to any of the Sub-funds, which has not yet been effected.

6.5 Execution Policy

In accordance with the Conduct of Business Rules Sourcebook, published by the FCA as part of its Handbook of Rules and the Regulations, the ACD needs to put in place arrangements to execute orders most favourable to and in the interests of the Company and its Shareholders. In view of this, the ACD is required to have an order execution policy in place detailing how it will act in line with the best interests of the Company and to take all sufficient steps to obtain the best possible result, when it directly executes an order, places an order with, or transmits an order to, another entity for execution.

As set out above, the ACD has delegated the investment management of the Sub-funds to the Investment Adviser, who in turn delegates execution of trades on behalf of the Sub-funds to Baillie Gifford Overseas Limited. Each of the Investment Adviser and Baillie Gifford Overseas Limited must, in accordance with FCA's Handbook of Rules, establish and implement an order execution policy to allow it to obtain the best possible results in accordance with the obligations under those rules.

A copy of the Order Execution and Trade Handling Policy may be obtained from: http://www.bailliegifford.com; the ACD; or inspected at its offices at Calton Square, 1 Greenside Row, Edinburgh EH1 3AN during normal business hours.

6.6 Liquidity Management Policy

In accordance with the Regulations, the ACD has in place a liquidity management policy to monitor and ensure that the Sub-funds have sufficient liquidity taking into account their investment objective, liquidity profile and the redemption rights of Shareholders. The policy requires the ACD to ensure that appropriate levels of liquidity are held within the Sub-funds. For more information on the redemption rights of Shareholders please refer to the section under the headings "Dealing in Shares" in Section 4.3 above and "Suspension of Dealings in the Company" in Section 4.3.15 above.

6.7 Voting Rights Strategy

In accordance with the COLL Rules, the ACD must develop strategies for determining when and how voting rights of assets held within the Sub-funds are to be exercised ("Voting Rights Strategy"). A summary copy of the Investment Adviser's Voting Rights Strategy, together with details of the actions which the ACD has taken on the basis of those strategies are available, free of charge, from www.bailliegifford.com and from the ACD at Calton Square, 1 Greenside Row, Edinburgh EH1 3AN.

6.8 Client Money Account

Where the ACD is required to protect client money it will deposit the cash in the UK with an authorised bank to be held on the ACD's behalf in a 'Client Money' account separate to any account used to hold money belonging to the ACD in its own right. Interest will not be paid on cash balances held in the client money account. The ACD will not be responsible for any acts or omissions of the bank. If the bank becomes insolvent, the ACD will have a claim on behalf of its clients. If, however, the bank cannot repay all of its creditors, any shortfall may have to be shared pro rata between such creditors.

6.9 Transfer of Client Money to Third Parties

In connection with the transfer of all or part of its business to a third party, the ACD may transfer client money that it holds relating to that business to such third party without seeking specific consent from any effected investor, provided that the ACD has complied with the client money rules in force at the time of the transfer. Any client money that is subject to such transfer must be held by the third party in accordance with the client money rules or the ACD must have assessed that the third party will adopt adequate procedures to protect such client money.

6.10 Unclaimed Client Money

The ACD will be permitted to pay unclaimed client monies to a registered charity of its choice. Before the ACD can pay such unclaimed monies to a charity it must have held the money for at least six years without any movement occurring on the account and have taken reasonable steps to contact the relevant Shareholder and complied with the client money rules. If the ACD pays away money to charity it will not prevent a Shareholder from claiming such money in future.

6.11 Financial Services Compensation Scheme

The ACD is covered by the Financial Services Compensation Scheme. Investors may be entitled to compensation from the scheme if the ACD cannot meet its obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered for 100% of investments up to £85,000. Further information is available from: The Financial Services Compensation Scheme, 10th Floor, Beaufort House, 15 St Botolph Street, London, EC3A 7QU. Tel: 0800 678 1100 www.fscs.org.uk

6.12 Treating Customers Fairly

The ACD, as a firm that is authorised and regulated by the FCA, is required to pay due regard to the interests of its customers and treat them fairly. Breaching this principle would make the ACD liable to disciplinary sanctions by the FCA.

The ACD may, from time to time, give preferential treatment to a particular shareholder or class of shareholders such as the right to obtain more detailed information on the performance of a Sub-fund than is ordinarily made available to shareholders. The ACD does not give preferential treatment or the right to obtain preferential treatment to any shareholder that creates an overall material disadvantage to other shareholders.

6.13 Portfolio Holdings Disclosure

The Investment Adviser has adopted a policy generally permitting the disclosure of portfolio holdings information to Shareholders, prospective shareholders and other service providers with a one month time lag. Full portfolio information that is less than one month old ("**Confidential Portfolio Information**") may be made available to Shareholders, prospective shareholders and service providers (each a "**Recipient**") upon request by the Investment Adviser. Any such Confidential Portfolio Information is provided on the understanding that the Recipient shall keep it secret and confidential, shall not disclose or disseminate it directly or indirectly to any third party and shall not use or exploit it except in connection with its own analysis of a Sub-fund's portfolio. None of the Company, the ACD or the Investment Adviser make any warranty or representation concerning the Confidential Portfolio Information, its accuracy or completeness. The Confidential Portfolio Information is intended for information purposes only and should not be used by the Recipient for the purposes of market timing or seeking to gain an unfair advantage.

6.14 Payment for Research Costs

New rules which came into effect on 3 January 2018 prohibit firms who provide portfolio management services from receiving any inducements in relation to these services to clients, except for minor non-monetary benefits. Where firms receive research from third parties, in order to avoid contravening the inducement rules, it has to be paid for directly by the firm or by the use of a research payment account (RPA).

All research material and/services are paid for directly by the Investment Adviser, or other Baillie Gifford group entity, and no RPA is operated.

6.15 Data Protection

The Company collects certain personal information in relation to the Shareholders in order to administer the Shareholders' investment in the Company and comply with applicable laws and regulations. The Company will collect and use such personal information in accordance with data protection laws applicable in the United Kingdom (including the General Data Protection Regulation), and is a "data controller" for the purposes of those laws. The Company's Privacy Notice (which is available at https://www.bailliegifford.com/en/uk/about-us/important-disclosures/privacy-policy/oeics/) sets out further details of how the Company collects and uses personal information.

PART 7: DETERMINATION AND DISTRIBUTION OF INCOME

7.1 Accounting reference date

The accounting reference date of the Company is 31 December, being the date on which the Company's annual accounting period is to end in each year. The annual income allocation date of the Company is 31 December in each year. The interim income allocation dates for the Sub-funds are given in Appendix A.

7.2 Payment date

Payment of the income available for distribution in respect of each accounting period will be made on the income payment dates specified in Appendix A.

7.3 Ex-dividend dates

For the purposes of any particular distribution or accumulation of income, the ex-dividend date and the record date shall be the accounting reference date or interim accounting date that immediately preceded the relevant annual income allocation date or interim income allocation date.

7.4 Payment method

Payment will be made direct to the holder's bank or building society account (or, in the case of joint holders, be made direct to the first named holder on the Register).Tax vouchers for both income and accumulation Shares will be issued to Shareholders in respect of distributions made and any relevant tax.

7.5 Income available for distribution or accumulation

The income available for distribution or accumulation in relation to a Sub-fund is determined in accordance with the COLL Rules. It comprises all income received or receivable for the account of the Company and attributable to that Sub-fund in respect of the accounting period concerned, after deducting net charges and expenses paid or payable out of such income and after making such adjustments as the ACD considers appropriate, after consulting with the Company's auditors in accordance with the COLL Rules, in relation to taxation and other matters.

Income relating to a Sub-fund is allocated among the Classes of Shares in that Sub-fund as it accrues or is received in proportion to the rights to participate in the Scheme Property attributed to that Sub-fund which were attached to each Class of Shares on the preceding business day.

Income earned in an interim accounting period may not all be distributed immediately but retained and used to ensure that distributions paid throughout the year are broadly similar. This policy is known as "smoothing".

7.6 Unclaimed distribution payments

Any distribution payment of a Sub-fund which remains unclaimed after a period of six years from the date of payment, will be forfeited and shall revert to the Company.

7.7 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.

PART 8: TAXATION

The comments in this Part 8 are intended only as a general guide to the tax consequences for UK resident Shareholders of the holding, redeeming and Switching of Shares under current UK law and HMRC practice as at the date of this Prospectus and is subject to any subsequent changes. They do not cover the effect of the issue, redemption, or Switching of Shares in exchange for assets other than cash.

8.1 Taxation of the Sub-funds

As each Sub-fund is an authorised investment fund, it is exempt from UK tax on capital gains or losses realised on the disposal of its investments. Realised gains on investments located or issued in other countries may be subject to withholding tax or other taxation in those jurisdictions.

If a Sub-fund holds an interest in an offshore fund that is not certified by HMRC as a reporting fund, gains realised by the Sub-fund on the disposal of that interest will not be exempt.

In respect of Baillie Gifford Diversified Growth Fund and Baillie Gifford Multi Asset Growth Fund, the ACD has made an election into the regime relating to Tax Elected Funds ("TEFs"). Where specified, certain information in this section relates solely to these Sub-funds.

Subject to the provisions below, each of the Sub-funds will be liable to UK corporation tax on its income from investments after relief for expenses. The current rate of corporation tax is 20%. Dividends received by those Sub-funds that are not TEFs from a UK or foreign resident company are generally exempt from UK corporation tax. The income from foreign resident companies may be subject to foreign withholding or other taxation in those jurisdictions.

Those Sub-funds that are TEFs will generally not be subject to tax on dividends from UK and foreign resident companies or property investment income. Property investment income consists of distributions from the tax exempt business of a UK real estate investment trust and property income distributions in relation to shares held in a UK property authorised investment fund. Such property investment income will be subject to withholding tax at the basic rate (currently 20%). As TEFs, it will not be possible for these Sub-funds to reclaim this amount or to offset it against any UK corporation tax liability.

Those Sub-funds that are TEFs will be entitled to claim a UK corporation tax deduction for any amounts paid as a non-dividend distribution. As a result, it is anticipated that the corporation tax liability of each such Sub-fund will be nil.

Stamp duty and other transfer taxes (including financial transaction taxes) may be incurred on the purchase sale, transfer or any other financial transaction involving investments located in the UK or outside the UK. Certain EU member states have implemented financial transaction tax regimes. A number of EU member states have proposed introducing a wider financial transaction tax in future.

8.2 Taxation of Investors: Individual Shareholders

The comments in this Section 8.2 apply only to individual Shareholders that are resident in the UK for tax purposes, beneficially own their Shares, and hold them as investments. The tax position may be different for other Shareholders. Any Shareholder who is in doubt as to their tax position in the UK or another jurisdiction should consult a professional adviser.

8.2.1 Capital Gains Tax

The redemption of Shares will normally be a disposal for capital gains tax purposes. Any gain arising on this disposal may therefore be chargeable to capital gains tax, subject to any allowance or relief available to the Shareholder.

For tax purposes each Sub-fund is regarded as a separate entity. A Shareholder is deemed to own shares in a Sub-fund in which the Shareholder has rights for the time being. As a result, where a Shareholder Switches between Shares linked to one Sub-fund and Shares linked to another Sub-fund, there will normally be a disposal for capital gains tax purposes. Where two Sub-funds are merged, relief may be available to defer any gain that would otherwise have arisen on the merger.

Conversions would not normally be a disposal for the purposes of capital gains tax, provided that no consideration is given or received other than the Shares being converted.

8.2.2 Income Tax

Where income is allocated to a Shareholder by a Sub-fund on the specified income allocation dates this is treated as income for tax purposes, including where the income is retained by the Sub-fund in the case of accumulation shares.

Distributions made by a TEF may be dividend distributions or non-dividend distributions depending on the nature of the income received by the TEF. Generally, dividend income received by these Sub-funds will be paid to Shareholders as a dividend distribution, and all other income will be paid as a non-dividend distribution. It is anticipated that these Sub-funds will pay both dividend and non-dividend distributions.

Distributions made by a Sub-fund that is not a TEF may be dividend distributions or interest distributions depending on the nature of the income of the relevant Sub-fund, as described further below. It is anticipated that these Sub-funds will pay dividend distributions.

All Shareholders will be sent tax vouchers setting out their distributions and the nature of the distributions.

The first distribution made after an acquisition of Shares may include an amount of equalisation (see Section 7.7). This amount corresponds to the income included in the price at which the Shares were acquired (subject to averaging where appropriate) and represents a capital repayment for UK tax purposes. This amount should be deducted from the cost of the Shares in calculating any chargeable gain realised on a subsequent disposal of the Shares.

Dividend Distributions

Dividend distributions made by the Sub-funds will be treated as dividends made by a UK company.

The first £2,000 of dividend income received from all sources by Shareholders in a tax year will be exempt from income tax. Dividend income in excess of this amount will be taxed at a rate of 7.5% for basic rate tax payers, 32.5% for higher rate taxpayers or 38.1% for additional rate tax payers.

Interest and Non-Dividend Distributions

In relation to those Sub-funds that are not TEFs, where over 60% of the market value of a Sub-fund's investments are "qualifying investments" (broadly being cash, debt, or other interest-producing assets) that Sub-fund may make an interest distribution. As noted above, TEFs may make non-dividend distributions.

Interest distributions and non dividend distributions will be paid gross without the deduction of income tax at the basic rate.

A tax free personal savings allowance is applicable to interest income, including interest distributions and non-dividend distributions. This exempts the first £1,000 (for basic rate taxpayers) or £500 (for higher rate taxpayers) of interest income from all sources received in a tax year. No personal savings allowance is available for additional rate taxpayers.

An individual who holds their Shares through a qualifying ISA should not be liable to income tax on the distributions received.

8.3 Taxation of Investors: Corporate Shareholders

The comments in this section 8.3 apply only to corporate Shareholders that are resident in the UK for tax purposes, beneficially own their Shares, and hold them as investments. The tax position may be different for other Shareholders, and certain types of Shareholder (such as life insurance companies) may be subject to specific rules. Any Shareholder who is in doubt as to their tax position in the UK or another jurisdiction should consult a professional adviser.

8.3.1 Corporation Tax on Gains

The redemption of Shares will normally be a disposal for corporation tax purposes. A Shareholder may therefore be chargeable to corporation tax on any gain arising as a result of such disposal, or be eligible for relief in respect of any losses.

For tax purposes each Sub-fund is regarded as a separate entity. A Shareholder is deemed to own shares in a Sub-fund in which the Shareholder has rights for the time being. As a result, where a Shareholder Switches between Shares linked to one Sub-fund and Shares linked to another Sub-fund, there will normally be a disposal for chargeable gains purposes. Where two Sub-funds are merged, relief may be available to defer any gain that would otherwise have arisen on the merger.

Conversions would not normally be a disposal for the chargeable gains purposes, provided that no consideration is given or received other than the Shares being converted.

Where over 60% of the market value of a Sub-fund's investments are "qualifying investments" (broadly being cash, debt, or other interest-producing assets), a Shareholder's holding in that Sub-fund is deemed to be a creditor loan relationship. Any profits and gains arising to that corporate Shareholder should be brought into account as a non-trading loan relationship credit, and any loss in value as a non-trading loan relationship debit.

8.3.2 Corporation Tax on Income

Where income is allocated to a Shareholder by a Sub-fund on the specified income allocation dates this is treated as income for tax purposes, a taxable distribution, including where the income is retained by the Sub-fund in the case of accumulation shares.

Distributions made by a TEF may be dividend distributions or non-dividend distributions depending on the nature of the income received by that TEF. Generally, dividend income received by the Sub-funds will be paid to Shareholders as a dividend distribution, and all other income will be paid as a non-dividend distribution. It is anticipated that the Sub-funds will pay both dividend and non-dividend distributions.

Similarly, distributions made by those Sub-funds that are not TEFs may be dividend distributions or interest distributions depending on the nature of the income of the relevant Sub-fund, as described further below. It is anticipated that these Sub-funds will normally pay dividend distributions.

All Shareholders will be sent tax vouchers setting out their distributions and nature of the distributions.

The first distribution made after an acquisition of Shares may include an amount of equalisation (see Section 7.7). This amount corresponds to the income included in the price at which the Shares were acquired (subject to averaging where appropriate) and represents a capital repayment for UK tax purposes. This amount should be deducted from the cost of the Shares in calculating any chargeable gain realised on a subsequent disposal of the Shares.

Dividend Distributions

Dividend distributions paid by the relevant Sub-fund to Shareholders must be split into the underlying dividend income, other income and foreign income elements received by the Sub-fund. The dividend element should normally be exempt from corporation tax. The other income element should be treated as an annual payment deemed to be net of income tax at 20% and subject to corporation tax, with credit for the income tax. The foreign income element should be treated as foreign income received after the deduction of foreign tax and will be subject to corporation tax, with credit for foreign tax.

Interest and Non-Dividend Distributions

In relation to those Sub-funds that are not TEFs, where over 60% of the market value of a Sub-fund's investments are "qualifying investments" (broadly being cash, debt, or other interest-producing assets) that Sub-fund may make an interest distribution.

As noted above, TEFs may make non-dividend distributions. Where non-dividend distributions are paid by a TEF, this will be treated as payment of yearly interest.

Interest distributions and non-dividend distributions will be paid gross without the deduction of income tax at the basic rate.

8.4 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.

PART 9: SHAREHOLDERS' VOTING RIGHTS

9.1 General Meetings

The ACD or the Depositary may convene a general meeting at any time.

Shareholders may also requisition a general meeting of the Company. A requisition by Shareholders must state the objects of the meeting, be dated, be signed by Shareholders who, at the date of the requisition, are registered as holding not less than one-tenth in value of all Shares of the Company then in issue and the requisition must be deposited at the head office of the Company. The ACD must convene a general meeting no later than eight weeks after receipt of such requisition.

The ACD must, by way of an extraordinary resolution, obtain approval from the Shareholders for any proposed change to the Company which is a fundamental change. A fundamental change is a change or event which:

- changes the purposes or nature of the Company;
- may materially prejudice a Shareholder;
- alter the risk profile of the Company; or
- introduce any new type of payment out of the scheme property.

Fundamental changes may include, for example:

- changes to any statement of policy or investment objective which has been included in the Prospectus;
- the removal of the ACD (or to determine that it be removed as soon as this is permitted by law);
- a proposed scheme of amalgamation; or
- a scheme of reconstruction.

Rules for the calling and conduct of meetings of Shareholders and the voting rights of Shareholders at such meetings are governed by the COLL Rules.

9.2 Notice and Quorum

Shareholders will receive at least 14 days' written notice of a Shareholders' meeting (other than an adjourned meeting, where a shorter period of notice can apply) and are entitled to be counted in the quorum and vote at such meeting either in person or by proxy. The quorum for a meeting is two Shareholders, present in person (or, in the case of a corporation, by a duly authorised representative) or by proxy. The quorum for an adjourned meeting is effectively one Shareholder so present. Notices of the meetings and adjourned meetings will be sent to the Shareholders at their registered address.

9.3 Voting Rights

At a meeting of Shareholders, on a show of hands every Shareholder who (being an individual) is present in person or (being a corporation) is present by its representative properly authorised in that regard, has one vote.

On a poll, a Shareholder may vote either in person or by proxy. The voting rights attaching to each Share are such proportion of the voting rights attached to all the Shares in issue as the price of the Share bears to the aggregate price(s) of all the Shares in issue at the cut-off date referred to in Section 9.5 below.

A Shareholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

In the case of joint Shareholders, the vote of the most senior who votes, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint Shareholders and, for this purpose, seniority shall be determined by the order in which the names stand in the Register.

Except where the Regulations or the Instrument of Incorporation require an extraordinary resolution (which needs 75% or more of the votes validly cast at the meeting to be in favour if the resolution is to be passed) any resolution required by the Regulations will be passed by a simple majority of the votes validly cast for and against the resolution, subject to the discretion of the ACD to propose any particular resolution, if permitted, as an extraordinary resolution.

Where a resolution (including an extraordinary resolution) is required to conduct business at a meeting of Shareholders and every Shareholder is prohibited under the COLL Rules from voting, it shall not be necessary to convene a meeting and a resolution may, with the prior written agreement of the Depositary to the process, instead be passed with the written consent of Shareholders representing 50% or more, or for an extraordinary resolution 75% or more, of the shares in issue.

The ACD may not be counted in the quorum for a meeting and neither the ACD nor any associate (as defined for the purposes of the COLL Rules) of the ACD is entitled to vote at any meeting of the Company except in respect of Shares which the ACD or that associate holds on behalf of or jointly with a person who, if the registered Shareholder, would be entitled to vote and from whom the ACD or that associate has received voting instructions.

9.4 Sub-fund and Class Meetings

The above provisions, unless the context otherwise requires, apply to Sub-fund meetings and Class meetings as they apply to general meetings of Shareholders but by reference to Shares of the Sub-fund or Class concerned and the Shareholders and prices of such Shares.

9.5 Meaning of "Shareholders"

"Shareholders" in the context of the provisions summarised above relating to notice of Shareholders' meetings, quorum and voting rights means Shareholders as at a cut-off date selected by the ACD which is a reasonable time (for example seven days) before notice of the relevant meeting was sent out.

9.6 Annual General Meetings

The Company does not hold Annual General Meetings. Copies of the agreement between the Company and the ACD (see Section 2.1.2) which would normally be laid before such meetings will therefore be provided to Shareholders on request.

PART 10: TERMINATION

10.1 Winding up of the Company or the Termination of a Sub-fund of the Company

The Company shall not be wound up except as an unregistered company under Part V of the Insolvency Act 1986 or under the COLL Rules. A Sub-fund may only be terminated under the COLL Rules or as an unregistered company under Part V of the Insolvency Act 1986 (as modified by regulation 33C of the OEIC Regulations).

10.2 Winding up of the Company or the Termination of a Sub-fund under the COLL Rules

Where the Company is to be wound up or a Sub-fund is to be terminated under the COLL Rules, such winding up or termination may only be commenced following approval by the FCA. The FCA may only give such approval if the ACD provides a statement (following an investigation into the affairs, business and property of the Company or, as applicable, the affairs, business and property of the Sub-fund), that the Company, or the Sub-fund (as the case may be) will be able to meet its liabilities within 12 months of the date of the statement or that such confirmation cannot be given. The Company may not be wound up under the COLL Rules if there is a vacancy in the position of the ACD at the relevant time or if it is being wound up under Part V of the Insolvency Act 1986.

Subject to the above, the Company will or may (as applicable) be wound up or a Sub-fund will or may (as applicable) be terminated under the COLL Rules if:

(a) an extraordinary resolution to that effect is passed by Shareholders; or

(b) the period (if any) fixed for the duration of the Company or the Sub-fund by the Instrument of Incorporation expires, or the event (if any) occurs on the occurrence of which the Instrument of Incorporation provides that the Company is to or may be wound up or a particular Sub-fund is to or may be terminated (for example, if the share capital of the Company is below its prescribed minimum or (in relation to any Sub-fund) the Net Asset Value of the Sub-fund is less than £l,000,000, or if, in the ACD's opinion, it is desirable to terminate the Sub-fund);

(c) on the date of effect stated in any agreement by the FCA to a request by the ACD for the winding up of the Company or the termination of the Sub-fund;

(d) on the effective date of a duly approved scheme of arrangement which is to result in the Company or in a Sub-fund ceasing to hold any scheme property; or

(e) in the case of the Company, on the date on which all of the Sub-funds fall within (d) above or have otherwise ceased to hold any scheme property, notwithstanding that the Company may have assets and liabilities which are not attributable to any particular Sub-fund.

On the occurrence of any of the above:

(a) Sections 6.2 and 6.3 and Chapter 5 of the COLL Rules relating to Dealing, Valuation and Pricing and Investment and Borrowing Powers will cease to apply to the Company or (as applicable) Sections 6.2 and 6.3 and Chapter 5 of the COLL Rules will cease to apply to the particular Sub-fund;

(b) The Company will cease to issue and cancel Shares in the Company or the particular Sub-fund and the ACD shall cease to sell or redeem Shares or to arrange for the Company to issue or cancel them for the Company or the particular Sub-fund;

(c) As regards the Company or the particular Sub-fund (as appropriate) no transfer of a Share shall be registered and no other change to the Register shall be made without the sanction of the ACD;

(d) Where the Company is being wound up, the Company shall cease to carry on its business except for its beneficial winding up;

(e) The corporate status and powers of the Company and, subject to the preceding provisions of (a) to (d) above, the powers of the ACD shall remain until the Company is dissolved; and

(f) If the ACD has not previously notified Shareholders, or Shareholders of the relevant Sub-fund, of the proposal to wind up the Company or terminate the Sub-fund it shall give them written notice of the commencement of the winding up or termination as required by the COLL Rules.

10.3 Duties of ACD

The ACD shall, as soon as practicable after the Company falls to be wound up or a Sub-fund falls to be terminated, realise the assets and meet the liabilities of the Company or the Sub-fund (as appropriate) and, after paying out or retaining adequate provision for all liabilities properly payable and retaining provision for the costs of winding up, provided that there are sufficient liquid funds available, arrange for the Depositary to make one or more interim distributions out of the proceeds to Shareholders proportionately to their rights to participate in the Scheme Property of the Company or the Sub-fund. When the ACD has caused all the Scheme Property to be realised and all of the liabilities of the Company or the particular Sub-fund to be realised, the ACD shall arrange for the Depositary to make a final distribution to Shareholders on or prior to the date on which the "final account" (in respect of the winding up of the Company) or "termination account" (in respect of the termination of a Sub-fund) is sent to Shareholders of any balance remaining in proportion to their holdings in the Company or the particular Sub-fund (net of a provision for any further expenses of the Company or the particular Sub-fund).

As soon as is reasonably practicable after the completion of the winding up of the Company or the termination of the particular Sub-fund, the Depositary shall notify the FCA of such completion and at the same time, in the case of the completion of the winding up of the Company, the ACD or the Depositary must request the FCA to revoke the relevant authorisation order.

On completion of the winding up of the Company or a termination of a Sub-fund, the Company or Sub-fund will be dissolved and the ACD shall arrange that any money (including unclaimed distributions) standing to the account of the Company or Sub-fund will be lodged by the Depositary in the name of the Accountant of the Court within one month of dissolution.

Following the completion of a winding up of the Company or a termination of a Sub-fund, the ACD must prepare a final/termination account showing how the winding up or termination took place and how the Scheme Property was distributed. The auditors of the Company shall make a report in respect of the final/termination account stating their opinion as to whether the final/termination account has been properly prepared. This final/termination account and the auditors' report must be sent to the FCA and to each Shareholder within four months of the completion of the winding up or termination.

APPENDIX A: SUB-FUND DETAILS

Derivatives may be used from time to time in any Sub-fund of the Company for the purposes of hedging (which includes efficient portfolio management) and, for Baillie Gifford Diversified Growth Fund and Baillie Gifford Multi Asset Growth Fund, for the purposes of meeting the Sub-fund's investment objectives. The investment objectives and policies of each Sub-fund are set out below and the Sub-funds' investment powers in relation to derivatives are set out in Section 3.2.1 above. The ACD does not anticipate such use of derivatives having any adverse effect on the overall risk profile of any Sub-fund of the Company.

Name:	**Baillie Gifford Diversified Growth Fund**
FCA Product Reference Number:	642416
Investment Objective and Policy:	The objective is to achieve long term capital growth at lower risk than equity markets by investing in a diversified portfolio of assets. The Baillie Gifford Diversified Growth Fund may gain exposure to a broad range of traditional and alternative asset classes which may include but is not limited to equities, investment grade and high yield bonds, property, private equity, infrastructure, commodities and currencies. In order to gain exposure to these asset classes the Sub-fund may invest in transferable securities, money market instruments, collective investment schemes, derivatives and deposits. Up to 100% in value of the Sub-fund may be invested in in other collective investment vehicles and the Sub-fund may use derivatives for both investment purposes and in the management of risk.
Investment in other Collective Investment Schemes:	100% of the Sub-fund may be invested in units of other collective investment schemes.
Use of Derivatives:	Both for hedging (which includes efficient portfolio management) and meeting the Sub-fund's investment objective.
Additional power re government & public securities:	Not Applicable
Sub-fund Specific Risks:	Part 2 of Appendix B sets out risk warnings that are applicable to all Sub-funds. In addition, Part 3 of Appendix B sets out the following risk warnings which are particularly relevant to the Sub-fund: - **Investment in Bonds** - **Investment via China Interbank Bond Market** - **Investment in Property** - **Investment in Private Equity** - **Investment in Infrastructure** - **Investment in Commodities** - **Investment in Insurance-Linked Bonds** - **Leverage** - **Investment in Hedge Funds**

	- **Structured Finance** - **Use of Derivatives for Investment Purposes**
Investment and Borrowing Powers:	Details of the investment and borrowing powers as applicable to the Sub-fund are set out in Part 3 of this Prospectus.
Investor Profile:	The Sub-fund is marketable to retail investors, as well as institutional investors, and may be suitable for such investors seeking to invest for the long term and who are willing to accept the risks associated with investment in equities and such other investments as the Sub-fund may make. This Sub-fund may not be appropriate for investors who plan to withdraw their monies within five years. Potential investors are advised to read Appendix B: Risk Warnings and to seek the advice of an intermediary authorised under The Financial Services and Markets Act 2000 should they be unsure as to the suitability of the Sub-fund in relation to their investment needs.
Target market for MiFID II purposes	This Sub-fund is suitable for all investors seeking a fund that aims to deliver growth with a long investment time horizon as a core or component of a portfolio of investments. The Sub-fund will allow ready access to the investment. The investor should be prepared to bear losses. This Sub-fund is compatible for mass market distribution. This Sub-fund may not be compatible for investors outside the target market.
Securities Financing Transactions Regulation ("SFTR") Disclosure	The ACD does not currently use securities financing transactions or total return swaps (as defined for the COLL Rules) for this Sub-fund.
Tax Status:	**The Sub-fund has made an election into the Tax Elected Funds Regime. Accordingly, the following statements apply for the purposes of this regime:** *Availability of Shares* The shares in this Sub-fund will be widely available. *Intended Categories of Investor* It is intended that this Sub-fund is marketable to retail investors as well as institutional investors (including but not limited to life companies, pension funds and charities). *Marketing* The ACD shall market and make available shares in the Sub-fund sufficiently widely to reach the intended categories of investor and in a manner appropriate to attract those categories of investor.

<table>
<tr><td></td><td colspan="3">Property Condition and Loan Creditor Condition

The ACD shall ensure that the Sub-fund meets the property and the loan creditor conditions (as each are defined for the purposes of the TEF regime) on entry, and throughout the period of election, to the TEF regime.</td></tr>
<tr><td>Share Classes:</td><td colspan="3">Class A income*
Class A accumulation*
Class B income*
Class B1 accumulation*
Class B2 accumulation*
Class C income (see Note 1)
Class C accumulation* (see Note 1)

* indicates those Classes of Share that are currently in issue. The ACD may, at its sole discretion, issue other Classes of Share at any time.</td></tr>
<tr><td></td><td>Class A shares</td><td>Class B shares</td><td>Class C shares</td></tr>
<tr><td>Minimum Initial Investment:</td><td>£1,000</td><td>£1,000</td><td>£250,000</td></tr>
<tr><td>Minimum Subsequent Investment:</td><td>£100</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Minimum Redemption:</td><td>£500</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Minimum Holding:</td><td>£1,000</td><td>£1,000</td><td>£250,000</td></tr>
<tr><td>Preliminary Charge:</td><td>0% (current)</td><td>0% (current)</td><td>Nil</td></tr>
<tr><td>ACD’s Annual Fee:</td><td>1.50%</td><td>0.65%</td><td>Nil</td></tr>
<tr><td>Fee for Switching into Sub-fund:</td><td>Nil</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Redemption Charge:</td><td>Nil</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Interim Accounting Period(s):</td><td colspan="3">31 December to 30 June</td></tr>
<tr><td rowspan="2">Income Allocation Date(s):</td><td colspan="3">30 June (Interim)</td></tr>
<tr><td colspan="3">31 December (Annual)</td></tr>
<tr><td rowspan="2">Income Payment Date(s):</td><td colspan="3">31 August (Interim)</td></tr>
<tr><td colspan="3">28 February (Annual)</td></tr>
</table>

Historical Past Performance:	Information on past performance is set out in APPENDIX H: HISTORICAL PAST PERFORMANCE.

Note 1: Class C Shares 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.

Name:	**Baillie Gifford Multi Asset Growth Fund**
FCA Product Reference Number:	712723
Investment Objective and Policy:	The objective is to achieve attractive returns over the long term at a lower risk than equity markets by investing in a multi asset portfolio. The Baillie Gifford Multi Asset Growth Fund may gain exposure to a broad range of traditional and alternative asset classes which may include but is not limited to equities, investment grade and high yield bonds, property, infrastructure, commodities and currencies. In order to gain exposure to these asset classes the Sub-fund may invest in transferable securities, money market instruments, collective investment schemes, currency forwards, derivatives, deposits, cash and near cash. Up to 100% of the Sub-fund may be invested in other collective investment vehicles and the Sub-fund may use derivatives for both investment purposes and in the management of risk.
Investment in other Collective Investment Schemes:	100% of the Sub-fund may be invested in units of other collective investment schemes.
Use of Derivatives	Both for the purposes of hedging (which includes EPM) and meeting the Sub-fund's investment objective.
Use of Derivatives:	Both for hedging (which includes efficient portfolio management) and investment purposes
Additional power re government & public securities:	Not Applicable
Sub-fund Specific Risks:	Part 2 of Appendix B sets out risk warnings that are applicable to all Sub-funds. In addition, Part 3 of Appendix B sets out the following risk warnings which are particularly relevant to the Sub-fund: - **Investment in Bonds** - **Investment in Property** - **Investment in Infrastructure** - **Investment in Commodities** - **Investment in Hedge Funds** - **Leverage** - **Structured Finance** - **Use of Derivatives for Investment Purposes**
Investment and Borrowing Powers:	Details of the investment and borrowing powers as applicable to the Sub-fund are set out in Part 3 of this Prospectus.
Investor Profile:	The Sub-fund is marketable to retail investors, as well as institutional investors, and may be suitable for such investors seeking to invest for the long term and who are willing to accept

	the risks associated with investment in equities and such other investments as the Sub-fund may make. This Sub-fund may not be appropriate for investors who plan to withdraw their monies within five years. Potential investors are advised to read Appendix B: Risk Warnings and to seek the advice of an intermediary authorised under The Financial Services and Markets Act 2000 should they be unsure as to the suitability of the Sub-fund in relation to their investment needs.
Target market for MiFID II purposes	This Sub-fund is suitable for all investors seeking a fund that aims to deliver growth with a long investment time horizon as a core or component of a portfolio of investments. The Sub-fund will allow ready access to the investment. The investor should be prepared to bear losses. This Sub-fund is compatible for mass market distribution. This Sub-fund may not be compatible for investors outside the target market.
Securities Financing Transactions Regulation ("SFTR") Disclosure	The ACD does not currently use securities financing transactions or total return swaps (as defined for the COLL Rules) for this Sub-fund.
Tax Status:	**The Sub-fund has made an election into the Tax Elected Funds Regime. Accordingly, the following statements apply for the purposes of this regime:** *Availability of Shares* The shares in this Sub-fund will be widely available. *Intended Categories of Investor* It is intended that this Sub-fund is marketable to retail investors as well as institutional investors (including but not limited to life companies, pension funds and charities). *Marketing* The ACD shall market and make available shares in the Sub-fund sufficiently widely to reach the intended categories of investor and in a manner appropriate to attract those categories of investor. *Property Condition and Loan Creditor Condition* The ACD shall ensure that the Sub-fund meets the property and the loan creditor conditions (as each are defined for the purposes of the TEF regime) on entry, and throughout the period of election, to the TEF regime.
Share Classes:	Class B income* Class B1 accumulation* Class B2 accumulation* Class C income* (see Note 1)

	Class C accumulation* (see Note 1) Class P accumulation* (see Note 2) Class P income (see Note 2) * indicates those Classes of Share that are currently in issue. The ACD may, at its sole discretion, issue other Classes of Share at any time.		
	Class B shares	**Class C shares**	**Class P shares**
Minimum Initial Investment:	£1,000	£250,000	£250,000
Minimum Subsequent Investment:	Nil	Nil	Nil
Minimum Redemption:	Nil	Nil	Nil
Minimum Holding:	£1,000	£250,000	£250,000
Preliminary Charge:	0% (current)	Nil	0% (current)
ACD's Annual Fee:	0.50%	Nil	0.35%
Fee for Switching into Sub-fund:	Nil	Nil	Nil
Redemption Charge:	Nil	Nil	Nil
Interim Accounting Period(s):	None		
Income Allocation Date(s):	30 June (Interim)		
	31 December (Annual)		
Income Payment Date(s):	31 August (Interim)		
	28 February (Annual)		
Historical Past Performance:	Information on past performance is set out in APPENDIX H: HISTORICAL PAST PERFORMANCE. As Baillie Gifford Multi Asset Growth Fund was launched on 8 December 2015, there is limited performance information available.		

Note 1: Class C Shares 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.

Note 2: 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.

Name:	**Baillie Gifford Long Term Global Growth Investment Fund**
FCA Product Reference Number:	758265
Investment Objective and Policy:	The objective is to produce capital returns over the long term by investing primarily in a concentrated, unconstrained global equity portfolio. Up to (but no more than) 10% in value of the Sub-fund may be invested in each of the following: collective investment schemes and deposits.
Investment in other Collective Investment Schemes:	No more than 10% in value of the property of the Sub-fund will be invested in units of other collective investment schemes.
Additional power re government & public securities:	Not Applicable
Sub-fund Specific Risks:	Part 2 of Appendix B sets out risk warnings that are applicable to all Sub-funds. In addition, Part 3 of Appendix B sets out the following risk warning which is particularly relevant to the Sub-fund: - **Concentration** - **Volatility**
Investment and Borrowing Powers:	Details of the investment and borrowing powers as applicable to the Sub-fund are set out in Part 3 of this Prospectus.
Investor Profile:	The Sub-fund is marketable to retail investors, as well as institutional investors, and may be suitable for such investors seeking to invest for the long term and who are willing to accept the risks associated with investment in equities and such other investments as the Sub-fund may make. This Sub-fund may not be appropriate for investors who plan to withdraw their monies within five years. Potential investors are advised to read Appendix B: Risk Warnings and to seek the advice of an intermediary authorised under The Financial Services and Markets Act 2000 should they be unsure as to the suitability of the Sub-fund in relation to their investment needs.
Target market for MiFID II purposes	This Sub-fund is suitable for all investors seeking a fund that aims to deliver growth with a long investment time horizon as a component of a portfolio of investments. The Sub-fund will allow ready access to the investment. The investor should be prepared to bear losses. This Sub-fund is compatible for mass market distribution. This Sub-fund may not be compatible for investors outside the target market.

Securities Financing Transactions Regulation ("SFTR") Disclosure	The ACD does not currently use securities financing transactions or total return swaps (as defined for the COLL Rules) for this Sub-fund.	
Tax Status:	The Sub-fund is not a Bond fund for UK tax purposes and therefore any income allocations will constitute a dividend distribution.	
Share Classes:	Class B accumulation* Class B income Class C accumulation* (see Note 1) Class C income* (see Note 1) * indicates those Classes of Share that are currently in issue. The ACD may, at its sole discretion, issue other Classes of Share at any time.	
	Class B shares	**Class C shares**
Minimum Initial Investment:	£1,000	£250,000
Minimum Subsequent Investment:	Nil	Nil
Minimum Redemption:	Nil	Nil
Minimum Holding:	£1,000	£250,000
Preliminary Charge:	0% (current)	Nil
ACD's Annual Fee:	0.62%	Nil
Fee for Switching into Sub-fund:	Nil	Nil
Redemption Charge:	Nil	Nil
Interim Accounting Period(s):	None	
Income Allocation Date(s):	31 December	
Income Payment Date(s):	28 February	
Historical Past Performance:	Information on past historical performance is set out in APPENDIX H: HISTORICAL PAST PERFORMANCE. As Baillie Gifford Long Term Global Growth Investment Fund was launched on 10 April 2017, there is limited performance information available.	

Note 1: Class C Shares 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.

Name:	**Baillie Gifford Positive Change Fund**
FCA Product Reference Number:	764976
Investment Objective and Policy:	The objective is to produce capital growth over the long term. Investment will be primarily in equities of companies whose products or behaviour, in the ACD's opinion, 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 Sub-fund may also be invested in other transferable securities, money market instruments, collective investment schemes, deposits, cash and near cash. The Sub-fund will be invested globally and the portfolio will be concentrated. Investments will be made following a process of fundamental business analysis by the Investment Advisor using its own research to identify companies where delivering a positive impact is core to their business and whose products or services represent an improvement to the status quo.
Investment in other Collective Investment Schemes:	No more than 10% in value of the property of the Sub-fund will be invested in units of other collective investment schemes.
Additional power re government & public securities:	Not Applicable
Sub-fund Specific Risks:	Part 2 of Appendix B sets out risk warnings that are applicable to all Sub-funds. In addition, Part 3 of Appendix B sets out the following risk warning which is particularly relevant to the Sub-fund: - **Concentration**
Investment and Borrowing Powers:	Details of the investment and borrowing powers as applicable to the Sub-fund are set out in Part 3 of this Prospectus.
Investor Profile:	The Sub-fund is marketable to retail investors, as well as institutional investors, and may be suitable for such investors seeking to invest for the long term and who are willing to accept the risks associated with investment in equities and such other investments as the Sub-fund may make. This Sub-fund may not be appropriate for investors who plan to withdraw their monies within five years. Potential investors are advised to read Appendix B: Risk Warnings and to seek the advice of an intermediary authorised under The Financial Services and Markets Act 2000 should they be unsure as to the suitability of the Sub-fund in relation to their investment needs.

Target market for MiFID II purposes	This Sub-fund is suitable for all investors seeking a fund with a focus on delivering positive change that aims to deliver growth with a long investment time horizon as a core or component of a portfolio of investments. The Sub-fund will allow ready access to the investment. The investor should be prepared to bear losses. This Sub-fund is compatible for mass market distribution. This Sub-fund may not be compatible for investors outside the target market.	
Securities Financing Transactions Regulation ("SFTR") Disclosure	The ACD does not currently use securities financing transactions or total return swaps (as defined for the COLL Rules) for this Sub-fund.	
Tax Status:	The Sub-fund is not a Bond fund for UK tax purposes and therefore any income allocations will constitute a dividend distribution.	
Share Classes:	Class B accumulation* Class B income* Class C accumulation* (see Note 1) Class C income (see Note 1) * indicates those Classes of Share that are currently in issue. The ACD may, at its sole discretion, issue other Classes of Share at any time.	
	Class B shares	**Class C shares**
Minimum Initial Investment:	£1,000	£250,000
Minimum Subsequent Investment:	Nil	Nil
Minimum Redemption:	Nil	Nil
Minimum Holding:	£1,000	£250,000
Preliminary Charge:	0% (current)	Nil
ACD's Annual Fee:	0.50%	Nil
Fee for Switching into Sub-fund:	Nil	Nil
Redemption Charge:	Nil	Nil
Interim Accounting Period(s):	None	
Income Allocation Date(s):	31 December	
Income Payment Date(s):	28 February	
Historical Past Performance:	Information on past performance is set out in APPENDIX H: HISTORICAL PAST PERFORMANCE.	

	As Baillie Gifford Positive Change Fund was launched on 3 January 2017, there is limited performance information available.

Note 1: Class C Shares 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.

APPENDIX B: RISK WARNINGS

Part 1: Summary Risk Table

The table below indicates the risks applicable to each Sub-fund. A fuller description of each risk is set out in either Part 2 (General Risk Warnings) or Part 3 (Fund Specific Risk Warnings)

Sub-fund Risk Warnings Table		**Risk Warnings**													
Sub-fund Name	A	B1	B2	C	D	E	F	G	H	I	J	K	L	M	N
Baillie Gifford Diversified Growth Fund	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Baillie Gifford Multi Asset Growth Fund	✓			✓	✓		✓		✓	✓		✓	✓		✓
Baillie Gifford Long Term Global Growth Investment Fund	✓	✓	✓											✓	
Baillie Gifford Positive Change Fund	✓	✓	✓												

A	**General Risk Warnings**		**Sub-fund Specific Risk Warnings**
A1	General	**B1**	Concentration: Limited Number of Investments
A2	Return on Investment	**B2**	Concentration: Effective Holdings
A3	Currency Exchange Rates	**C**	Leverage
A4	Impact of Dilution Adjustment	**D**	Investment in Bonds
A5	Liquidity	**E**	Investment via China Interbank Bond Market
A6	Large Redemptions	**F**	Investment in Property
A7	Use of Derivatives for Hedging (including EPM)	**G**	Investment in Private Equity
A8	Investment in Equities	**H**	Investment in Infrastructure
A9	Investment in Emerging Markets	**I**	Investment in Commodities
A10	Expenses, Costs, Charges being Charged to Capital	**J**	Investment in Insurance-Linked Bonds
A11	Taxation	**K**	Investment in Hedge-Funds
A12	Suspension of Dealings in Shares	**L**	Use of Derivatives for Investment Purposes
A13	Liabilities of the Company and the Sub-funds	**M**	Volatility
A14	Custody	**N**	Structured Finance
A15	Political Risk		
A16	Brexit		
A17	Information Security		

Part 2: General Risk Warnings

1 General

Potential investors should consider certain risk factors before investing in the Company and be aware that there is no assurance that the investment objective of any Sub-fund will actually be achieved and that they bear the risk of performance of investments.

2 Return on Investment

The value of any investment and any income arising from it is not guaranteed and may go down as well as up and an investor may not get back the sum invested. This is because the price of a Sub-fund's Shares is determined by changing conditions in the market(s) in which the Sub-fund invests. Where a preliminary charge is imposed, should an investor sell his Shares after a short period he may not (even in the absence of a fall in the value of the Sub-fund) realise the amount originally invested. Any investment should, therefore, be regarded as long-term.

3 Currency Exchange Rates

Where a Sub-fund has investments denominated in currencies other than sterling and/or invests in currencies other than sterling, changes in the rates of exchange between sterling and the other currency will cause the value of any investment, and any income arising, to go down or up. Accordingly, Shareholders should be aware that they bear the risk of changes in exchange rates.

4 Impact of Dilution Adjustment

A dilution adjustment is applied to the Share price whenever a Sub-fund is expanding or contracting (known as swinging single pricing). Should an investor buy Shares when a Sub-fund is expanding and sell when a Sub-fund is contracting this will have an adverse impact on the return from the investment. For further details, please see Section 4.3.2 above.

Each Sub-fund is affected by the prevailing conditions in the markets in which it invests. Lack of liquidity in these markets makes the prices of these assets more volatile and more difficult to establish accurately. In addition lack of liquidity significantly affects the ability of the Investment Adviser to buy and sell the underlying investments at reasonable cost and to efficiently handle inflows and outflows. The additional costs of trading in these investments arising as a result of these market conditions are passed on to investors in the Sub-fund through the application of a larger dilution adjustment (see Section 4.3.2). Where large redemptions are concerned there is a greater likelihood that these will be settled by way of *in specie* payments, rather than in cash (see Section 4.3.8).

5 Liquidity

Market values for securities which are difficult to trade, or value less frequently than a Sub-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 such securities will accurately reflect the price a Sub-fund might receive upon their sale.

6 Large Redemptions

If large numbers of shares in a Sub-fund were to be cashed in at or around the same time, the Sub-fund may be required to sell a large portion of its portfolio quickly to cover these deals, at a time or at prices not of the Investment Adviser's choosing. This might result in a reduction in the value of the Sub-fund and in the prices achieved for securities sold by the Sub-fund. The value of securities within the Sub-fund may also be affected if other similar funds find themselves in the same situation.

7 Use of Derivatives for Hedging (including Efficient Portfolio Management)

Derivatives and forwards may be used for the purposes of hedging, including EPM, which is explained further in Section 3.3 above, for any Sub-fund. This may include reducing risk and in a rising market, there is a risk that potential gains may be restricted. The ACD does not anticipate such use of derivatives having any adverse effect on the overall risk profile of any Sub-fund.

The use of any derivative includes several risks, one of which is counterparty credit risk. This risk arises following the selection of a counterparty with whom a derivative transaction will be undertaken. However, there are specific risk management arrangements in place, some of which are required by regulations, to appropriately manage counterparty credit risk exposures. This includes measures such as the payment or receipt of collateral or margin. In addition, the ACD exercises due care and diligence in the selection of counterparties, with arrangements in place to monitor their capital strength. When selecting counterparties, consideration is given to the credit ratings published by external credit rating agencies. There is, however, the possibility, no matter how remote, of counterparty default occurring and that sums due to a Sub-fund will not be paid.

8 Investment in Equities

Equity prices and returns from investing in equity markets are sensitive to various factors including but not limited to expectations of future dividends and profits, economic growth, exchange rates, interest rates and inflation. The value of any investment in equity markets is therefore volatile and it is possible, even when an investment is held for a long time, that an investor may not get back the sum invested.

9 Investment in Emerging Markets

Investments in emerging markets may involve a higher than average risk. An investor should consider whether or not investment in such Sub-funds is either suitable for, or should constitute a substantial part of, his portfolio.

Where Baillie Sub-funds invest in emerging markets these investments may carry risks associated with failed or delayed settlement of market transactions and with the registration and custody of securities. Prevailing custody and trade settlement practices (e.g., the requirement to pay for securities prior to receipt) may expose a Sub-fund to credit and other risks. Similarly, the reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets which may result in problems in realising investments.

Companies in emerging markets may not be subject:

(a) to accounting, auditing and financial reporting standards, practices and disclosure requirements comparable to those applicable to companies in major markets;

(b) to the same level of government supervision and regulation of stock exchanges as countries with more advanced securities markets.

There may be a lower level of regulation and enforcement activity in emerging markets compared to more developed international markets. Laws and regulations may be untested, for example in relation to rights of legal ownership. There could be a lack of consistency in interpreting and applying the relevant regulations and a risk that the regulators may impose immediate or rapid changes to existing laws, rules or regulations (including in relation to tax) or introduce new laws, rules or regulations without any prior consultation with or notice to market participants which may severely restrict a Sub-fund's ability to pursue its investment objectives or strategies. New laws and regulation may apply with retrospective effect and may constantly be in a state of flux. Regulators may place controls on foreign investment and limitations on repatriation of invested capital which may limit or prohibit the Investment Adviser from purchasing or selling holdings of securities. Legal and regulatory restrictions or limitations may have an adverse effect on the liquidity and performance of a Sub-fund's investments due to factors such as fund repatriation, quota controls and dealing restrictions. On any corporate action or shareholder meeting, a Sub-fund's ability to exercise voting rights and/or receive announcements may be limited.

Enforcement of existing regulations may be extremely limited. Accordingly, certain emerging markets may not afford the same level of investor protection as would apply in more developed jurisdictions. Restrictions and/or quotas imposed on foreign investment in emerging markets may preclude investment in certain securities and, as a result, limit investment opportunities for the Sub-funds.

Many emerging markets have experienced substantial, and in some periods extremely high, rates of inflation over prolonged periods of time. Inflation and rapid fluctuations in inflation rates have had and may continue to have very negative effects on the economies and securities markets of certain emerging markets. Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values, and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of these countries also have been and may continue to be adversely affected by economic conditions in the countries with which they trade.

The economies of emerging markets may also be predominantly based on only a few industries or dependent on revenues from particular commodities. In addition, custodial services and other costs relating to investment in foreign markets may be more expensive in emerging markets than in many developed foreign markets, which could reduce a Sub-fund's income from such securities. Finally, because publicly traded debt instruments of emerging markets represent a relatively recent innovation in the world debt markets, there is limited historical data or related market experience concerning the attributes of such instruments under all economic, market and political conditions.

Lack of liquidity and efficiency and/or government imposed quotas in certain of the stock markets or foreign exchange markets in certain emerging markets may mean that from time to time the Investment Adviser may experience more difficulty in purchasing or selling holdings of securities than it would in a more developed market. Restrictions on day trading, manual trading, block trading and/or off-exchange trading may mean that the Sub-fund's investment options will be limited. The financial markets in emerging markets are undergoing rapid growth and changes. This may lead to increased trading and pricing volatility, suspension risk and difficulties in settlement of securities.

The securities industries in emerging markets are relatively young and the value of the investments may be affected by uncertainties arising from political and social developments. Substantial government involvement in, and influence on, the economy may affect the value of securities in certain emerging markets. In many cases, governments of emerging markets continue to exercise significant control over their economies and government actions relative to the economy, as well as economic developments generally, may affect the capacity of issuers of emerging market debt instruments to make payments on their debt obligations, regardless of their financial condition. In addition, there is a heightened possibility of expropriation or confiscatory taxation, imposition of withholding and other taxes or other similar developments that could affect investments in those countries. There can be no assurance that adverse political changes will not cause a Sub-fund to suffer a loss of any or all of its investments or, in the case of fixed-income securities, interest thereon.

10 Expenses, Costs, Charges being Charged to Capital

Where possible, all expenses, costs, charges or other liabilities will be deductedfrom the Sub-fund’s income. Where there is insufficient income to meet such expenses, costs, charges or other liabilities, the remainding expenses, costs, charges or other liabilities will be deducted from the Sub-fund’s capital. If this occurs it will lead to a reduction in the capital value of the Sub-fund.

11 Taxation

Tax rates, as well as the tax treatment of the Company and the Sub-funds, are not guaranteed and could change at any time; their value to a Shareholder will depend on his circumstances.

12 Suspension of Dealings in Shares

Investors are reminded that in certain circumstances their right to redeem Shares may be suspended (see “Suspension of Dealings in the Company” in Section 4.3.15 above).

13 Liabilities of the Company and the Sub-funds

Under the OEIC Regulations, each Sub-fund is a segregated portfolio of assets and those assets can only be used to meet the liabilities of, or claims against, that Sub-fund (this is often referred to as "segregated liability"). While the provisions of the OEIC Regulations provide for segregated liability between Sub-funds, the concept of segregated liability is, in the context of collective investments schemes which are authorised and regulated in the UK, relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known whether a foreign court would give effect to the segregated liability and cross-investment provisions contained in the OEIC Regulations. Therefore, it is not possible to be certain that the assets of a Sub-fund will always be completely insulated from the liabilities of another Sub-fund of the Company in every circumstance.

14 Custody

There is a risk that the Sub-funds’ assets are lost, and that access to them is compromised as a result of insolvency, negligence, misuse of assets, fraud, poor administration or poor record keeping by the Custodian. The risk is greater in emerging markets and is borne by the Sub-fund.

15 Political Risk

The performance of a Sub-fund may be affected by changes in the political environment of the underlying market(s) in which a Sub-fund invests. Such changes would include uncertainty around political developments, military conflict and civil unrest, changes in government policies, government appropriations, the imposition of restrictions on the transfer of capital and in legal, regulatory and tax requirements.

16 Brexit

The terms of the UK's withdrawal from the European Union are presently being negotiated and this introduces elements of political uncertainty which may have practical consequences for the Company. Developments will be closely monitored and considered by the ACD.

17 Information Security

The use of the internet and other electronic media and technology exposes the Company, the Company's service providers, and their respective operations, to potential risks from information-security attacks or incidents (collectively, "information-events"). Information-events may include, for example, unauthorised access to systems, networks or devices (such as, for example, through "hacking" activity), infection from computer viruses or other malicious software code, and attacks which shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality. In addition to intentional information-events, unintentional information-events can occur, such as, for example, the inadvertent release of confidential information. Any information-event could adversely impact the Company and the Shareholders, and cause a Sub-fund to incur financial loss and expense, as well as face exposure to regulatory penalties, reputational damage, and additional compliance costs associated with corrective measures. An information-event may cause the Company, a Sub-fund, or the Company's service providers to lose proprietary information, suffer data corruption, lose operational capacity (such as, for example, the loss of the ability to process transactions, calculate the Net Asset Value of a Sub-fund or allow Shareholders to transact business) and/or fail to comply with applicable privacy and other laws. Among other potentially harmful effects, information-events also may result in theft, unauthorised monitoring and failures in the physical infrastructure or operating systems that support the Company and the Company's service providers. In addition, information-events affecting issuers in which a Sub-fund invests could cause the Sub-fund's investments to lose value.

Part 3: Sub-fund-Specific Risk Warnings

18 Volatility

This risk applies to **Baillie Gifford Long Term Global Growth Investment Fund.**

The share price of the relevant Sub-fund can be volatile due to movements in the prices of the underlying holdings and the basis on which the Sub-fund is priced.

19 Concentration: Limited Number of Investments

This risk applies to **Baillie Gifford Long Term Global Growth Investment Fund** and **Baillie Gifford Positive Change Fund.**

Where a Sub-fund is more concentrated relative to similar funds through holding a limited number of investments, as in the case of Baillie Gifford Long Term Global Growth Investment Fund and Baillie Gifford Positive Change Fund, this may increase the risk of volatile performance over shorter time periods.

20 Concentration: Effective Holdings

This risk applies to **Baillie Gifford Long Term Global Growth Investment Fund** and **Baillie Gifford Positive Change Fund.**

Where a Sub-fund is more concentrated relative to similar funds through the majority of the value of the portfolio being represented by a limited number of investments within the portfolio, as in the case of Baillie Gifford Long Term Global Growth Investment Fund and Baillie Gifford Positive Change Fund, this may increase the risk of volatile performance over shorter time periods.

21 Leverage

This risk applies to **Baillie Gifford Diversified Growth Fund** and **Baillie Gifford Multi Asset Growth Fund.**

The Sub-funds employ leverage that may magnify gains and losses and result in greater movement (down or up) in the value of Scheme Property as a result of market movements.

22 Investment in Bonds

This risk applies to **Baillie Gifford Diversified Growth Fund** and **Baillie Gifford Multi Asset Growth Fund.**

Bond prices and returns from investing in bond markets are sensitive to changes in interest rates which are in turn determined by a number of economic factors, in particular market expectations of future inflation. Investment in bonds also results in exposure to the risk that the bond issuer defaults on its obligations which is likely to result in a loss of value for the bondholder. Higher yielding bonds and emerging market bonds are generally perceived to carry a higher risk of default and a greater possibility of loss to a Sub-fund.

Under certain market conditions, such as those existing at present, corporate bonds can be difficult to buy or sell resulting in higher costs for the investor and even small purchases and sales can cause their prices to move significantly. In addition the difference between the prices for buying and selling bonds can be wide and variable. This makes it increasingly difficult to accurately value such bonds.

23 Investment via China Interbank Bond Market

This risk applies to **Baillie Gifford Diversified Growth Fund.**

The Sub-fund may invest directly in Chinese bonds via the China Interbank Bond Market ("CIBM") through brokers. The CIBM is an OTC market, executing the majority of Chinese onshore Renminbi bond trading. The CIBM is in a development stage and may not have the characteristics associated with a more developed market. For example, Sub-funds investing in debt securities in this market may be subject to greater levels of risk associated with liquidity and volatility which may cause prices of debt securities to fluctuate significantly. Sub-funds may also be subject to greater levels of risks associated with settlement procedures and default of counterparties due to the nature of the settlement process which operates in CIBM. Additionally, the Sub-fund will be required to operate within CIBM rules and regulations with oversight from Chinese authorities and therefore may also be subject to greater levels of regulatory risk.

24 Investment in Property

This risk applies to **Baillie Gifford Diversified Growth Fund** and **Baillie Gifford Multi Asset Growth Fund.**

Property prices and investment returns from owning property are sensitive to various factors including but not limited to rents, vacancy rates, the supply of new build property, economic growth, interest rates and inflation.

Where a Sub-fund invests indirectly in property through another collective investment vehicle there may be an increased risk of volatility in the price of that vehicle depending on its structure and investment policy.

25 Investment in Private Equity

This risk applies to **Baillie Gifford Diversified Growth Fund**.

The valuations of and returns from private equity investments are sensitive to various factors including but not limited to expectations of future cashflows, economic growth, exchange rates, interest rates and inflation. Additionally, private equity investments are often financed by significant amounts of borrowings and the availability of such borrowings and the cost of servicing it are therefore relevant factors.

Where a Sub-fund invests indirectly in private equity through another collective investment vehicle there may be an increased risk of volatility in the price of that vehicle depending on its structure and investment policy.

26 Investment in Infrastructure

This risk applies to **Baillie Gifford Diversified Growth Fund** and **Baillie Gifford Multi Asset Growth Fund.**

The prices of infrastructure assets and the returns from investing in infrastructure markets are sensitive to various factors including but not limited to expectations of future cashflows, exchange rates, interest rates, inflation and political stability. Additionally, infrastructure assets are often financed by significant amounts of debt capital and the availability of such capital and the cost of servicing it are therefore relevant factors.

Where a Sub-fund invests indirectly in infrastructure through another collective investment vehicle there may be an increased risk of volatility in the price of that vehicle depending on its structure and investment policy.

27 Investment in Commodities

This risk applies to **Baillie Gifford Diversified Growth Fund** and **Baillie Gifford Multi Asset Growth Fund.**

The price of commodities and the returns from investing in commodity markets are sensitive to various factors including but not limited to supply, industrial and consumer demand, interest rates, inflation, tariffs and weather conditions. To the extent that investment in commodity markets is achieved through derivative markets, investment returns may also be affected by differences between the current market and forward prices of each commodity and the specific terms of the derivative contracts entered into.

28 Investment in Insurance-Linked Bonds

This risk applies to **Baillie Gifford Diversified Growth Fund.**

Insurance-linked bonds (also referred to as catastrophe bonds) are exposed to the risk of extreme insurance losses from natural disasters such as earthquakes or hurricanes. In the event of a number of specified disasters occurring during the life of a bond a Sub-fund will suffer a capital loss.

29 Investment in Hedge Funds

This risk applies to **Baillie Gifford Diversified Growth Fund** and **Baillie Gifford Multi Asset Growth Fund.**

Hedge funds are collective investment vehicles that invest in a wide variety of assets and may use gearing which may increase losses. Some hedge funds are not directly regulated, increasing the risk of lack of transparency. It may be difficult to obtain independent verification of the value of shares in hedge funds and there is a risk that investments in them may be difficult to sell. The share price of hedge funds may be volatile.

30 Use of Derivatives for Investment Purposes

This risk applies to **Baillie Gifford Diversified Growth Fund** and **Baillie Gifford Multi Asset Growth Fund.**

The specified Sub-funds may each use derivatives from time to time in keeping with its investment objective for investment purposes as well as for hedging (including EPM). Derivatives may be used to obtain, increase or reduce exposure to underlying assets and may create leverage: therefore their use may result in greater fluctuations of the Net Asset Value of the relevant Sub-fund.

Leverage occurs where the exposure of a fund is increased through borrowing of cash or securities, or by leverage embedded in derivative positions or by any other means and a fund could lose more than it invested. Leveraged transactions multiply the risk of potential losses.

The ACD does not anticipate such use of derivatives having any adverse effect on the overall risk profile of the relevant Sub-fund. The strategies which may be used include active currency management, bond curve strategies, interest rate strategies, asset allocation and market spread strategies.

Additional strategies may be adopted in the future, subject to the risk management process being reviewed and amended as necessary to allow the ACD to monitor and control risk.

The use of such strategies may on occasion result in the return on the relevant Sub-fund being adversely impacted where the relevant stock(s) or market(s) perform contrary to the Investment Adviser's expectations. The relevant Sub-fund's ability to use any strategy or technique may be limited by market conditions (including but not restricted to market liquidity), regulatory limits and tax considerations.

The use of any derivative includes several risks, one of which is counterparty credit risk. This risk arises following the selection of a counterparty with whom a derivative transaction will be undertaken. However, there are specific risk management arrangements in place, some of which are required by regulations, to appropriately manage counterparty credit risk exposures. This includes measures such as the payment or receipt of collateral or margin. In addition, the ACD exercises due care and diligence in the selection of counterparties, with arrangements in place to monitor their capital strength. When selecting counterparties, consideration is given to the credit ratings published by external credit rating agencies. There is, however, the possibility, no matter how remote, of counterparty default occurring and that sums due to a Sub-fund will not be paid.

31 Structured Finance

This risk applies to **Baillie Gifford Diversified Growth Fund** and **Baillie Gifford Multi Asset Growth Fund**

Pricing of structured finance products and the returns generated from investing in such products are sensitive to changes in interest rates which are in turn determined by a number of economic factors, in particular market expectations of future inflation. Investment in structured finance products also results in exposure to the risk that the instruments underlying the structured finance product are exposed to credit events which may result in a loss of value for the holder of a structured finance product. Higher yielding structured finance products, or those with a low credit rating are generally perceived to carry a higher risk of default and a greater possibility of loss to a Sub-fund.

Under certain market conditions, structured finance products can be difficult to buy or sell resulting in higher costs for the investor and even small purchases and sales can cause their prices to move significantly. In addition the difference between the prices for buying and selling structured finance products can be wide and variable. This makes it increasingly difficult to accurately value such structured finance products.

APPENDIX C: ELIGIBLE SECURITIES MARKETS

All Sub-funds: Any securities market established in an EEA State (as defined in the Glossary above) on which transferable securities admitted to the official listing in the EEA State are dealt in or traded.

All Sub-funds: The Alternative Investment Market, the When Issued Trading market or the market in transferable securities issued by or on behalf of the Government of the United States of America conducted through primary dealers recognised and supervised by the Federal Reserve Bank of New York and the OTC market in the USA as regulated by NASD or FINRA.

Jurisdiction	**Securities Market**	**Baillie Gifford Diversified Growth Fund**	**Baillie Gifford Multi Asset Growth Fund**	**Baillie Gifford Long Term Global Growth Investment Fund**	**Baillie Gifford Positive Change Fund**
Europe					
Channel Islands	The International Stock Exchange	✓	✓		✓
Russia	MICEX Stock Exchange	✓	✓		✓
Serbia	Sovereign OTC Market (treasury bonds and bills of the Republic of Serbia)	✓	✓		
Switzerland	ICMA, SIX Swiss Exchange	✓	✓	✓ (SIX Swiss Exchange only)	✓ (SIX Swiss Exchange only)
Turkey	Borsa Istanbul	✓	✓	✓	✓
Americas					
Argentina	B&MA (Bolsa Y Mercados Argentinos)	✓	✓		
Brazil	BM&F Bovespa S.A.	✓	✓	✓	✓
Canada	Montreal Exchange, Toronto Stock Exchange, TSX Ventures Exchange and the Government of Canada Bond Market	✓	✓	✓ (Montreal Exchange and TSX Ventures Exchange only)	✓ (Montreal Exchange and TSX Ventures Exchange only)
Chile	Santiago Stock Exchange	✓	✓	✓	✓
Colombia	Bolsa de Valores de Colombia	✓	✓		
Mexico	Mexican Stock Exchange	✓	✓	✓	✓
Peru	Bolsa de Valores de Lima	✓	✓		
USA	IEX Exchange, NYSE Arca, the American, New York and Philadelphia Stock Exchanges: NASDAQ the “Over-the-Counter” Bulletin Board operated by NASD	✓	✓	✓	✓
Asia					
India	National Stock Exchange, The Mumbai Stock Exchange	✓	✓	✓	✓
Kazakhstan	Kazakhstan Stock Exchange	✓	✓		
Pakistan	Karachi Stock Exchange	✓	✓		
Middle East					
Abu Dhabi	Abu Dhabi Securities Exchange	✓	✓		✓

Dubai	Dubai Financial Market, Dubai International Financial Exchange (aka NASDAQ Dubai)	✓	✓		✓
Egypt	Egyptian Exchange	✓	✓	✓	✓
Israel	Tel Aviv Stock Exchange	✓	✓	✓	✓
Qatar	Qatar Exchange	✓	✓		
Africa					
Ghana	Ghana Stock Exchange	✓	✓		
Kenya	Nairobi Securities Exchange	✓	✓	✓	✓
Nigeria	Nigerian Stock Exchange		✓		
South Africa	JSE Securities Exchange, Bond Exchange of South Africa Ltd	✓	✓	✓ (JSE Securities Exchange only)	✓ (JSE Securities Exchange only)
Uganda	Uganda Securities Exchange	✓	✓		
Zambia	Lusaka Stock Exchange	✓	✓		
Far East / Australasia					
Australia	Australian Securities Exchange (ASX) Group	✓	✓	✓	✓
China	Shanghai Stock Exchange	✓	✓	✓	✓
	Shenzen Stock Exchange	✓	✓	✓	✓
	China Interbank Bond Market via Bond Connect	✓	✓		
Hong Kong	Hong Kong Exchanges	✓	✓	✓	✓
Indonesia	Indonesia Stock Exchange	✓	✓	✓	✓
Japan	Tokyo Stock Exchange, Nagoya Stock Exchange, Jasdaq Securities Exchange and The Japanese Securities Dealers Association	✓	✓	✓ (Tokyo Stock Exchange, Nagoya Stock Exchange and Jasdaq Securities Exchange only)	✓ (Tokyo Stock Exchange, Nagoya Stock Exchange and Jasdaq Securities Exchange only)
Malaysia	Bursa Malaysia Berhad Malaysian Government Bond OTC Market	✓	✓	✓ (Bursa Malaysia Berhad only)	✓ (Bursa Malaysia Berhad only)
New Zealand	New Zealand Stock Exchange	✓	✓	✓	✓
Philippines	Philippine Stock Exchange	✓	✓	✓	✓
Republic of Korea	Korea Exchange, KOSDAQ	✓ (Korea Stock Exchange only)	✓ (Korea Stock Exchange only)	✓	✓
Singapore	Singapore Exchange	✓	✓	✓	✓
Taiwan	Taiwan Stock Exchange, Taipei Exchange (OTCs and Bonds)	✓	✓	✓	✓
Thailand	Stock Exchange of Thailand (SET)	✓	✓	✓	✓

APPENDIX D: ELIGIBLE DERIVATIVES MARKETS

Jurisdiction	Securities Market	Baillie Gifford Diversified Growth Fund	Baillie Gifford Multi Asset Growth Fund	Baillie Gifford Long Term Global Growth Investment Fund	Baillie Gifford Positive Change Fund
Europe					
France	Eurolist Paris	✓	✓	✓	✓
Germany	Eurex	✓	✓	✓	✓
Netherlands	Eurolist Amsterdam	✓	✓	✓	✓
Spain	MEFF	✓	✓	✓	✓
Sweden	Stockholmborsen	✓	✓	✓	✓
Switzerland	Eurex	✓	✓	✓	✓
UK	Euronext. LIFFE	✓	✓	✓	✓
Americas					
Brazil	Brazilian Mercantile & Futures Exchange Bovespa S.A.	✓	✓		
Canada	Montreal Exchange	✓	✓	✓	✓
USA	CME and CBoT	✓	✓	✓	✓
Fat East / Australasia					
Australia	The Australian Securities Exchange (ASX) Group	✓	✓	✓	✓
Hong Kong	Hong Kong Exchanges	✓	✓	✓	✓
Japan	Tokyo Stock Exchange, Osaka Securities Exchange	✓	✓	✓	✓
Singapore	Singapore Exchange	✓	✓	✓	✓

APPENDIX E: ADDITIONAL REGULATED COLLECTIVE INVESTMENT SCHEMES MANAGED OR OPERATED BY THE ACD

Baillie Gifford & Co Limited also acts as manager or ACD to the collective investment schemes listed below:

Investment companies with variable capital:

Baillie Gifford UK & Balanced Funds ICVC, and Baillie Gifford Overseas Growth Funds ICVC are investment companies with variable capital incorporated in Scotland under the OEIC Regulations.

Baillie Gifford Bond Funds ICVC is an investment company with variable capital incorporated in Great Britain under the OEIC Regulations.

Baillie Gifford Investment Funds II ICVC is an investment company with variable capital incorporated in England and Wales under the OEIC Regulations.

APPENDIX F: LIST OF SUB-CUSTODIANS

The Custodian for the Company is the Bank of New York Mellon, London Branch, One Canada Square, London, E14 5AL.

The following sub-custodians can be used for the safe-keeping of assets (and is subject to change). An up-to-date list is available from the ACD on request by calling 0800 917 2113.

Market Name	Sub Custodian
ABU DHABI	HSBC BANK MIDDLE EAST LIMITED
ARGENTINA	CITIBANK N.A. (ARGENTINA)
AUSTRALIA	HSBC BANK AUSTRALIA LIMITED
AUSTRIA	UNICREDIT BANK AUSTRIA AG
BELGIUM	THE BANK OF NEW YORK MELLON SA/NV
BRAZIL	CITIBANK (BRAZIL)
CANADA	THE BANK OF NEW YORK MELLON
CHILE	CITIBANK N.A.
CHINA SHANGHAI	HSBC BANK (CHINA) COMPANY LIMITED
CHINA SHENZHEN	HSBC BANK (CHINA) COMPANY LIMITED
COLOMBIA	CITIBANK N.A. (COLOMBIA)
CROATIA	PRIVREDNA BANKA ZAGREB D.D
CZECH REPUBLIC	CITIBANK EUROPE PLC, ORGANIZACNI SLOZKA
DENMARK	SKANDINAVISKA ENSKILDA BANKEN
DUBAI	HSBC BANK MIDDLE EAST LIMITED
EGYPT	HSBC BANK EGYPT
ESTONIA	AS SEB PANK
EUROCLEAR	EUROCLEAR BANK S.A / N.V
FINLAND	SKANDINAVISKA ENSKILDA BANKEN
FRANCE	THE BANK OF NEW YORK MELLON SA/NV
GERMANY	THE BANK OF NEW YORK MELLON SA/NV
GHANA	STANBIC BANK GHANA LTD
GREECE	BNP PARIBAS SECURITIES SERVICES, GREECE
HONG KONG	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED
HONG KONG CONNECT	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED
HUNGARY	CITIBANK EUROPE PLC HUNGARIAN BRANCH
INDIA	DEUTSCHE BANK AG
INDONESIA	DEUTSCHE BANK AG
IRELAND	CREST
ISRAEL	BANK HAPOALIM B.M.
ITALY	THE BANK OF NEW YORK MELLON SA/NV
JAPAN	MIZUHO CORPORATE BANK, LTD
JAPAN JGB	MIZUHO CORPORATE BANK, LTD
KAZAKHSTAN	CITIBANK KAZAKHSTAN JOINT-STOCK COMPANY
KENYA	STANBIC BANK KENYA LIMITED
LATVIA	SEB BANKA
LITHUANIA	SEB VILNIAUS

LUXEMBOURG	EUROCLEAR BANK S.A / N.V
MALAYSIA	DEUTSCHE BANK (MALAYSIA) BERHAD
MEXICO	CITIBANK, MEXICO
NETHERLANDS	THE BANK OF NEW YORK MELLON SA/NV
NEW ZEALAND	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED
NIGERIA	STANBIC IBTC BANK PLC
NORWAY	SKANDINAVISKA ENSKILDA BANKEN
PAKISTAN	DEUTSCHE BANK AG, KARACHI BRANCH
PERU	CITIBANK LIMA, PERU
PHILIPPINES	DEUTSCHE BANK AG
POLAND	BANK POLSKA KASA OPIEKI SA - BANK PEKAO SA
PORTUGAL	CITIBANK INTERNATIONAL PLC
QATAR	HSBC BANK MIDDLE EAST LIMITED
ROMANIA	CITIBANK ROMANIA
RUSSIA	PJSC ROSBANK
SERBIA	UNICREDIT BANK SERBIA JSC
SINGAPORE	DBS BANK LTD.
SLOVAKIA	CITIBANK EUROPE PLC, POBOCKA ZAHRANICNEJ BANKY
SLOVENIA	UNICREDIT BANKA SLOVENIJA D.D.
SOUTH AFRICA	THE STANDARD BANK OF SOUTH AFRICA LIMITED
SOUTH KOREA	DEUTSCHE BANK AG, SEOUL BRANCH
SPAIN	SANTANDER SECURITIES SERVICES, S.A.
SRI LANKA	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED
SWEDEN	SKANDINAVISKA ENSKILDA BANKEN AB
SWITZERLAND	CREDIT SUISSE AG
TAIWAN	HSBC BANK (TAIWAN) LIMITED
THAILAND	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED
TURKEY	DEUTSCHE BANK A.S.
UGANDA	STANBIC BANK UGANDA
UNITED KINGDOM	CREST
UNITED STATES	DTC - FEDERAL RESERVE BANK OF NEW YORK
VIETNAM	HSBC VIETNAM
ZAMBIA	STANBIC BANK ZAMBIA LIMITED

APPENDIX G: SECURITIES LEGENDS

Hong Kong

The contents of this Prospectus have not been reviewed nor endorsed by any regulatory authority in Hong Kong. Hong Kong residents are advised to exercise caution in relation to this offer. An investment in the Company may not be suitable for everyone. If you are in any doubt about the contents of this Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser for independent professional advice. The Sub-funds are not authorised by the Securities and Futures Commission ("**SFC**") in Hong Kong pursuant to Section 104 of the Securities and Futures Ordinance (Cap 571, Laws of Hong Kong) ("**SFO**"). This Prospectus has not been approved by the SFC in Hong Kong, nor has a copy of it been registered with the Registrar of Companies in Hong Kong and, must not, therefore, be issued, or possessed for the purpose of issue, to persons in Hong Kong other than (1) professional investors within the meaning of the SFO (including professional investors as defined by the Securities and Futures (Professional Investors) Rules); or (2) in circumstances which do not constitute an offer to the public for the purposes of the Companies Ordinance (Cap 32, Laws of Hong Kong) or the SFO. This Prospectus is distributed on a confidential basis and may not be reproduced in any form or transmitted to any person other than the person to whom it is addressed. No Shares will be issued to any person other than the person to whom this Prospectus has been addressed and no person other than such addressee may treat the same as constituting an invitation for him to invest.

The ACD has an arrangement with its associate, Baillie Gifford Overseas Limited ("**BGO**") under which BGO is entitled to distribute Sub-funds of the Company.

Baillie Gifford Asia (Hong Kong) Limited is a private limited liability company incorporated in Hong Kong with registered number 2229826 and whose registered office is situated at One International Finance Centre, One Harbour View Street, Central, Hong Kong ("**BGA(HK)**").

BGA(HK) has been appointed by BGO to act as distributor of the Shares on its behalf of BGO to professional investors in Hong Kong. BGA(HK) will receive a monetary benefit from BGO in the form of payment of fees that are based upon a mark-up to expenses (excluding financing costs) incurred in the provision of distribution services.

Chile

The offering of Shares sold on a private placement basis must comply with the disclosure requirements established in NCG 336. According to Section III of the CMF general rule titled "Disclosure Obligations", any communication and/or physical or electronic material used to offer the securities to potential investors must include, in a highlighted form and in Spanish, the following information: (1) the commencement date of the offer and the fact that the relevant offer is made pursuant to this CMF Rule 336; (2) that the offer deals with shares that are not registered in the Securities Registry (Registro de Valores) or in the Foreign Securities Registry (Registro de Valores Extranjeros) kept by the CMF, which are, therefore, not subject to the supervision of the CMF; (3) that, given that the shares are not registered, there is no obligation for the issuer to disclose in Chile public information about the shares; and (4) that the shares may not be publicly offered as long as they are not registered in the corresponding Securities Registry.

Peru

The Shares have not been and will not be registered in Peru under decreto legislativo 861: ley del mercado de valores (the "Securities Market Law"), and are being offered pursuant to a private placement. The Shares have not been registered in the securities market public registry (registro público del mercado de valores) maintained by, and the offering of the Shares in Peru is not subject to the supervision of, the superintendencia del mercado de valores. Any transfers of the Shares shall be subject to the limitations contained in the Securities Market Law and the regulations issued thereunder.

As the Shares are not registered, there is no obligation to deliver in Peru public information with respect to the Shares offered hereby. These Shares cannot be offered by way of public offering as long as they are not registered in the securities market public registry.

APPENDIX H: HISTORICAL PAST PERFORMANCE

The table below shows the performance of the Class B Accumulation shares of the Sub-funds for five (or, if performance information for five complete twelve months is unavailable, all) complete twelve month periods to 28 February 2019. The performance is calculated based on 10.00am dealing prices, income reinvested (or accumulated where Income Shares are not in issue or where Accumulation Shares provide a longer history). No account is taken of the preliminary charge. The start date is the date when the shares were first issued. The latest performance figures may be obtained from the ACD by calling free on 0800 917 2113.

Please note past performance is not a guide to future performance.

	28 February 2018 – 28 February 2019	28 February 2017 – 28 February 2018	28 February 2016 – 28 February 2017	28 February 2015 – 28 Feburary 2016	28 February 2014 – 28 February 2015
Baillie Gifford Diversified Growth Fund	-1.47%	5.71%	11.82%	-3.93%	7.71%
Baillie Gifford Multi Asset Growth Fund (See Note 1)	-0.51%	6.61%	13.76%	N/A	N/A
Baillie Gifford Long Term Global Growth Investment Fund (See Note 1)	6.69%	N/A	N/A	N/A	N/A
Baillie Gifford Positive Change Fund (See Note 1)	7.82%	37.61%	N/A	N/A	N/A

Note 1: There is limited performance information available for the following Sub-funds: Baillie Gifford Multi Asset Growth Fund (launched 8 December 2015); Baillie Gifford Positive Change Fund (launched on 3 January 2017); and Baillie Gifford Long Term Global Growth Investment Fund (launched on 10 April 2017).

APPENDIX I: DILUTION ADJUSTMENTS

The dilution adjustment can vary over time and vary depending on the assets attributable to the relevant Sub-fund. On the basis of the historical data referred to in the table below and current market conditions, the dilution adjustment could be up to or potentially exceed the percentages shown below on purchases and redemptions of Shares.

As dilution is directly related to the inflows and outflows of monies from a Sub-fund, it is not possible to predict accurately whether dilution will occur at any point in time. Consequently it is also not possible to predict accurately how frequently the ACD will need to make a dilution adjustment.

The following table sets out (a) the maximum dilution adjustments applicable to purchases and redemptions for each Sub-fund and (b) the number of days on which a dilution adjustment was applied during each Dealing Day from 1 March 2018 to 28 February 2019.

	Maximum dilution adjustment applicable to purchases (%)	**Maximum dilution adjustment applicable to redemptions (%)**	**Number of days on which a dilution adjustment was applied**
Baillie Gifford Diversified Growth Fund	0.3	0.28	253
Baillie Gifford Multi Asset Growth Fund	0.22	0.22	251
Baillie Gifford Long Term Global Growth Investment Fund	0.10	0.16	253
Baillie Gifford Positive Change Fund	0.14	0.10	253