

BAILLIE GIFFORD

Baillie Gifford Bond Funds ICVC

Interim Report and Financial Statements (Unaudited) *for the six months ended 31 March 2023*



Contents

About the Company*	1
Statement of Authorised Corporate Director's Responsibilities	3
Baillie Gifford Emerging Markets Bond Fund*	5
Baillie Gifford High Yield Bond Fund*	23
Baillie Gifford Investment Grade Bond Fund*	39
Baillie Gifford Investment Grade Long Bond Fund*	55
Baillie Gifford Strategic Bond Fund*	71
General Information	87
The Group's Funds	92

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

About the Company

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

At 31 March 2023, the Company offered five sub-funds and the range may be varied in the future. Each sub-fund is valued on a daily basis. The sub-funds are subject to different charging structures and subscription limits. All shares are single priced. Details of the sub-funds and the share classes are contained in the Prospectus, along with details of the switching facility available between sub-funds. The Prospectus was last revised on 28 April 2023 and the Instrument of Incorporation were last revised on 19 September 2022. Copies of the Prospectus or Instrument of Incorporation can be obtained from Baillie Gifford & Co Limited, the Authorised Corporate Director ('ACD') by contacting Client Relations.

The Company is registered in Great Britain, registered number IC000402, and the address of its Head Office is Calton Square, 1 Greenside Row, Edinburgh EH1 3AN. The operation of the Company is governed by the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL') (the 'Regulations'), its Instrument of Incorporation and its Prospectus.

The Company's shareholders are not liable for its debts beyond the amount subscribed. Each sub-fund is classed as a UK UCITS retail scheme under COLL.

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

Assessment of value for the Sub-Funds

Under COLL 6.6.20R (1), Baillie Gifford & Co Limited, the ACD of the Company, must conduct an assessment at least annually for each UK authorised sub-fund it manages, of whether the payments out of the sub-funds set out in the prospectus are justified in the context of the overall value delivered to shareholders. This assessment of value must, as a minimum, consider seven criteria, namely: quality of service, performance, authorised fund manager costs, economies of scale, comparable market

rates, comparable services and classes of shares. The ACD will issue the statement of value in a separate composite report, performing the assessment across their full range of UK authorised sub-funds. The ACD has chosen a reference date of 31 March and will publish a composite report by 31 July each year. The latest report as at 31 March 2022 is available on the website at www.bailliegifford.com.

Sub-fund Cross-holdings Table

At 31 March 2023 none of the shares in the sub-funds were held by any other sub-funds of the Company.

About the Company cont.

Authorised Corporate Director

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

Directors of the ACD

Executive

M J C Wylie (Chairman)
E Delaney
C M Fraser
L B S Haddow
D S McGowan
A J Telfer

Independent Non-Executive

K B M Bolsover
D R Buckley

Investment Adviser

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

Depositary

NatWest Trustee and Depositary Services Limited
(Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, Financial Services Register No. 794152)
Trustee & Depositary Services
House A, Floor 0
Gogarburn
175 Glasgow Road
Edinburgh EH12 1HQ

Registrar

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

Independent Auditors

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

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

Statement of Authorised Corporate Director's Responsibilities

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

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

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

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

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

M J C Wylie, Chairman
C M Fraser, Director
Baillie Gifford & Co Limited
31 May 2023

BAILLIE GIFFORD

Baillie Gifford Emerging Markets Bond Fund

a sub-fund of Baillie Gifford Bond Funds ICVC

*Interim Report and Financial Statements (Unaudited)
for the six months ended 31 March 2023*



Baillie Gifford Emerging Markets Bond Fund

Investment Objective

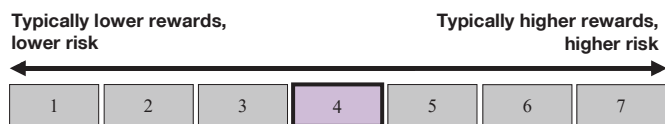
The Fund aims to outperform (after deduction of costs) the J.P. Morgan GBI-EM Global Diversified Index unhedged in sterling by 0.6% per annum over rolling three-year periods.

Investment Policy

The Fund will invest at least 80% in bonds issued by emerging market issuers or in emerging market currencies. Emerging markets will be determined by the investment manager at its discretion. The Fund may also invest in other bonds including developed market bonds. Currency forwards and derivatives, which are types of financial contracts, are used for both investment purposes and in the management of risk. The Fund will be exposed to foreign currencies. The Fund will be actively managed and is not constrained by the index.

Risk and Reward Profile

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



Market conditions can change rapidly and a fund in any rank can lose you your investment. The Fund is classified as above as it invests in government bonds issued by emerging market borrowers.

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

Bonds are affected by interest rates and inflation trends which may affect the value of the Fund. They could lose value if the issuer's financial health deteriorates.

Derivatives can magnify losses if returns go down.

In adverse market conditions it may be difficult to sell investments held by the fund in a timely manner and their value may fall significantly. This could affect how much money you receive and even delay the selling of your shares if dealing in the Fund is suspended.

Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.

You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

Expenses are taken from the Fund's capital. This will reduce the capital value of the Fund.

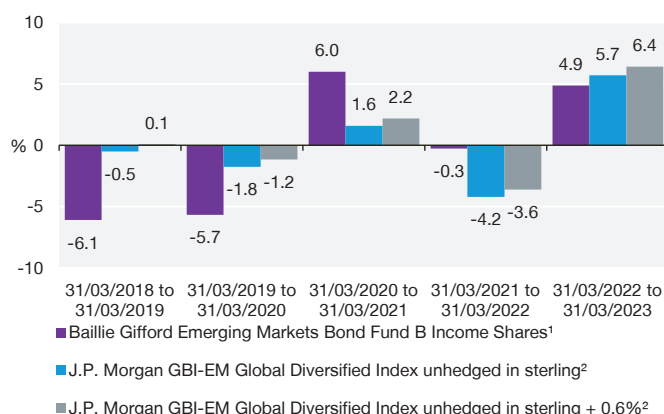
For a more detailed explanation of the risks, please see the "Risk Warnings" section of the prospectus.

Fees Allocated to Capital

For distribution purposes all expenses (including the Annual Management Charge) as represented by the OCF will be allocated to capital. This will reduce the capital value of the Fund.

Investment Report

Past Performance



The performance figures shown in this graph are for Class B Income Shares. Performance figures reflect the ACD's annual fee of 0.4% (until 1 July 2018 the ACD's annual fee on Class B Shares was 0.6%), but exclude any initial charge paid. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

Past Performance

The investment objective of the Fund is to outperform (after deduction of costs) the J.P. Morgan GBI-EM Global Diversified Index unhedged in sterling (the 'Index') by 0.6% per annum (the 'target return') over rolling three-year periods. For the six months to 31 March 2023 the return on B Income Shares was 3.0%³, compared to the Index of 3.0%² and the target return of 3.3%². We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that three years is a more sensible timeframe over which to judge performance, a period in-line with the Fund's objectives. Over that period, the annualised return on B Income Shares was 2.6%³ compared to the Index of 1.0%² and the target return of 1.6%².

Market Environment

Financial markets have oscillated in wide ranges for much of the last six months, and central banks have shown a commitment to bring inflation rates down by

continuing to raise interest rates, including in the US. The global economy is delicately poised as policymakers strive to bring inflation back towards target levels while avoiding a deep recession – in other words, to engineer a 'soft landing' of the economy.

At this stage, our base case is that emerging market economies will not be at the epicentre of any looming recession, however any slowdown in developed markets will have knock-on effects. These will vary between emerging market countries, yet these economies are experienced in coping with rapid tightening in financial conditions during short periods. Many of these countries have raised interest rates significantly during the past two years, which means there is scope for monetary policy to loosen if economic growth deteriorates. This room for manoeuvre in emerging markets has helped their local currency bonds to outperform developed market bonds during recent periods of volatility in markets.

A slowdown in economic growth should lead to reduced inflationary pressures in emerging market economies, which were already showing early signs of

¹Source: FE, 10am dealing prices, income reinvested, after charges. ²Source: StatPro and J.P. Morgan, total return. The target return outperformance is compounded daily therefore the Index return plus the outperformance will not equal the target return. Please see Disclaimer on page 90. ³Source: Baillie Gifford & Co Limited, 10am dealing prices, income reinvested, after charges. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

cooling. These views on the growth and inflation outlook are reflected in the Fund's duration position, which continues to be longer than the benchmark index.

Performance

The Fund performed strongly in absolute terms during this six-month period, albeit returns were in line with the Index. The Fund benefited from its overweight allocation to various Latin American countries, such as Peru and Chile, where bond prices strengthened as economic data showed signs of inflation slowing.

The Fund's longer duration position also made a positive contribution to returns compared with the index, as we saw early signs of inflation decelerating. This reflects our view that increases in emerging market interest rates are largely behind us. Indeed, there is scope for monetary policy to loosen – particularly if growth or inflation soften during the remainder of this year.

Active currency returns were mixed. Highlights included the overweight allocation to the Mexican peso, which continued to appreciate against the US dollar. Mexico's currency is benefitting from US companies engaging in 'nearshoring' (bringing production back to countries nearby) to shorten their supply chains. The Fund's underweight allocations to Polish zloty and Hungarian forint detracted from returns, as both currencies rallied sharply.

Following a prolonged period of challenging returns for local currency emerging market bonds, we believe the current backdrop leaves the Fund well positioned to deliver its objectives and provide attractive total returns, including an attractive income stream, during the coming years.

Positioning

We increased the Fund's duration modestly in late 2022, as we became more confident that inflationary pressures were beginning to ease in many markets. This has started to come through in economic data.

In terms of country positioning, the three largest overweight positions continue to be Brazil, Uruguay and Peru. We remain positive on the prospects for many Latin American sovereign bonds, based on our expectation that real yields will fall (and prices rise) across the region. Conversely, negative real yields persist across parts of Asia and Eastern Europe, with key underweights including Thailand, Malaysia and Poland.

As regards currencies, we are somewhat positive on the prospects for emerging market currencies overall. The most significant change to the Fund's currency exposure during the period was in relation to the US dollar, where we closed our overweight position during the fourth quarter of 2022. The Fund now has a net short position in the US dollar, reflecting our view that the recent period of US exceptionalism is less likely to persist.

Baillie Gifford & Co, 31 May 2023

Principal Bond Holdings as at 31 March 2023

Investment	Percentage of total Fund
Brazil 0% 01/07/2023	4.90
Brazil 0% 01/01/2024	4.65
Indonesia 8.375% 15/03/2034	3.43
South Africa 8.5% 31/01/2037	3.27
Brazil 10% 01/01/2025	3.14
Mexico 7.75% 23/11/2034	3.09
Uruguay 8.25% 21/05/2031	3.05
Hungary 4.5% 23/03/2028	2.93
South Africa 10.5% 21/12/2026	2.89
China Development Bank 3.23% 10/01/2025	2.63

Material Portfolio Changes for the six months ended 31 March 2023

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Uruguay 8.25% 21/05/2031	14,829	China Development Bank 3.09% 18/06/2030	11,650
Peru 5.4% 12/08/2034	10,429	Peru 5.4% 12/08/2034	9,505
Indonesia 6.375% 15/08/2028	9,953	Uruguay 3.875% IL 02/07/2040	8,965
Dominican Republic 13.625% 03/02/2033	8,664	Dominican Republic 9.75% 05/06/2026	8,601
Romania 4.25% 28/04/2036	7,033	Brazil 10% 01/01/2023	8,040
Indonesia 8.375% 15/03/2034	6,863	Poland 1.75% 25/04/2032	7,179
Mexico 7.75% 29/05/2031	5,361	Romania 2% 28/01/2032 (EUR)	4,961
Brazil 0% 01/01/2024	5,074	Poland 2.5% 25/01/2023	4,427
Brazil 10% 01/01/2025	4,918	China 3.81% 14/09/2050	3,806
South Africa 10.5% 21/12/2026	4,876	Mexico 7.75% 23/11/2034	2,907

The largest purchases and sales of bonds have been shown.

Portfolio Statement as at 31 March 2023

Stock description	Holding	Market value £'000	% of total net assets
Fixed Income - 96.98% (92.93%)			
Albania - 0.00% (0.59%)			
Brazil - 15.44% (16.62%)			
Brazil 0% 01/01/2024	154,998	22,492	4.65
Brazil 0% 01/01/2026	40,350	4,691	0.97
Brazil 0% 01/07/2023	153,500	23,726	4.90
Brazil 10% 01/01/2025	98,647	15,205	3.14
Brazil 10% 01/01/2027	58,101	8,630	1.78
Chile - 2.58% (2.06%)			
Chile 1.5% IL 01/03/2026	193,500	6,901	1.42
Chile 1.9% IL 01/09/2030	152,000	5,603	1.16
China - 5.74% (9.47%)			
China 1.99% 09/04/2025	92,800,000	10,818	2.24
China 3.81% 14/09/2050	32,500,000	4,212	0.87
China Development Bank 3.23% 10/01/2025	107,140,000	12,752	2.63
Colombia - 4.26% (3.92%)			
Colombia 6% 28/04/2028	6,425,000,000	892	0.19
Colombia 7% 26/03/2031	81,629,500,000	10,865	2.24
Colombia 7.25% 26/10/2050	12,048,400,000	1,289	0.27
Colombia 9.25% 28/05/2042	55,270,500,000	7,568	1.56
Cote D'Ivoire - 0.00% (0.23%)			
Czech Republic - 4.45% (3.06%)			
Czech Republic 0.25% 10/02/2027	204,490,000	6,414	1.32
Czech Republic 1.75% 23/06/2032	360,260,000	10,675	2.21
Czech Republic 2% 13/10/2033	152,540,000	4,471	0.92
Dominican Republic - 2.41% (2.43%)			
Dominican Republic 13.625% 03/02/2033	529,200,000	8,765	1.81

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Dominican Republic 13.625% 03/02/2033 (144A)	23,950,000	397	0.08
Dominican Republic 9.75% 05/06/2026	172,250,000	2,487	0.52
Egypt - 0.00% (0.79%)			
Hungary - 2.93% (1.84%)			
Hungary 4.5% 23/03/2028	7,569,400,000	14,175	2.93
Indonesia - 11.68% (7.95%)			
Indonesia 6.375% 15/08/2028	190,000,000,000	10,265	2.12
Indonesia 7.125% 15/06/2042	17,634,000,000	961	0.20
Indonesia 7.5% 15/08/2032	105,000,000,000	5,960	1.23
Indonesia 8.375% 15/03/2034	278,000,000,000	16,598	3.43
Indonesia 8.375% 15/04/2039	174,000,000,000	10,559	2.18
Indonesia 9% 15/03/2029	202,000,000,000	12,218	2.52
Malaysia - 5.91% (4.97%)			
Malaysia 3.906% 15/07/2026	59,314,000	11,048	2.28
Malaysia 4.254% 31/05/2035	64,215,000	11,893	2.46
Malaysia 4.736% 15/03/2046	29,508,000	5,663	1.17
Mexico - 9.22% (7.36%)			
Mexico 7.5% 03/06/2027	2,314,150	9,824	2.03
Mexico 7.75% 13/11/2042	2,062,700	8,040	1.66
Mexico 7.75% 23/11/2034	3,632,400	14,953	3.09
Mexico 7.75% 29/05/2031	2,810,803	11,809	2.44
Mongolia - 0.00% (0.45%)			
North Macedonia - 0.00% (0.58%)			
Peru - 5.26% (4.74%)			
Peru 5.4% 12/08/2034	53,500	9,647	1.99
Peru 6.35% 12/08/2028	45,468	9,516	1.97

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Peru 6.9% 12/08/2037	31,272	6,298	1.30
Poland - 2.23% (4.24%)			
Poland 1.75% 25/04/2032	37,000,000	4,921	1.02
Poland 2.5% 25/07/2027	36,029,000	5,884	1.21
Romania - 3.80% (2.66%)			
Romania 3.65% 24/09/2031	54,545,000	7,441	1.54
Romania 4.25% 28/04/2036	54,000,000	6,970	1.44
Romania 6.7% 25/02/2032	23,620,000	3,991	0.82
Serbia - 0.31% (0.34%)			
Serbia 5.875% 08/02/2028	202,170,000	1,514	0.31
South Africa - 10.59% (9.24%)			
South Africa 10.5% 21/12/2026	288,621,569	13,995	2.89
South Africa 6.25% 31/03/2036	82,500,000	2,523	0.52
South Africa 6.5% 28/02/2041	301,314,012	8,634	1.78
South Africa 7% 28/02/2031	272,732,525	10,283	2.13
South Africa 8.5% 31/01/2037	432,142,350	15,840	3.27
South Korea - 0.53% (0.67%)			
Korean EXIM Bank 7.25% 07/12/2024 (IDR)	47,000,000,000	2,561	0.53
Supranational - 0.00% (0.56%)			
Thailand - 5.01% (3.82%)			
Thailand 1.585% 17/12/2035	256,109,000	5,420	1.12
Thailand 2% 17/12/2031	88,840,000	2,049	0.42
Thailand 2.875% 17/06/2046	16,911,000	393	0.08
Thailand 3.3% 17/06/2038	65,000,000	1,640	0.34
Thailand 3.65% 20/06/2031	77,665,000	2,022	0.42
Thailand 3.775% 25/06/2032	377,676,000	10,003	2.06
Thailand 4.875% 22/06/2029	100,151,000	2,752	0.57

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Ukraine - 0.53% (1.05%)			
Ukraine 1.258% 31/05/2041 (USD)	12,078,000	2,576	0.53
Uruguay - 4.10% (2.67%)			
Uruguay 3.875% IL 02/07/2040	187,500,000	5,075	1.05
Uruguay 8.25% 21/05/2031	802,200,000	14,768	3.05
Zambia - 0.00% (0.62%)			
Derivatives - -0.48% (0.65%)			
Forward currency contracts (see Table 1)		(2,130)	(0.44)
Interest rate swap contracts (see Table 2)		(182)	(0.04)
Portfolio of investments		467,223	96.50
Net other assets - 3.50% (6.42%)		16,956	3.50
Net assets		484,179	100.00

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

Unless otherwise stated the above holdings are in fixed interest securities.

Figures in brackets in the investment category headings refer to 30 September 2022.

Portfolio Statement as at 31 March 2023 cont.

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

Counterparty	Settlement	Buy	Buy Amount	Sell	Sell Amount	Unrealised gains/(losses) £'000	% of total net assets
Barclays Bank	13/04/23	MXN	149,400,000	GBP	6,394,847	279	0.06
Barclays Bank	25/05/23	GBP	761,460	PEN	3,500,000	12	0.00
Barclays Bank	15/06/23	MYR	100,780,000	GBP	18,897,431	(342)	(0.07)
Citigroup	13/04/23	GBP	1,407,079	PEN	6,500,000	11	0.00
Citigroup	13/04/23	GBP	3,852,807	UYU	187,000,000	(45)	(0.01)
Citigroup	20/04/23	GBP	1,516,981	COP	9,000,000,000	(38)	(0.01)
Citigroup	27/04/23	GBP	899,696	PEN	4,200,000	(1)	0.00
Citigroup	25/05/23	GBP	6,981,831	BRL	44,860,000	(94)	(0.02)
Citigroup	25/05/23	GBP	696,192	PEN	3,200,000	11	0.00
Citigroup	25/05/23	GBP	997,921	UYU	48,000,000	3	0.00
Citigroup	25/05/23	THB	1,371,800,000	GBP	33,758,096	(1,164)	(0.24)
Citigroup	27/07/23	GBP	5,367,519	CLP	5,400,000,000	(74)	(0.02)
Goldman Sachs	20/04/23	CZK	90,800,000	GBP	3,320,534	73	0.01
Goldman Sachs	20/04/23	EGP	150,000,000	GBP	4,239,324	(442)	(0.09)
Goldman Sachs	21/09/23	GBP	2,356,408	TRY	70,000,000	(15)	0.00
HSBC	13/04/23	CNY	60,500,000	GBP	7,355,623	(226)	(0.05)
HSBC	20/04/23	GBP	7,947,294	COP	47,150,000,000	(200)	(0.04)
HSBC	25/05/23	CNY	21,000,000	GBP	2,537,764	(56)	(0.01)
HSBC	25/05/23	GBP	13,462,515	BRL	86,500,000	(182)	(0.04)
HSBC	25/05/23	GBP	924,887	IDR	17,000,000,000	7	0.00
HSBC	08/06/23	GBP	6,665,483	USD	8,020,000	188	0.04
HSBC	27/07/23	GBP	3,220,511	CLP	3,240,000,000	(44)	(0.01)
JP Morgan Chase	27/04/23	GBP	664,061	PEN	3,100,000	(1)	0.00
JP Morgan Chase	25/05/23	CZK	69,000,000	GBP	2,552,169	20	0.00
JP Morgan Chase	25/05/23	GBP	466,908	BRL	3,000,000	(6)	0.00
JP Morgan Chase	25/05/23	GBP	11,098,643	IDR	204,000,000,000	84	0.02
JP Morgan Chase	25/05/23	RON	8,000,000	GBP	1,426,358	(10)	0.00
JP Morgan Chase	08/06/23	GBP	9,557,738	USD	11,500,000	270	0.06
JP Morgan Chase	15/06/23	RON	19,660,000	GBP	3,510,087	(33)	(0.01)
Merrill Lynch	20/04/23	THB	158,000,000	GBP	3,944,576	(201)	(0.04)
Merrill Lynch	11/05/23	GBP	5,238,839	ZAR	112,620,000	128	0.03
Merrill Lynch	25/05/23	GBP	10,150,760	INR	1,023,000,000	127	0.03
Merrill Lynch	25/05/23	PLN	31,700,000	GBP	5,884,589	39	0.01
Merrill Lynch	25/05/23	THB	98,000,000	GBP	2,411,644	(83)	(0.02)
Merrill Lynch	15/06/23	PLN	72,600,000	GBP	13,563,620	(19)	0.00

Portfolio Statement as at 31 March 2023 cont.

Counterparty	Settlement	Buy	Buy Amount	Sell	Sell Amount	Unrealised gains/(losses) £'000	% of total net assets
NatWest	20/04/23	GBP	3,937,155	COP	23,358,500,000	(99)	(0.02)
Royal Bank of Canada	15/06/23	PLN	26,500,000	GBP	4,950,908	(7)	0.00
Unrealised gains/(losses) on open forward currency contracts						(2,130)	(0.44)

Table 2: Unrealised gains/(losses) on open interest rate swap contracts:

Counterparty	Ccy	Termination	Notional	Fund pays	Fund receives	Unrealised gains/(losses) £'000	% of total net assets
Barclays Bank Plc	MXN	25/06/32	91,137,854	8.801000000	Mexico Interbank TIIE 28 Day	(111)	(0.02)
BNP Paribas	PLN	08/06/27	35,000,000	6.815300000	GPW Benchmark WIBOR PLN 6M	(285)	(0.06)
Citigroup Global Markets Limited	BRL	04/01/27	36,000,000	Brazil Cetip Interbank Deposit Rate	13.000000000	207	0.04
Citigroup Global Markets Limited	CNY	20/03/28	267,000,000	China Fixing Repo Rates 7 Day	2.817700000	32	0.01
Citigroup Global Markets Limited	COP	08/06/28	20,218,754,747	8.440000000	Columbian IBR Overnight Interbank rate	38	0.01
Citigroup Global Markets Limited	COP	05/11/28	30,000,000,000	6.217500000	Columbian IBR Overnight Interbank rate	557	0.11
Citigroup Global Markets Limited	ILS	28/02/28	14,500,000	4.050000000	Sel Aviv Interbank Offered 3 Month	(50)	(0.01)
Citigroup Global Markets Limited	MYR	10/06/29	31,058,550	Malaysia Interbank Offered Rate Fixing 3 Month	3.512500000	(72)	(0.02)
Citigroup Global Markets Limited	PLN	15/05/23	170,000,000	0.490000000	GPW Benchmark WIBOR PLN 6M	275	0.06
HSBC Bank	ILS	03/11/27	50,000,000	3.640000000	Sel Aviv Interbank Offered 3 Month	34	0.01

Portfolio Statement as at 31 March 2023 cont.

Counterparty	Ccy	Termination	Notional	Fund pays	Fund receives	Unrealised gains/(losses) £'000	% of total net assets
HSBC Bank	ILS	16/11/27	14,000,000	3.255000000	Sel Aviv Interbank Offered 3 Month	59	0.01
J.P. Morgan Securities PLC	BRL	02/01/29	50,000,000	Brazil Cetip Interbank Deposit Rate	11.480000000	(396)	(0.08)
J.P. Morgan Securities PLC	MXN	14/03/25	79,000,000	7.350000000	Mexico Interbank TIIE 28 Day	168	0.03
J.P. Morgan Securities PLC	MXN	14/03/25	300,000,000	Mexico Interbank TIIE 28 Day	7.350000000	(639)	(0.13)
J.P. Morgan Securities PLC	MXN	25/06/32	160,000,000	Mexico Interbank TIIE 28 Day	8.801000000	194	0.04
J.P. Morgan Securities PLC	PLN	10/05/27	42,163,095	6.805300000	GPW Benchmark WIBOR PLN 6M	(332)	(0.07)
Merrill Lynch International	MXN	14/03/25	50,000,000	7.350000000	Mexico Interbank TIIE 28 Day	107	0.02
Standard Chartered Bank	MYR	12/02/26	57,157,600	Malaysia Interbank Offered Rate Fixing 3 Month	3.725000000	32	0.01
Unrealised gains/(losses) on open interest rate swap contracts						(182)	(0.04)

Fund Information

Fund and Share Information	31.03.23	30.09.22	30.09.21	30.09.20
Total net asset value of scheme property (£'000)	484,179	412,885	287,510	259,793
Synthetic Risk and Reward Indicator¹	4	5	5	5
Net asset value per share (pence)				
A Income	70.68	70.73	77.47	82.77
B Accumulation	131.50	127.58	130.22	130.36
B Income	72.73	72.52	78.86	83.64
C Accumulation	195.27	189.06	192.20	191.63
Number of shares in issue				
A Income	412,487	313,074	259,051	229,046
B Accumulation	2,257,897	2,272,656	2,296,796	2,136,506
B Income	14,323,867	12,279,560	12,093,771	11,582,524
C Accumulation	240,948,486	212,028,135	142,964,412	128,962,047
Annual Income Record	Period to 31.03.23 (pence)	Year to 30.09.22 (pence)	Year to 30.09.21 (pence)	Year to 30.09.20 (pence)
Income per share (financial period)				
A Income	1.94	4.65	4.68	4.96
B Accumulation	3.50	7.96	7.49	7.42
B Income	2.00	4.74	4.73	4.98
C Accumulation	5.18	11.78	11.04	10.88
Yearly Highest and Lowest Prices	Period to 31.03.23 (pence)	Year to 30.09.22 (pence)	Year to 30.09.21 (pence)	Year to 30.09.20 (pence)
Highest (financial period)				
A Income	73.35	78.89	90.08	96.53
B Accumulation	134.5	135.1	142.1	142.5
B Income	75.39	80.43	91.17	96.86
C Accumulation	199.6	200.3	209.0	208.7
Lowest (financial period)				
A Income	67.77	69.55	78.50	79.17
B Accumulation	122.4	120.9	126.1	119.1
B Income	69.53	70.81	79.34	79.48
C Accumulation	181.4	179.0	185.7	174.7

Fund Information cont.

Ongoing Charges Figures	31.03.23 (%)	30.09.22 (%)	30.09.21 (%)	30.09.20 (%)
Ongoing Charges Figures²				
A Income	1.22	1.20	1.22	1.29 ³
B Accumulation	0.50	0.49	0.52 ⁴	0.63 ⁵
B Income	0.51	0.49	0.51 ⁴	0.62 ⁵
C Accumulation	0.11	0.11	0.13	0.12

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

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

²The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website www.bailliegifford.com.

³As at 30 September 2020, the ACD considered 1.22% to be more indicative rate for the ongoing charges figure for Class A Shares.

⁴As at 30 September 2021 the ACD considered 0.53% to be more indicative rate for the ongoing charges figure for Class B Shares.

⁵As at 30 September 2020, the ACD considered 0.52% to be a more indicative rate for the ongoing charges figure for Class B Shares.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 March 2023

	31 March 2023		31 March 2022	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		(2,290)		(16,475)
Revenue	17,372		8,082	
Expenses	(252)		(160)	
Net revenue before taxation	17,120		7,922	
Taxation	(212)		(218)	
Net revenue after taxation		16,908		7,704
Total return before distributions		14,618		(8,771)
Distributions		(12,026)		(5,815)
Change in net assets attributable to shareholders from investment activities		2,592		(14,586)

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 March 2023

	31 March 2023		31 March 2022	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		412,885		287,510
Amounts receivable on issue of shares	151,478		1,222	
Amounts payable on cancellation of shares	(96,578)		(22,863)	
		54,900		(21,641)
Dilution adjustment		1,308		89
Change in net assets attributable to shareholders from investment activities		2,592		(14,586)
Retained distributions on accumulation shares		12,494		5,440
Closing net assets attributable to shareholders		484,179		256,812

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 March 2023

	31 March 2023 £'000	30 September 2022 £'000
Assets:		
Fixed assets:		
Investments	472,490	390,419
Current assets:		
Debtors	12,125	44,346
Cash and bank balances	7,078	22,800
Total assets	491,693	457,565
Liabilities:		
Investment liabilities	(5,267)	(4,024)
Creditors:		
Bank overdrafts	(1,172)	(101)
Distributions payable	(147)	(277)
Other creditors	(928)	(40,278)
Total liabilities	(7,514)	(44,680)
Net assets attributable to shareholders	484,179	412,885

Basis for preparation

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

The accounting policies applied are consistent with those in the annual financial statements for the year ended 30 September 2022 and are described in those annual financial statements.

BAILLIE GIFFORD

Baillie Gifford High Yield Bond Fund

a sub-fund of Baillie Gifford Bond Funds ICVC

*Interim Report and Financial Statements (Unaudited)
for the six months ended 31 March 2023*



Baillie Gifford High Yield Bond Fund

Investment Objective

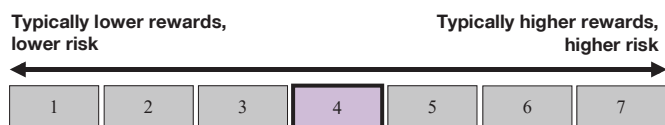
The Fund aims to produce a combination of income and capital growth.

Investment Policy

The Fund will invest at least 80% in sub-investment grade bonds. The Fund may also invest in other bonds. The bonds in which the Fund invests will be denominated in sterling or denominated in other currencies and hedged back to sterling. Currency forwards and derivatives, which are types of financial contracts, are used for both investment purposes and in the management of risk. The Fund will be actively managed.

Risk and Reward Profile

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



Market conditions can change rapidly and a fund in any rank can lose you your investment. The Fund is classified as above as it invests in corporate bonds.

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

Bonds are affected by interest rates and inflation trends which may affect the value of the Fund. They could lose value if the issuer's financial health deteriorates.

Derivatives can magnify losses if returns go down.

In adverse market conditions it may be difficult to sell investments held by the fund in a timely manner and their value may fall significantly. This could affect how much money you receive and even delay the selling of your shares if dealing in the Fund is suspended.

Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.

You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

Expenses are taken from the Fund's capital. This will reduce the capital value of the Fund.

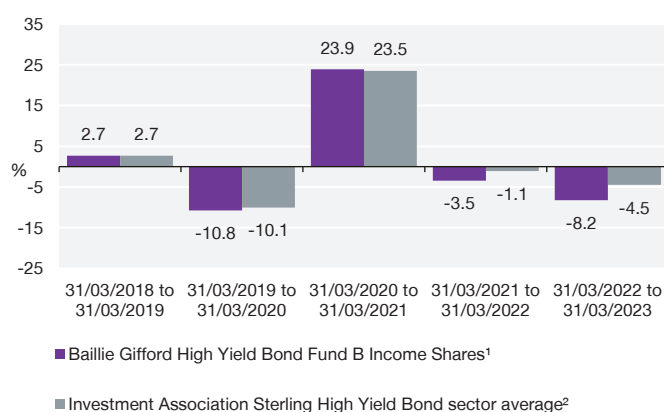
For a more detailed explanation of the risks, please see the "Risk Warnings" section of the prospectus.

Fees Allocated to Capital

For distribution purposes all expenses (including the Annual Management Charge) as represented by the OCF will be allocated to capital. This will reduce the capital value of the Fund.

Investment Report

Past Performance



The performance figures shown in this graph are for Class B Income Shares. Performance figures reflect the ACD's annual fee of 0.35%, but exclude any initial charge paid. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

Past Performance

The investment objective of the Fund is to produce a combination of income and capital growth. For the six months to 31 March 2023 income totalling 2.5 pence per share was declared for B Income Shares and the total return was 5.7%³. The capital return in the period was 3.3%⁴. We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that three years is a more sensible timeframe over which to judge performance, a period in-line with the Fund's objectives. Over that period, income totalling 17.91 pence per share was declared for B Income Shares and the annualised total return was 2.8%³. The annualised capital return was -2.0%⁴. It is disappointing that over this period the Fund has not met its capital growth objective.

Market Environment

Despite significant volatility, corporate bond markets have recovered in the past six months following the significant price falls seen earlier in 2022. While the

outlook remains uncertain, inflation has started to stabilise in America and the US Federal Reserve has begun to slow the pace of interest rate hikes in response. Confidence was also boosted as China emerged from its Zero-Covid strategy and unseasonably warm weather for much of the northern hemisphere supported growth.

While the overall trajectory has been positive, financial markets have oscillated in wide ranges for much of the period. Liz Truss' mini-budget, new inflation prints and instability in the banking sector have driven volatility. Throughout, central banks have remained committed to bringing inflation back to target levels. This will likely require an erosion of corporate pricing power and reduced profit margins. The longer we fail to see evidence of this, the higher interest rates will be and, therefore, the risk of 'something breaking' and the economy falling into recession increases. This would lead to a deeper earnings recession, which market pricing does not yet reflect.

¹Source: FE, 10am dealing prices, income reinvested, after charges. ²Source: StatPro and The Investment Association, total return. Please see Disclaimer on page 90. ³Source: Baillie Gifford & Co Limited, 10am dealing prices, income reinvested, after charges. ⁴Source: Baillie Gifford & Co Limited, 10am dealing prices, excluding income, after charges. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

Performance

The Fund underperformed over the last six months. This was primarily driven by bond selection where the largest single detractor was the Fund's holding in SVB Financials' preferred bonds. We sold these bonds as soon as it became clear that unsecured debtholders would not be protected following the collapse of the bank. This position cost the Fund circa 1.0%. While defaults are an inevitable part of investing in high yield bonds, we strive to avoid them through our in-depth fundamental research process, which seeks to identify resilient companies.

The investment thesis for SVB Financial was based on its domination of the highly profitable niche of commercial banking to venture capital (VC) firms, their funds and VC-backed portfolio companies. Ultimately, the bank did not collapse as a result of poor underwriting. This was an exceptional event triggered by panic across its relatively concentrated deposit base, which we believe was hard to predict. However, we continue to assess our research and decision-making as we reflect on this event to ascertain what lessons we can learn.

Over three years the Fund has also underperformed its comparator benchmark. The annualised total return on the comparator benchmark was 5.3%¹. This reflects a number of factors, including bond selection, the longer-duration nature of our approach, which detracted as interest rate expectations rose sharply in 2022, and our decision to reduce exposure to Covid-19 impacted sectors in advance of the announcement of vaccine success in November 2020.

Positioning

Given the uncertain macroeconomic outlook, we have taken a number of actions to reduce portfolio risk over the last six months. We are bearish on the economic outlook for the United Kingdom and conscious that the uncertain path of monetary policy may put pressure on corporate balance sheets and create further volatility in the hybrid bond market. This led us to sell holdings in perpetual bonds issued by Indian telco Bharti Airtel and

European hotel group Accor at attractive valuations. In addition, we sold out of holdings in British bar and restaurant owner Mitchells & Butlers and retailer Marks and Spencer. Finally, we have reduced exposure to other cyclical sectors including real estate and financial services while adding to more resilient sectors such as healthcare, telecommunications and services.

New buys this period also focused on bringing further diversification to the portfolio. For example, we added bonds issued by Aggreko and Nielsen which have differentiated business models relative to other holdings. Aggreko is a global business providing energy solutions that we believe will benefit from urbanisation in emerging markets. Senior secured US dollar bonds issued by American information, data and market measurement firm Nielsen are attractively valued. While Nielsen is highly levered, we are attracted to its high-margin, cash-generative core business, which has effectively adapted to structural change. Overall, recent events illustrate that the rapid tightening of financial conditions seen in 2022 has increased the potential for pockets of stress to emerge. As such, we continue to focus on assessing the resilience of individual bonds held by the Fund.

Baillie Gifford & Co, 31 May 2023

¹Source: StatPro and The Investment Association, total return.

Principal Bond Holdings as at 31 March 2023

Investment	Percentage of total Fund
LeasePlan 7.375% 2024 Perp	2.26
Victoria 3.625% 2026	1.94
Grifols 3.875% 2028	1.91
Ziggo 2.875% 2030	1.83
James Hardie 3.625% 2026	1.82
Burford Capital 6.25% 2028 (144a)	1.81
ANGI Homeservices 3.875% 2028 (144A)	1.69
Neptune 6.625% 2025	1.64
Digi Communications 3.25% 2028	1.62
AMS 0% 2025 Convertible	1.60

Material Portfolio Changes for the six months ended 31 March 2023

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Belden 3.375% 2031	6,376	Bharti Airtel 5.65% 2025 Perp	12,509
Catalent 2.375% 2028	6,315	Nielsen 5.625% 2028 (144A)	12,103
IQVIA 2.25% 2029	6,270	Adevinta 3% 2027	11,566
Shriram Transport Finance 5.1% 2023	6,247	Centene 4.625% 2029	9,714
FMG Resources 6.125% 2032 (144A)	6,233	Avantor 2.625% 2025	9,656
Taseko Mines 7% 2026 (144A)	6,155	Paprec 4% 2025	9,510
Pershing Square Holdings 3.25% 2030	6,116	InPost 2.25% 2027	9,418
Ziggo 2.875% 2030	6,071	Darling Ingredients 3.625% 2026	8,712
Sealed Air 6.875% 2033 (144A)	6,003	Co-operative Group 7.5% 2026	8,439
Ardagh Packaging 2.125% 2026	5,977	SoftBank 2.125% 2024	7,841

The largest purchases and sales of bonds have been shown.

Portfolio Statement as at 31 March 2023

Stock description	Holding	Market value £'000	% of total net assets
Asset Backed - 0.00% (0.48%)			
Automotive - 2.38% (0.97%)			
Dana 5.375% 2027	7,400,000	5,581	1.11
Nemak 2.25% 2028	9,710,000	6,354	1.27
Banking - 4.45% (5.90%)			
Barclays 7.125% 2025 Perp	1,393,000	1,213	0.24
Erste Group Bank AG 5.125% 2025 Perp	1,000,000	711	0.14
HSBC 6.375% 2025 Perp	1,600,000	1,189	0.24
Natwest 4.6% 2031 Perp	5,347,000	3,017	0.60
Santander 4.375% 2026 Perp	8,800,000	6,080	1.21
Triodos Bank NV 2.25% 2027/32	5,500,000	3,587	0.72
Unicredit 3.875% 2027 Perp	10,460,000	6,548	1.30
Basic Industry - 10.92% (6.20%)			
Alcoa 4.125% 2029 (144A)	6,500,000	4,680	0.93
Compass Minerals International 6.75% 2027 (144A)	3,400,000	2,612	0.52
FMG Resources 6.125% 2032 (144A)	8,000,000	6,271	1.25
Italmatch Chemicals 10% 2028	3,300,000	2,950	0.59
James Hardie 3.625% 2026	11,070,000	9,158	1.82
SPCM 2.625% 2029	8,327,000	6,322	1.26
Taseko Mines 7% 2026 (144A)	8,400,000	6,164	1.23
Victoria 3.625% 2026	13,771,000	9,734	1.94
WEPA 2.875% 2027	9,470,000	6,932	1.38
Capital Goods - 7.49% (3.07%)			
Ardagh Packaging 2.125% 2026	7,700,000	5,912	1.18
Canpack 2.375% 2027	9,237,000	6,563	1.31
Canpack 3.875% 2029 (144A)	2,200,000	1,437	0.28
Chart Industries 7.5% 2030 (144A)	7,170,000	5,992	1.19
Progroup Ag 3% 2026	8,294,000	6,778	1.35
Sealed Air 6.875% 2033 (144A)	7,200,000	5,881	1.17

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Sofima 3.75% 2028	6,578,000	5,064	1.01
Consumer Goods - 3.20% (4.51%)			
Darling Ingredients 6% 2030 (144A)	7,240,000	5,836	1.16
Dometic Group 3% 2026	7,678,000	6,118	1.22
Herbalife 4.875% 2029 (144A)	6,620,000	4,127	0.82
Energy - 1.64% (1.96%)			
Neptune 6.625% 2025	10,485,000	8,219	1.64
Financial Services - 12.78% (14.88%)			
Burford Capital 6.125% 2025	4,340,000	3,229	0.64
Burford Capital 6.25% 2028 (144a)	12,890,000	9,070	1.81
Jefferies Finance Group 5% 2028 (144A)	9,480,000	6,485	1.29
LeasePlan 7.375% 2024 Perp	13,424,000	11,331	2.26
LendingTree 0.5% 2025 Convertible	4,750,000	2,865	0.57
Midcap Financial 6.5% 2028 (144A)	11,250,000	7,711	1.54
PaymentSense 8% 2025	7,791,000	7,011	1.40
Pershing Square Holdings 3.25% 2030	9,100,000	5,777	1.15
Shriram Transport Finance 5.1% 2023	7,100,000	5,685	1.13
Softbank 5% 2028	6,500,000	4,985	0.99
Health Care - 5.38% (7.18%)			
Biogroup 5% 2029	9,050,000	5,925	1.18
Cano Health 6.25% 2028 (144A)	3,210,000	1,421	0.28
Grifols 3.875% 2028	14,080,000	9,602	1.91
IQVIA 2.25% 2029	8,900,000	6,647	1.33
Perrigo Co 4.4% 2030	4,100,000	2,971	0.59
SmileDirectClub 0% 2026 Convertible (144A)	5,650,000	460	0.09
Insurance - 1.95% (1.66%)			
Phoenix Group 4.75% 2026/2031	4,000,000	2,895	0.58
Rothsay Life 6.875% Perp	8,150,000	6,887	1.37

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Leisure - 1.44% (2.36%)			
Live Nation 4.75% 2027 (144A)	3,300,000	2,469	0.49
Pure Gym 6.375% 2025	5,168,000	4,755	0.95
Media - 6.83% (7.91%)			
ANGI Homeservices 3.875% 2028 (144A)	13,560,000	8,491	1.69
CCO Holdings 5.375% 2038	3,580,000	2,522	0.50
CCO Holdings 6.375% 2029 (144A)	6,600,000	5,098	1.02
Cimpress 7% 2026 (144A)	2,600,000	1,687	0.34
Match.com 5% 2027 144A	8,894,000	6,814	1.36
Match.com 5.625% 2029 144A	4,964,000	3,775	0.75
Sirius Media 5% 2027 (144A)	3,400,000	2,574	0.51
VTR Comunicaciones 5.125% 2028	6,622,000	3,321	0.66
Real Estate - 2.09% (2.42%)			
CPI Property 4.875% 2025 Perp	16,705,000	6,155	1.22
Heimstaden Bostad 3.625% 2026 Perp	9,800,000	4,363	0.87
Retail - 6.42% (11.35%)			
ASDA 3.25% 2026	8,010,000	6,549	1.30
B&M European Value Retail 4% 2028	5,648,000	4,718	0.94
Birkenstock 5.25% 2029	5,530,000	4,292	0.85
Liberty Interactive 4% 2029 Convertible	11,901,000	1,408	0.28
MercadoLibre 3.125% 2031	9,734,000	6,076	1.21
Nordstrom 4.375% 2030	10,960,000	6,863	1.37
Rakuten 4.25% 2027 Perp	5,210,000	2,349	0.47
Services - 8.64% (13.06%)			
Aggreko 6.125% 2026 (144A)	5,800,000	4,197	0.84
Albion Financing 1sarl / 5.25% 2026	1,615,000	1,284	0.26
Gartner Inc 4.5% 2028 (144A)	4,250,000	3,263	0.65
Nielsen 9.29% 2029 (144A)	7,300,000	5,474	1.09
Ocado 3.875% 2026	6,400,000	4,749	0.95
PeopleCert 5.75% 2026	5,955,000	4,965	0.99

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Ritchie Bros 6.75% 2028 (144A)	3,951,000	3,291	0.65
Sarens 5.75% 2027	7,741,000	5,373	1.07
The House of HR 9% 2029	5,700,000	4,722	0.94
Zenith 6.5% 2027	8,000,000	6,039	1.20
Technology & Electronics - 7.14% (4.49%)			
AMS 0% 2025 Convertible	11,600,000	8,033	1.60
AMS 7% 2025 (144A)	2,700,000	2,048	0.41
Belden 3.375% 2031	7,500,000	5,536	1.10
Cellnex Telecom 2% 2033	6,900,000	4,641	0.92
CrowdStrike 3% 2029	5,730,000	4,041	0.81
Nexans 5.5% 2028	1,300,000	1,170	0.23
Sensata Technologies 4% 15/04/2029 (144a)	3,400,000	2,484	0.50
TTM Technologies 4% 2029 (144A)	2,000,000	1,394	0.28
Verra Mobility 5.5% 2029 (144A)	9,080,000	6,481	1.29
Telecommunications - 10.46% (6.34%)			
Digi Communications 3.25% 2028	11,000,000	8,127	1.62
Frontier Communications 5.875% 2027 (144A)	3,400,000	2,512	0.50
Iliad 2.375% 2026	9,500,000	7,652	1.52
Millicom Intl Cellular 5.125% 2028	7,900,000	5,125	1.02
TalkTalk 3.875% 2025	7,320,000	6,104	1.22
Total Play Telecom 7.5% 2025	7,800,000	3,533	0.70
Virgin Media 4.125% 2030 (144A)	8,080,000	6,547	1.30
Virgin Media RFN 4.875% 2028	4,444,000	3,771	0.75
Ziggo 2.875% 2030	12,746,000	9,173	1.83

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Utilities - 1.06% (1.80%)			
EDF 6% 2026 Perp	6,000,000	5,330	1.06
Derivatives - 0.24% (-0.86%)			
Forward currency contracts (see Table 1)		1,208	0.24
Portfolio of investments		474,532	94.51
Net other assets - 5.49% (4.32%)		27,575	5.49
Net assets		502,107	100.00

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

Unless otherwise stated the above holdings are in fixed interest securities.

Figures in brackets in the investment category headings refer to 30 September 2022.

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

Counterparty	Settlement	Buy	Buy Amount	Sell	Sell Amount	Unrealised gains/(losses) £'000	% of total net assets
HSBC	20/04/23	GBP	206,076,777	EUR	235,149,000	(684)	(0.14)
JP Morgan Chase	20/04/23	GBP	7,799,190	USD	9,560,000	70	0.02
NatWest	20/04/23	GBP	201,653,939	USD	247,181,000	1,822	0.36
Unrealised gains/(losses) on open forward currency contracts						1,208	0.24

Fund Information

Fund and Share Information				
	31.03.23	30.09.22	30.09.21	30.09.20
Total net asset value of scheme property (£'000)	502,107	603,864	830,302	817,096
Synthetic Risk and Reward Indicator¹	4	4	4	4
Net asset value per share (pence)				
A Income	102.12	99.17	128.02	124.40
B Accumulation	237.07	224.30	272.80	252.67
B Income	107.84	104.38	133.80	129.17
C Accumulation	364.37	344.13	417.09	384.96
C Income	114.28	110.41	140.96	135.45
Number of shares in issue				
A Income	13,615,474	13,875,449	12,244,104	11,982,612
B Accumulation	111,662,761	148,149,870	168,340,078	174,187,889
B Income	171,716,577	207,925,635	213,635,268	173,276,405
C Accumulation	10,510,345	11,848,950	16,674,808	35,832,726
C Income	500	500	500	229,500
Annual Income Record				
	Period to 31.03.23 (pence)	Year to 30.09.22 (pence)	Year to 30.09.21 (pence)	Year to 30.09.20 (pence)
Income per share (financial period)				
A Income	2.38	5.68	5.40	5.55
B Accumulation	5.36	12.27	11.10	10.86
B Income	2.50	5.95	5.62	5.74
C Accumulation	8.24	18.80	16.94	16.52
C Income	2.64	6.27	5.89	5.95

Fund Information cont.

Yearly Highest and Lowest Prices				
	Period to 31.03.23 (pence)	Year to 30.09.22 (pence)	Year to 30.09.21 (pence)	Year to 30.09.20 (pence)
Highest (financial period)				
A Income	108.7	128.5	132.1	134.0
B Accumulation	249.2	273.9	275.1	260.7
B Income	114.7	134.3	137.7	138.4
C Accumulation	382.8	418.8	420.5	396.4
C Income	121.5	141.5	144.7	144.7
Lowest (financial period)				
A Income	98.91	102.6	125.5	105.2
B Accumulation	223.8	224.6	254.9	204.9
B Income	104.2	107.6	130.3	108.8
C Accumulation	343.4	344.7	388.3	311.6
C Income	110.2	113.6	136.6	113.7
Ongoing Charges Figures	31.03.23 (%)	30.09.22 (%)	30.09.21 (%)	30.09.20 (%)
Ongoing Charges Figures²				
A Income	1.02	1.02	1.02	1.02
B Accumulation	0.37	0.37	0.37	0.37
B Income	0.37	0.37	0.37	0.37
C Accumulation	0.02	0.02	0.02	0.02
C Income	0.01	0.01	0.02	0.02

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

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

²The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website www.bailliegifford.com.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 March 2023

	31 March 2023		31 March 2022	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		20,779		(61,602)
Revenue	16,322		17,956	
Expenses	(1,031)		(1,405)	
Net revenue before taxation	15,291		16,551	
Taxation	(14)		(26)	
Net revenue after taxation		15,277		16,525
Total return before distributions		36,056		(45,077)
Distributions		(13,488)		(10,972)
Change in net assets attributable to shareholders from investment activities		22,568		(56,049)

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 March 2023

	31 March 2023		31 March 2022	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		603,864		830,302
Amounts receivable on issue of shares	12,951		40,052	
Amounts payable on cancellation of shares	(145,535)		(79,488)	
		(132,584)		(39,436)
Dilution adjustment		772		145
Change in net assets attributable to shareholders from investment activities		22,568		(56,049)
Retained distributions on accumulation shares		7,487		6,224
Closing net assets attributable to shareholders		502,107		741,186

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 March 2023

	31 March 2023 £'000	30 September 2022 £'000
Assets:		
Fixed assets:		
Investments	475,216	582,956
Current assets:		
Debtors	14,333	36,956
Cash and bank balances	31,163	8,518
Total assets	520,712	628,430
Liabilities:		
Investment liabilities	(684)	(5,154)
Creditors:		
Bank overdrafts	(1,153)	(3,746)
Distributions payable	(2,308)	(6,901)
Other creditors	(14,460)	(8,765)
Total liabilities	(18,605)	(24,566)
Net assets attributable to shareholders	502,107	603,864

Basis for preparation

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

The accounting policies applied are consistent with those in the annual financial statements for the year ended 30 September 2022 and are described in those annual financial statements.

BAILLIE GIFFORD

Baillie Gifford Investment Grade Bond Fund

a sub-fund of Baillie Gifford Bond Funds ICVC

*Interim Report and Financial Statements (Unaudited)
for the six months ended 31 March 2023*



Baillie Gifford Investment Grade Bond Fund

Investment Objective

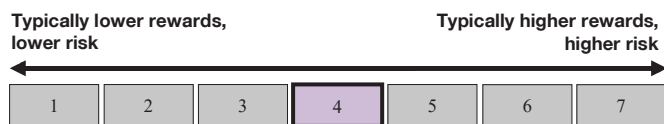
The Fund aims to outperform (after deduction of costs) the ICE BofA Sterling Non-Gilt Index by 0.75% per annum over rolling three-year periods.

Investment Policy

The Fund will invest at least 80% in investment grade bonds issued by corporate issuers, public bodies and supranationals. The Fund may also invest in other bonds including sub-investment grade bonds and government bonds. The bonds in which the Fund invests will be denominated in sterling or denominated in other currencies and hedged back to sterling. Currency forwards and derivatives, which are types of financial contracts, are used for both investment purposes and in the management of risk. The Fund will be actively managed and is not constrained by the index.

Risk and Reward Profile

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



Market conditions can change rapidly and a fund in any rank can lose you your investment. The Fund is classified as above as it invests in corporate bonds.

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

Bonds are affected by interest rates and inflation trends which may affect the value of the Fund. They could lose value if the issuer's financial health deteriorates.

Derivatives can magnify losses if returns go down.

In adverse market conditions it may be difficult to sell investments held by the fund in a timely manner and their value may fall significantly. This could affect how much money you receive and even delay the selling of your shares if dealing in the Fund is suspended.

Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.

You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

Expenses are taken from the Fund's capital. This will reduce the capital value of the Fund.

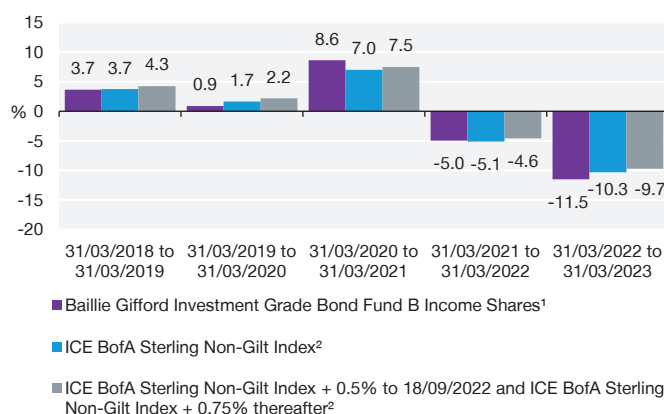
For a more detailed explanation of the risks, please see the "Risk Warnings" section of the prospectus.

Fees Allocated to Capital

For distribution purposes all expenses (including the Annual Management Charge) as represented by the OCF will be allocated to capital. This will reduce the capital value of the Fund.

Investment Report

Past Performance



The performance figures shown in this graph are for Class B Income Shares. Performance figures reflect the ACD's annual fee of 0.25%, but exclude any initial charge paid. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

Past Performance

The investment objective of the Fund is to outperform (after deduction of costs) the ICE BofA Sterling Non-Gilt Index (the 'Index') by 0.5% per annum to 18 September 2022, then by 0.75% per annum thereafter (the 'target return') over rolling three-year periods. For the six months to 31 March 2023 the return on B Income Shares was 8.1%³ compared to the Index of 8.7%² and the target return of 9.1%². We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that three years is a more sensible timeframe over which to judge performance, a period in-line with the Fund's objectives. Over that period, the annualised return on B Income Shares was -2.8%³ compared to the Index of -3.1%² and the target return of -2.5%².

Market Environment

Despite continued volatility, corporate bond markets have recovered in the past six months following the significant price falls seen earlier in 2022. While the

outlook remains uncertain, inflation has started to stabilise in America and the US Federal Reserve has begun to slow the pace of interest rate hikes in response. Confidence was also boosted as China emerged from its Zero-Covid strategy and unseasonably warm weather for much of the northern hemisphere supported growth.

While the overall trajectory has been positive, financial markets have oscillated in wide ranges for much of the period. Liz Truss' mini-budget, new inflation prints and instability in the banking sector have driven volatility. Throughout, central banks have remained committed to bringing inflation back to target levels. This will likely require an erosion of corporate pricing power and reduced profit margins. The longer we fail to see evidence of this, the higher interest rates will be and, therefore, the risk of 'something breaking' and the economy falling into recession increases. This would lead to a deeper earnings recession, which market pricing does not yet reflect.

¹Source: FE, 10am dealing prices, income reinvested, after charges. ²Source: StatPro and ICE, total return. The target return outperformance is compounded daily therefore the Index return plus the outperformance will not equal the target return. Please see Disclaimer on page 90. ³Source: Baillie Gifford & Co Limited, 10am dealing prices, income reinvested, after charges. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

Performance

The Fund has lagged its index benchmark in the past six months and this has impacted longer term returns – over three years the Fund has outperformed its index but not met its target. As inflationary pressures have built it is no surprise that monetary policy has been tightening, but the pace and scale of interest rate rises in the past year has been greater than expected. This has disproportionately impacted certain sectors, with real estate companies particularly exposed to slowing growth and higher interest costs. Heimstaden Bostad, a Swedish residential property company, is one example held by the Fund which has been a detractor. The recent issues with Silicon Valley Bank and Credit Suisse have also created volatility in the banking sector, impacting some of the Fund's subordinated bonds. We view this as a short-term overreaction as the banking system remains well capitalised and the Fund lends to very high-quality banks which we believe remain fundamentally sound.

Positioning

The Fund is positioned reasonably defensively as we believe more volatility in corporate bond markets may ensue, with the impact of higher interest rates affecting the real economy. We reduced exposure to the property sector by selling bonds issued by CTP, an Eastern European logistics company, and reducing the aforementioned exposure to Heimstaden Bostad. Towards the end of the period, we added defensive exposure to the Fund with two new issues in the utilities sector in the form of Engie green bonds and Wessex Water Sustainable bonds. Each carries a commitment to use these funds to specifically finance green, social or sustainability projects.

Baillie Gifford & Co, 31 May 2023

Principal Bond Holdings as at 31 March 2023

Investment	Percentage of total Fund
Network Rail 4.75% 2024	2.79
KFW 6% 2028	2.42
KFW 0.875% 2024	2.10
KFW 0.875% 2026	1.97
LCR Finance 4.5% 2028	1.77
IBRD 0.25% 2026	1.69
EIB 6% 2028	1.69
EIB 4.5% 2044	1.60
Investor AB 2.75% 2032	1.57
Admiral Group 5.5% 2024	1.42

Material Portfolio Changes for the six months ended 31 March 2023

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
UK Treasury 4.75% 07/12/2038	1,396	Orange 5.75% 2023 Perp	1,715
ING Group 6.25% 2033	1,200	UK Treasury 3.25% 22/01/2044	1,608
America Movil 4.375% 2041	1,193	EIB 0.75% 2023	1,512
Morgan Stanley 5.148% 2034	1,177	Netflix 3.625% 2027	1,440
Intesa Sanpaolo 6.5% 2029	1,027	Barclays 7.625% 2022	1,425
Netflix 4.625% 2029	890	Tesco Property Finance 6.052% 2039	1,323
Orix Corp. 4.477% 2028	836	EIB 5.625% 2032	1,262
Barclays 8.407% 2032	803	Aptiv 3.1% 2051	1,220
CaixaBank 6.875% 2028/33	797	Morgan Stanley 5.148% 2034	1,203
Engie 5.625% 2053 Green	790	ING Group 6.25% 2033	1,177

The largest purchases and sales of bonds have been shown.

Portfolio Statement as at 31 March 2023

Stock description	Holding	Market value £'000	% of total net assets
Agency - 2.12% (1.19%)			
SNCF Reseau 5.25% 2035	500,000	533	0.51
Temasek 0.5% 2031	1,179,000	803	0.77
Temasek 3.25% 2027	587,000	515	0.49
Temasek 3.5% 2033	425,000	373	0.35
Asset Backed - 3.23% (3.59%)			
Heathrow Airport 2.75% 2049	100,000	62	0.06
Heathrow Airport 4.625% 2046	900,000	772	0.74
Lunar Funding 1 5.75% 2033	1,000,000	1,059	1.01
Welsh Water 2.375% 2034	800,000	594	0.57
Yorkshire Water 2.75% 2041	800,000	567	0.54
Yorkshire Water 5.5% 2035	324,000	326	0.31
Automotive - 2.02% (3.18%)			
Volkswagen 1.125% 2023	1,000,000	981	0.94
Volkswagen 1.875% 2024	1,200,000	1,131	1.08
Banking - 16.57% (16.90%)			
Bank of America Corp 1.667% 2029	1,100,000	914	0.87
Bank of America Corp 8.125% 2028	900,000	970	0.93
Barclays 3.75% 2030	1,200,000	1,094	1.04
Barclays 5.75% 2026	85,000	85	0.08
Barclays 7.125% 2025 Perp	800,000	697	0.66
Barclays 8.407% 2032	800,000	826	0.79
CaixaBank 6.875% 2028-33	800,000	773	0.74
Citigroup 5.875% 2024	1,200,000	1,191	1.14
DNB Bank 4% 2027	1,300,000	1,234	1.18
Groupe BPCE 2.5% 2032	1,700,000	1,392	1.33
HSBC Bank 5.844% 2031 Perp	472,000	479	0.46
HSBC Holdings 6% 2040	353,000	316	0.30
ING Group 1.125% 2028	800,000	655	0.62
Intesa Sanpaolo 6.5% 2029	1,030,000	1,015	0.97
J.P. Morgan 1.895% 2033	500,000	384	0.37
Nationwide 5.875% 2024 Perp	300,000	269	0.26

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Natwest 3.622% 2030	1,200,000	1,110	1.06
Natwest 5.125% 2027 Perp	700,000	561	0.54
Santander 1.5% 2026	1,600,000	1,410	1.35
Santander 4.375% 2026 Perp	400,000	276	0.26
Santander 6.75% 2024 Perp	300,000	265	0.25
Yorkshire Building Society 1.5% 2029	832,000	660	0.63
Yorkshire Building Society 3.375% 2027/28	900,000	774	0.74
Basic Industry - 0.74% (0.06%)			
Yara Intl 4.75% 2028 (144A)	1,000,000	772	0.74
Commercial Mortgage Backed - 3.24% (3.80%)			
Telereal 1.963% 2033 (B2) ¹	578,000	516	0.49
Telereal 3.5625% 2031/36 (A3)	1,350,500	1,198	1.15
Telereal 5.3887% 2031/33 (A5)	2,400,000	937	0.90
Tesco 5.801% 2040	800,000	737	0.70
Consumer Goods - 0.61% (0.55%)			
AB InBev 9.75% 2024	600,000	635	0.61
Financial Services - 8.68% (8.39%)			
Abrdn 5.25% 2026 Perp	800,000	629	0.60
Berkshire Hathaway 2.375% 2039	700,000	503	0.48
Berkshire Hathaway 2.625% 2059	700,000	439	0.42
Blackstone Private Credit 4.875% 2026	1,100,000	1,007	0.96
Burford Capital 6.25% 2028 (144a)	1,200,000	844	0.81
Investec 1.875% 2028	1,500,000	1,218	1.16
Investec Bank 4.25% 2028	100,000	99	0.10
Investor AB 2.75% 2032	2,000,000	1,643	1.57
Motability 3.625% 2036	1,200,000	1,068	1.02
Orix Corp. 4.477% 2028	941,000	831	0.79
Pershing Square Holdings 1.375% 2027	1,100,000	806	0.77
Government Guaranteed - 13.91% (13.93%)			
KFW 0.875% 2024	2,300,000	2,193	2.10

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
KFW 0.875% 2026	2,300,000	2,063	1.97
KFW 1.25% 2023	1,400,000	1,365	1.30
KFW 5.75% 2032	500,000	574	0.55
KFW 6% 2028	2,300,000	2,534	2.42
LCR Finance 4.5% 2028	1,800,000	1,849	1.77
Network Rail 4.75% 2024	2,919,000	2,923	2.79
Network Rail 4.75% 2035	1,000,000	1,060	1.01
Health Care - 1.30% (1.21%)			
GlaxoSmithKline 1.625% 2035	1,900,000	1,361	1.30
Insurance - 6.59% (6.99%)			
Abrdn 4.25% 2028	1,000,000	714	0.68
Admiral Group 5.5% 2024	1,510,000	1,490	1.42
Hiscox 6% 2027	996,000	1,010	0.97
Legal & General 5.375% 2025/45	1,500,000	1,463	1.40
Pension Insurance 8% 2026	720,000	741	0.71
Phoenix Life 6.625% 2025	303,000	303	0.29
Zurich Financial Services 5.125% 2032/2052	1,300,000	1,175	1.12
Media - 1.45% (1.66%)			
Netflix 4.625% 2029	1,045,000	935	0.89
Time Warner Cable 5.25% 2042	700,000	583	0.56
Real Estate - 8.08% (7.80%)			
Annington Finance 3.935% 2047	235,000	165	0.16
Annington Funding 2.924% 2051	830,000	457	0.44
Annington Funding 3.184% 2029	1,700,000	1,422	1.36
Annington Funding 4.75% 2033	500,000	441	0.42
Aster 4.5% 2043	221,000	209	0.20
Berkeley Group 2.5% 2031	1,400,000	975	0.93
Clarion 3.125% 2048	1,400,000	976	0.93
Heimstaden Bostad 3.375% 2026 Perp	787,000	361	0.34
Housing & Care 3.288% 2049	1,200,000	878	0.84
Longhurst Libra 3.25% 2043	1,200,000	906	0.86

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Segro 5.125% 2041	375,000	362	0.35
Sovereign Housing Capital 4.768% 2043	740,000	717	0.68
Tritax Big Box 1.5% 2033	884,000	592	0.57
Services - 0.92% (1.01%)			
University of Cambridge 3.75% 2052	274,000	244	0.24
Wellcome Trust 2.517% 2118	1,300,000	715	0.68
Sovereign - 1.38% (1.74%)			
UK Treasury 4.75% 07/12/2038	1,300,000	1,451	1.38
Supranational - 7.70% (10.28%)			
EIB 1.375% 2025	900,000	851	0.81
EIB 4.5% 2044	1,600,000	1,675	1.60
EIB 4.625% 2054	800,000	863	0.82
EIB 6% 2028	1,600,000	1,764	1.69
IBRD 0.25% 2026	2,000,000	1,765	1.69
IBRD 5.75% 2032	1,000,000	1,143	1.09
Technology & Electronics - 0.75% (1.71%)			
Apple 4.375% 2045	1,000,000	784	0.75
Telecommunications - 3.99% (3.91%)			
America Movil 4.375% 2041	1,200,000	1,040	0.99
America Movil 4.948% 2033	300,000	292	0.28
AT&T 4.25% 2043	600,000	494	0.47
AT&T 4.875% 2044	600,000	532	0.51
Koninklijke KPN 5% 2026	1,400,000	1,394	1.33
Vodafone 3% 2056	700,000	426	0.41
Transportation - 1.20% (0.00%)			
National Express Group 2.375% 2028	700,000	597	0.57
National Express Group 4.25% Perp	756,000	664	0.63

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Utilities - 9.75% (8.24%)			
Centrica 7% 2033	500,000	554	0.53
E.ON 5.875% 2037	300,000	305	0.29
E.ON 6.125% 2039	400,000	417	0.40
EDF 5.125% 2050	200,000	170	0.16
EDF 5.5% 2037	1,200,000	1,130	1.08
EDF 5.5% 2041	800,000	733	0.70
EDF 6% 2114	400,000	366	0.35
Enel 2.875% 2029	1,200,000	1,043	1.00
Enel 5.75% 2040	1,100,000	1,094	1.04
Engie 5.625% 2053 Green	800,000	797	0.76
National Grid 1.375% 2031	1,600,000	1,189	1.14
PPL Corporation 3.5% 2026	800,000	754	0.72
Severn Trent 4.625% 2034	209,000	197	0.19
TXU Eastern Funding 7.25% 2030 ²	2,343,000	-	0.00
Wessex Water Sustainable 5.125% 2032	369,000	363	0.35
Yorkshire Power 7.25% 2028	1,000,000	1,091	1.04
Derivatives - 0.07% (-0.61%)			
Forward currency contracts (see Table 1)		72	0.07
Futures contracts (see Table 2)		-	0.00
Portfolio of investments		98,714	94.30
Net other assets - 5.70% (4.47%)		5,967	5.70
Net assets		104,681	100.00

¹This bond has been valued using a single broker quote.

²The issuer of this bond was in administration at the period end, therefore the bond has been valued at the Investment Adviser's valuation.

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

Unless otherwise stated the above holdings are in fixed interest securities.

Figures in brackets in the investment category headings refer to 30 September 2022.

Portfolio Statement as at 31 March 2023 cont.

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

Counterparty	Settlement	Buy	Buy Amount	Sell	Sell Amount	Unrealised gains/(losses) £'000	% of total net assets
Deutsche Bank	18/05/23	GBP	486,370	EUR	550,000	2	0.00
HSBC	18/05/23	GBP	6,761,161	EUR	7,645,700	31	0.03
National Australia Bank	18/05/23	GBP	3,270,218	USD	4,000,000	39	0.04
Unrealised gains/(losses) on open forward currency contracts						72	0.07

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

Futures	Maturity	Notional	Unrealised gains/(losses) £'000	% of total net assets
Euro Buxl 30 Year Bund June 2023	12/06/23	(2)	-	0.00
Euro-Bobl Future June 2023	12/06/23	(28)	-	0.00
Euro-Bund Future June 2023	12/06/23	(20)	-	0.00
Long Gilt Future 10 Year June 2023	30/06/23	74	-	0.00
US 5 Year Note June 2023	06/07/23	(17)	-	0.00
US Long Bond (CBT) June 2023	30/06/23	(9)	-	0.00
US Ultra 10 Year Note Future June 2023	30/06/23	(3)	-	0.00
Unrealised gains/(losses) on futures contracts			-	0.00

Fund Information

Fund and Share Information				
	31.03.23	30.09.22	30.09.21	30.09.20
Total net asset value of scheme property (£'000)	104,681	116,171	179,395	175,764
Synthetic Risk and Reward Indicator¹	4	4	4	4
Net asset value per share (pence)				
A Income	79.08	74.50	99.85	102.26
B Accumulation	200.66	185.71	239.70	237.85
B Income	84.37	79.19	105.28	107.01
C Accumulation	204.19	188.74	243.01	240.53
C Income	87.71	82.26	109.04	110.55
Number of shares in issue				
A Income	816,051	937,911	4,117,989	5,113,739
B Accumulation	2,566,931	10,817,112	11,602,777	13,076,107
B Income	38,370,332	41,205,433	61,274,110	55,400,596
C Accumulation	32,573,553	33,247,554	34,140,083	33,320,930
C Income	100	100	100	100
Annual Income Record				
	Period to 31.03.23 (pence)	Year to 30.09.22 (pence)	Year to 30.09.21 (pence)	Year to 30.09.20 (pence)
Income per share (financial period)				
A Income	1.12	2.52	2.47	3.00
B Accumulation	2.80	6.10	5.80	6.80
B Income	1.20	2.66	2.59	3.11
C Accumulation	2.84	6.19	5.88	6.86
C Income	1.28	2.75	2.68	3.22

Fund Information cont.

Yearly Highest and Lowest Prices				
	Period to 31.03.23 (pence)	Year to 30.09.22 (pence)	Year to 30.09.21 (pence)	Year to 30.09.20 (pence)
Highest (financial period)				
A Income	82.4	102.6	106.5	105.6
B Accumulation	207.2	246.5	249.0	241.5
B Income	87.8	108.3	111.7	110.0
C Accumulation	210.8	250.1	252.0	244.1
C Income	91.2	112.2	115.4	113.5
Lowest (financial period)				
A Income	72.17	73.62	100.6	91.16
B Accumulation	179.9	180.7	235.8	206.0
B Income	76.73	78.02	105.6	94.89
C Accumulation	182.9	183.6	238.7	208.0
C Income	79.71	80.95	109.1	97.88
Ongoing Charges Figures	31.03.23 (%)	30.09.22 (%)	30.09.21 (%)	30.09.20 (%)
Ongoing Charges Figures²				
A Income	1.03	1.04 ³	1.02	1.05 ⁴
B Accumulation	0.28	0.28	0.28	0.28
B Income	0.28	0.28	0.28	0.28
C Accumulation	0.03	0.03	0.03	0.03
C Income	0.03	0.02	0.03	0.01 ⁵

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

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

²The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website www.bailliegifford.com.

³As at 30 September 2022, the ACD considered 1.02% to be a more indicative rate for the ongoing charges figure for Class A Shares.

⁴As at 30 September 2020, the ACD considered 1.03% to be a more indicative rate for the ongoing charges figure for Class A Shares.

⁵As at 30 September 2020, the ACD considered 0.03% to be a more indicative rate for the ongoing charges figure for Class C Shares.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 March 2023

	31 March 2023		31 March 2022	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		7,554		(11,831)
Revenue	1,833		2,137	
Expenses	(73)		(128)	
Net revenue before taxation	1,760		2,009	
Taxation	(1)		-	
Net revenue after taxation		1,759		2,009
Total return before distributions		9,313		(9,822)
Distributions		(1,595)		(1,772)
Change in net assets attributable to shareholders from investment activities		7,718		(11,594)

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 March 2023

	31 March 2023		31 March 2022	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		116,171		179,395
Amounts receivable on issue of shares	1,160		11,551	
Amounts payable on cancellation of shares	(21,442)		(32,514)	
		(20,282)		(20,963)
Dilution adjustment		67		78
Change in net assets attributable to shareholders from investment activities		7,718		(11,594)
Retained distributions on accumulation shares		1,007		1,169
Closing net assets attributable to shareholders		104,681		148,085

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 March 2023

	31 March 2023 £'000	30 September 2022 £'000
Assets:		
Fixed assets:		
Investments	98,714	111,935
Current assets:		
Debtors	1,697	3,764
Cash and bank balances	5,721	2,325
Total assets	106,132	118,024
Liabilities:		
Investment liabilities	-	(959)
Creditors:		
Bank overdrafts	(322)	-
Distributions payable	(235)	(427)
Other creditors	(894)	(467)
Total liabilities	(1,451)	(1,853)
Net assets attributable to shareholders	104,681	116,171

Basis for preparation

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

The accounting policies applied are consistent with those in the annual financial statements for the year ended 30 September 2022 and are described in those annual financial statements.

BAILLIE GIFFORD

Baillie Gifford Investment Grade Long Bond Fund

a sub-fund of Baillie Gifford Bond Funds ICVC

*Interim Report and Financial Statements (Unaudited)
for the six months ended 31 March 2023*



Baillie Gifford Investment Grade Long Bond Fund

Investment Objective

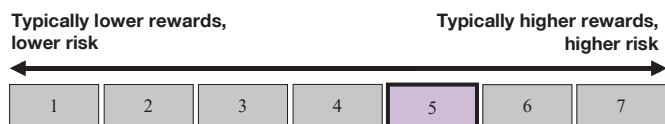
The Fund aims to outperform (after deduction of costs) the ICE BofA Sterling Non-Gilt over 10 Years Index by 0.5% per annum over rolling three-year periods.

Investment Policy

The Fund will invest at least 80% in investment grade bonds issued by corporate issuers, public bodies and supranationals. The Fund may also invest in other bonds including sub-investment grade bonds and government bonds. The bonds in which the Fund invests will be denominated in sterling or denominated in other currencies and hedged back to sterling. Currency forwards and derivatives, which are types of financial contracts, are used for both investment purposes and in the management of risk. The Fund will be actively managed and is not constrained by the index.

Risk and Reward Profile

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



Market conditions can change rapidly and a fund in any rank can lose you your investment. The Fund is classified as above as it invests in corporate bonds.

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

Bonds are affected by interest rates and inflation trends which may affect the value of the Fund. They could lose value if the issuer's financial health deteriorates.

Derivatives can magnify losses if returns go down.

In adverse market conditions it may be difficult to sell investments held by the fund in a timely manner and their value may fall significantly. This could affect how much money you receive and even delay the selling of your shares if dealing in the Fund is suspended.

Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.

You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

Expenses are taken from the Fund's capital. This will reduce the capital value of the Fund.

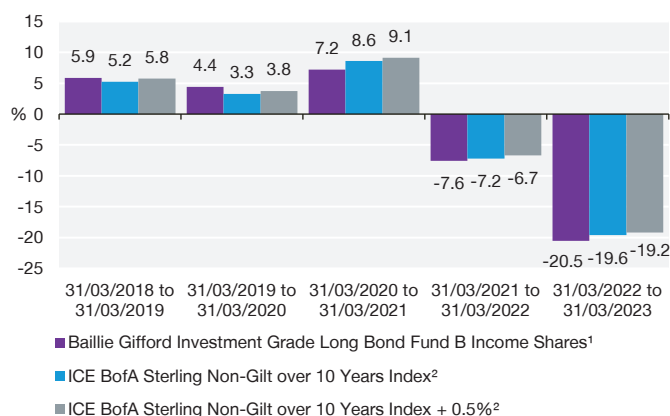
For a more detailed explanation of the risks, please see the "Risk Warnings" section of the prospectus.

Fees Allocated to Capital

For distribution purposes all expenses (including the Annual Management Charge) as represented by the OCF will be allocated to capital. This will reduce the capital value of the Fund.

Investment Report

Past Performance



The performance figures shown in this graph are for Class B Income Shares. Performance figures reflect the ACD's annual fee of 0.25%, but exclude any initial charge paid. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

Past Performance

The investment objective of the Fund is to outperform (after deduction of costs) the ICE BofA Sterling Non-Gilt over 10 Years Index (the 'Index') by 0.5% per annum (the 'target return') over rolling three-year periods. For the six months to 31 March 2023 the return on B Income Shares was 11.8%³ compared to the Index of 11.9%² and the target return of 12.2%². We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that three years is a more sensible timeframe over which to judge performance, a period in-line with the Fund's objectives. Over that period, the annualised return on B Income Shares was -7.3%³ compared to the return on the Index of -6.8%² and the target return of -6.3%².

Market Environment

Despite continued volatility, corporate bond markets have recovered in the past six months following the significant price falls seen earlier in 2022. While the outlook remains uncertain, inflation has started to

stabilise in America and the US Federal Reserve has begun to slow the pace of interest rate hikes in response. Confidence was also boosted as China emerged from its Zero-Covid strategy and unseasonably warm weather for much of the northern hemisphere supported growth.

While the overall trajectory has been positive, financial markets have oscillated in wide ranges for much of the period. Liz Truss' mini-budget, new inflation prints and instability in the banking sector have driven volatility. Throughout, central banks have remained committed to bringing inflation back to target levels. This will likely require an erosion of corporate pricing power and reduced profit margins. The longer we fail to see evidence of this, the higher interest rates will be and, therefore, the risk of 'something breaking' and the economy falling into recession increases. This would lead to a deeper earnings recession, which market pricing does not yet reflect.

¹Source: FE, 10am dealing prices, income reinvested, after charges. ²Source: StatPro and ICE, total return. The target return outperformance is compounded daily therefore the Index return plus the outperformance will not equal the target return. Please see Disclaimer on page 90. ³Source: Baillie Gifford & Co Limited, 10am dealing prices, income reinvested, after charges. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

Performance

The Fund has lagged its index benchmark in the past six months and over three years. As inflationary pressures have built it is no surprise that monetary policy has been tightening, but the pace and scale of interest rate rises in the past year has been greater than expected. This has disproportionately impacted certain sectors, with real estate companies particularly exposed to slowing growth and higher interest costs. Heimstaden Bostad, a Swedish residential property company, is one example held by the Fund which has been a detractor. The recent issues with Silicon Valley Bank and Credit Suisse have also created volatility in the banking sector, impacting some of the Fund's subordinated bonds. We view this as a short-term overreaction as the banking system remains well capitalised and the Fund lends to very high-quality banks which we believe remain fundamentally sound.

Positioning

The Fund is positioned reasonably defensively as we believe more volatility in corporate bond markets may ensue, with the impact of higher interest rates affecting the real economy. We reduced exposure to the property sector by selling bonds issued by CTP, an Eastern European logistics company, and reducing the aforementioned exposure to Heimstaden Bostad. Towards the end of the period, we added defensive exposure to the Fund with two new issues in the utilities sector in the form of Engie green bonds and Wessex Water Sustainable bonds. Each carries a commitment to use these funds to specifically finance green, social or sustainability projects.

Baillie Gifford & Co, 31 May 2023

Principal Bond Holdings as at 31 March 2023

Investment	Percentage of total Fund
Tesco 5.801% 2040	2.82
Network Rail 4.75% 2035	2.35
Annington Funding 2.924% 2051	2.35
National Grid 2% 2038	2.20
GlaxoSmithKline 1.625% 2035	2.19
Segro 5.125% 2041	1.90
KFW 4.875% 2037	1.67
Barclays 3.25% 2033	1.62
Pfizer 2.735% 2043	1.62
Aster 4.5% 2043	1.61

Material Portfolio Changes for the six months ended 31 March 2023

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
UK Treasury 4.25% 2040	19,608	UK Treasury 4.25% 2040	19,655
GlaxoSmithKline 5.25% 2042	4,557	GlaxoSmithKline 5.25% 2042	5,820
UK Treasury 3.75% 22/07/2052	4,286	EIB 3.875% 2037	5,049
Tesco 5.801% 2040	3,742	UK Treasury 3.75% 22/07/2052	4,259
EIB 3.875% 2037	3,137	Tesco Property Finance 5.661% 2041	3,667
GlaxoSmithKline 1.625% 2035	3,109	Clarion 3.125% 2048	3,275
Orsted 5.75% 2040	2,746	Enel 5.75% 2040	3,227
Aster 4.5% 2043	2,647	Tesco Property Finance 6 5.4111% 2044	3,163
UK Treasury 3.5% 22/01/2045	2,535	Aptiv 3.1% 2051	3,047
Enel 5.75% 2040	2,384	Berkshire Hathaway 2.625% 2059	2,876

The largest purchases and sales of bonds have been shown.

Portfolio Statement as at 31 March 2023

Stock description	Holding	Market value £'000	% of total net assets
Agency - 1.23% (1.73%)			
Temasek 1.25% 2049	1,300,000	721	1.23
Asset Backed - 8.45% (8.84%)			
Freshwater Finance 4.556% 2036	700,000	615	1.05
Freshwater Finance 5.182% 2035	400,000	388	0.66
Heathrow Airport 2.75% 2049	700,000	435	0.74
Heathrow Airport 4.625% 2046	500,000	429	0.73
Lunar Funding 1 5.75% 2033	500,000	530	0.90
Thames Water 2.375% 2040	600,000	383	0.65
Welsh Water 2.375% 2034	1,100,000	816	1.39
Welsh Water 4.473% 2057	200,000	185	0.32
Yorkshire Water 2.75% 2041	500,000	354	0.60
Yorkshire Water 5.5% 2035	600,000	604	1.03
Yorkshire Water 6.375% 2039	200,000	220	0.38
Automotive - 0.00% (1.79%)			
Banking - 6.72% (7.19%)			
Banca Intesa BCI 2.625% 2036	400,000	277	0.47
Barclays 3.25% 2033	1,200,000	950	1.62
Barclays 7.125% 2025 Perp	400,000	348	0.59
Citigroup 8.125% 2039	500,000	520	0.89
HSBC Holdings 6% 2040	902,000	807	1.37
Nationwide 5.875% 2024 Perp	200,000	179	0.30
Natwest 5.125% 2027 Perp	400,000	321	0.55
Rabobank Groep 5.375% 2060	200,000	228	0.39
Santander 4.375% 2026 Perp	200,000	138	0.24
Santander 6.75% 2024 Perp	200,000	177	0.30
Basic Industry - 0.50% (0.87%)			
Holcim 2.25% 2034	400,000	293	0.50

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Commercial Mortgage Backed - 2.82% (3.34%)			
Tesco 5.801% 2040	1,800,000	1,657	2.82
Consumer Goods - 0.90% (0.00%)			
AB InBev 8.2% 2039	500,000	529	0.90
Financial Services - 5.35% (5.47%)			
Abrdn 5.25% 2026 Perp	400,000	314	0.53
Berkshire Hathaway 2.375% 2039	700,000	503	0.86
Berkshire Hathaway 2.625% 2059	900,000	565	0.96
Burford Capital 6.25% 2028 (144a)	200,000	141	0.24
Investor AB 0.375% 2035	1,600,000	931	1.59
Motability 1.5% 2041	700,000	421	0.72
Motability 2.125% 2042	400,000	264	0.45
Government Guaranteed - 6.51% (5.62%)			
KFW 4.875% 2037	900,000	979	1.67
KFW 5% 2036	600,000	664	1.13
LCR Finance 5.1% 2051	700,000	798	1.36
Network Rail 4.75% 2035	1,300,000	1,378	2.35
Health Care - 4.34% (4.13%)			
GlaxoSmithKline 1.625% 2035	1,800,000	1,289	2.19
GlaxoSmithKline 5.25% 2042	300,000	311	0.53
Pfizer 2.735% 2043	1,300,000	949	1.62
Insurance - 3.50% (4.87%)			
Aviva 4% 2035/55	474,000	369	0.63
M&G 5.56% 2035/2055	200,000	174	0.30
M&G 6.25% 2048/2068	200,000	171	0.29
Pension Insurance 3.625% 2032	700,000	529	0.90
Phoenix Life 5.625% 2031	600,000	542	0.92

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Zurich Financial Services 5.125% 2032/2052	300,000	271	0.46
Media - 1.13% (1.04%)			
Time Warner Cable 5.25% 2042	800,000	666	1.13
Real Estate - 16.85% (18.24%)			
Annington Finance 3.935% 2047	400,000	280	0.48
Annington Funding 2.924% 2051	2,500,000	1,378	2.35
Annington Funding 3.685% 2034	600,000	473	0.81
Aster 4.5% 2043	1,000,000	947	1.61
Berkeley Group 2.5% 2031	400,000	278	0.47
Clarion 1.875% 2051	1,500,000	760	1.29
Clarion 4.25% 2042	800,000	692	1.18
Heimstaden Bostad 3.375% 2026 Perp	551,000	253	0.43
Housing & Care 3.288% 2049	1,100,000	804	1.37
Karbon 3.375% 2047	900,000	702	1.20
Longhurst Libra 3.25% 2043	1,100,000	830	1.41
Segro 5.125% 2041	1,157,000	1,118	1.90
Sovereign Housing Capital 4.768% 2043	800,000	775	1.32
Tritax Big Box 1.5% 2033	900,000	603	1.03
Services - 1.73% (2.53%)			
University of Cambridge 2.35% 2078	300,000	181	0.31
University of Cambridge 3.75% 2052	200,000	178	0.30
University of Oxford 2.544% 2117	400,000	219	0.37
Wellcome Trust 2.517% 2118	800,000	440	0.75
Sovereign - 1.33% (0.00%)			
UK Treasury 4.75% 07/12/2038	700,000	781	1.33
Supranational - 3.30% (5.35%)			
EIB 4.5% 2044	700,000	733	1.25
EIB 4.625% 2054	400,000	431	0.73

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
EIB 5% 2039	700,000	774	1.32
Technology & Electronics - 1.47% (4.80%)			
Apple 4.375% 2045	1,100,000	862	1.47
Telecommunications - 9.17% (7.48%)			
America Movil 4.375% 2041	1,000,000	866	1.48
America Movil 4.948% 2033	600,000	583	0.99
AT&T 4.25% 2043	1,000,000	824	1.40
AT&T 4.875% 2044	600,000	532	0.91
AT&T 7% 2040	500,000	565	0.96
Orange SA 5.625% 2034	300,000	314	0.53
Orange SA 5.375% 2050	300,000	303	0.52
Vodafone 3% 2056	1,500,000	914	1.56
Vodafone Group 3.375% 2049	700,000	484	0.82
Transportation - 0.46% (0.48%)			
Manchester Airport 2.875% 2044	400,000	267	0.46
Utilities - 17.21% (13.77%)			
Centrica 4.25% 2044	1,000,000	796	1.35
E.ON 5.875% 2037	900,000	916	1.56
E.ON 6.125% 2039	200,000	208	0.35
EDF 5.125% 2050	1,000,000	849	1.45
EDF 5.5% 2037	400,000	376	0.64
EDF 5.5% 2041	300,000	275	0.47
EDF 6% 2114	900,000	823	1.40
ENEL 5.75% 2037	400,000	401	0.68
Enel 5.75% 2040	500,000	497	0.85
Engie 5.625% 2053 Green	700,000	698	1.19
Engie SA 5% 2060	400,000	368	0.63
National Grid 2% 2038	2,000,000	1,293	2.20
Northern Powergrid 2.25% 2059	1,100,000	617	1.05
Orsted 5.75% 2040	700,000	726	1.24
Severn Trent 4.625% 2034	730,000	688	1.17

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
TXU Eastern Funding 7.25% 2030 ¹	187,000	-	0.00
Vattenfall 6.875% 2039	300,000	351	0.60
Wessex Water Sustainable 5.125% 2032	228,000	224	0.38
Derivatives - -1.51% (-4.54%)			
Forward currency contracts (see Table 1)		34	0.06
Futures contracts (see Table 2)		-	0.00
Interest rate swap contracts (see Table 3)		(921)	(1.57)
Portfolio of investments		53,696	91.46
Net other assets - 8.54% (7.00%)		5,015	8.54
Net assets		58,711	100.00

¹The issuer of this bond was in administration at the period end, therefore the bond has been valued at the Investment Adviser's valuation.

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

Unless otherwise stated the above holdings are in fixed interest securities.

Figures in brackets in the investment category headings refer to 30 September 2022.

Portfolio Statement as at 31 March 2023 cont.

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

Counterparty	Settlement	Buy	Buy Amount	Sell	Sell Amount	Unrealised gains/(losses) £'000	% of total net assets
Deutsche Bank	18/05/23	GBP	2,245,472	EUR	2,540,000	9	0.02
Royal Bank of Canada	18/05/23	GBP	2,115,797	USD	2,588,000	25	0.04
Unrealised gains/(losses) on open forward currency contracts						34	0.06

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

Futures	Maturity	Notional	Unrealised gains/(losses) £'000	% of total net assets
Euro Buxl 30 Year Bund June 2023	12/06/23	(6)	-	0.00
Euro-Bund Future June 2023	12/06/23	(12)	-	0.00
Long Gilt Future 10 Year June 2023	30/06/23	53	-	0.00
US 10 Year Note Future June 2023	30/06/23	(3)	-	0.00
US Long Bond (CBT) June 2023	30/06/23	(16)	-	0.00
Unrealised gains/(losses) on futures contracts			-	0.00

Table 3: Unrealised gains/(losses) on open interest rate swap contracts

Counterparty	Ccy	Termination	Notional	Fund pays	Fund receives	Unrealised gains/(losses) £'000	% of total net assets
JP Morgan	GBP	02/10/43	400,000	0.7625%	Overnight Rate	149	0.25
JP Morgan	GBP	02/10/43	2,880,000	Overnight Rate	0.7625%	(1,070)	(1.82)
Unrealised gains/(losses) on open interest rate swap contracts						(921)	(1.57)

Fund Information

Fund and Share Information				
	31.03.23	30.09.22	30.09.21	30.09.20
Total net asset value of scheme property (£'000)	58,711	64,428	148,861	212,174
Synthetic Risk and Reward Indicator¹	5	5	5	4
Net asset value per share (pence)				
B Accumulation	231.73	207.25	320.00	323.51
B Income	95.61	87.04	139.58	145.00
C Accumulation	235.79	210.62	324.39	327.14
C Income	97.87	88.99	142.30	147.45
Number of shares in issue				
B Accumulation	1,227,308	1,449,411	5,960,750	6,516,272
B Income	16,827,079	17,261,884	28,674,977	43,957,857
C Accumulation	853,539	1,067,169	5,404,602	16,808,893
C Income	38,586,924	49,611,322	50,759,331	49,079,985
Annual Income Record				
	Period to 31.03.23 (pence)	Year to 30.09.22 (pence)	Year to 30.09.21 (pence)	Year to 30.09.20 (pence)
Income per share (financial period)				
B Accumulation	4.04	9.22	8.81	9.39
B Income	1.70	3.99	3.92	4.30
C Accumulation	4.10	9.23	8.91	9.49
C Income	1.74	4.07	3.99	4.36
Yearly Highest and Lowest Prices				
	Period to 31.03.23 (pence)	Year to 30.09.22 (pence)	Year to 30.09.21 (pence)	Year to 30.09.20 (pence)
Highest (financial period)				
B Accumulation	243.0	340.8	344.6	332.8
B Income	101.9	148.7	154.1	151.3
C Accumulation	247.1	345.6	348.7	336.5
C Income	104.2	151.6	156.8	153.7
Lowest (financial period)				
B Accumulation	188.3	191.2	315.0	265.3
B Income	79.08	81.90	140.2	121.9
C Accumulation	191.3	194.3	318.9	268.0
C Income	80.86	83.63	142.7	123.8

Fund Information cont.

Ongoing Charges Figures	31.03.23 (%)	30.09.22 (%)	30.09.21 (%)	30.09.20 (%)
Ongoing Charges Figures²				
B Accumulation	0.29	0.27	0.28	0.28
B Income	0.29	0.28	0.28	0.28
C Accumulation	0.03	0.03	0.03	0.02
C Income	0.04	0.03	0.03	0.02

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

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

²The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website www.bailliegifford.com.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 March 2023

	31 March 2023		31 March 2022	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		11,776		(13,194)
Revenue	3,037		1,954	
Expenses	(38)		(84)	
Net revenue before taxation	2,999		1,870	
Taxation	(1)		-	
Net revenue after taxation		2,998		1,870
Total return before distributions		14,774		(11,324)
Distributions		(2,743)		(1,450)
Change in net assets attributable to shareholders from investment activities		12,031		(12,774)

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 March 2023

	31 March 2023		31 March 2022	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		64,428		148,861
Amounts receivable on issue of shares	127,498		1,656	
Amounts payable on cancellation of shares	(147,868)		(28,177)	
		(20,370)		(26,521)
Dilution adjustment		1,797		97
Change in net assets attributable to shareholders from investment activities		12,031		(12,774)
Retained distributions on accumulation shares		825		198
Closing net assets attributable to shareholders		58,711		109,861

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 March 2023

	31 March 2023 £'000	30 September 2022 £'000
Assets:		
Fixed assets:		
Investments	54,766	62,985
Current assets:		
Debtors	2,449	5,357
Cash and bank balances	4,234	810
Total assets	61,449	69,152
Liabilities:		
Investment liabilities	(1,070)	(3,066)
Creditors:		
Bank overdrafts	(347)	(152)
Distributions payable	(479)	(1,129)
Other creditors	(842)	(377)
Total liabilities	(2,738)	(4,724)
Net assets attributable to shareholders	58,711	64,428

Basis for preparation

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

The accounting policies applied are consistent with those in the annual financial statements for the year ended 30 September 2022 and are described in those annual financial statements.

BAILLIE GIFFORD

Baillie Gifford Strategic Bond Fund

a sub-fund of Baillie Gifford Bond Funds ICVC

*Interim Report and Financial Statements (Unaudited)
for the six months ended 31 March 2023*



Baillie Gifford Strategic Bond Fund

Investment Objective

The Fund aims to produce monthly income. Opportunities for capital growth are also sought, subject to prevailing market conditions.

Investment Policy

The Fund will invest at least 80% in a diversified portfolio of (1) investment grade and (2) sub-investment grade bonds, issued by corporate issuers, public bodies and supranationals, and (3) developed market government bonds. The fund may also invest in other bonds. The bonds in which the Fund invests will be denominated in sterling or denominated in other currencies and hedged back to sterling. Currency forwards and derivatives, which are types of financial contracts, are used for both investment purposes and in the management of risk. The Fund will be actively managed through bond selection and strategic asset allocation.

Risk and Reward Profile

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



Market conditions can change rapidly and a fund in any rank can lose you your investment. The Fund is classified as above as it invests in corporate bonds.

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

Bonds are affected by interest rates and inflation trends which may affect the value of the Fund. They could lose value if the issuer's financial health deteriorates.

Derivatives can magnify losses if returns go down.

In adverse market conditions it may be difficult to sell investments held by the fund in a timely manner and their value may fall significantly. This could affect how much money you receive and even delay the selling of your shares if dealing in the Fund is suspended.

Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.

You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

Expenses are taken from the Fund's capital. This will reduce the capital value of the Fund.

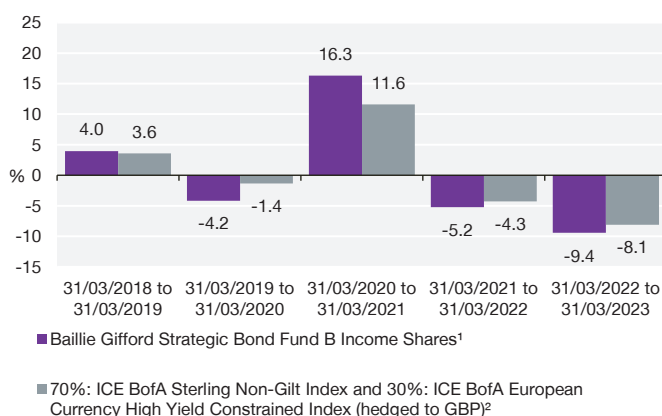
For a more detailed explanation of the risks, please see the "Risk Warnings" section of the prospectus.

Fees Allocated to Capital

For distribution purposes all expenses (including the Annual Management Charge) as represented by the OCF will be allocated to capital. This will reduce the capital value of the Fund.

Investment Report

Past Performance



The performance figures shown in this graph are for Class B Income Shares. Performance figures reflect the ACD's annual fee of 0.5%, but exclude any initial charge paid. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

Past Performance

The investment objective of the Fund is to produce monthly income. Opportunities for capital growth are also sought, subject to prevailing market conditions. For the six months to 31 March 2023 income totalling 1.24 pence per share was declared for B Income Shares and the total return was 7.6%³ compared to the composite index⁴ ('comparative benchmark') of 8.7%². We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that three years is a more sensible timeframe over which to judge performance, a period in-line with the Fund's objectives. Over that period, income totalling 9.21 pence per share was declared for B Income Shares and the annualised total return was -0.4%³ compared to the comparator benchmark of -0.6%².

Market Environment

Despite recent volatility, corporate bond markets have recovered in the past six months following the significant price falls seen earlier in 2022. While the outlook

remains uncertain, inflation has started to stabilise in America and the US Federal Reserve has begun to slow the pace of interest rate hikes in response. Confidence was also boosted as China emerged from its Zero-Covid strategy and unseasonably warm weather for much of the northern hemisphere supported growth.

While the overall trajectory has been positive, financial markets have oscillated in wide ranges for much of the period. Liz Truss' mini-budget, new inflation prints and instability in the banking sector have driven volatility. Throughout, central banks have remained committed to bringing inflation back to target levels. This will likely require an erosion of corporate pricing power and reduced profit margins. The longer we fail to see evidence of this, the higher interest rates will be and, therefore, the risk of 'something breaking' and the economy falling into recession increases. This would lead to a deeper earnings recession, which market pricing does not yet reflect.

¹Source: FE, 10am dealing prices, income reinvested, after charges. ²Source: StatPro and The Investment Association, total return. Please see Disclaimer on page 90. ³Source: Baillie Gifford & Co Limited, 10am dealing prices, income reinvested, after charges. You should be aware that past performance is not a guide to future performance. ⁴The composite index is comprised of 70%: ICE BofA Sterling Non-Gilt Index and 30%: ICE BofA European Currency High Yield Constrained Index (hedged to GBP).

Investment Report cont.

Performance

In the past 6 months, the Fund underperformed the comparator benchmark. The Fund's exposure to BB and B-rated high yield corporate bonds was additive as credit spreads - the additional yield offered by corporate bonds above government bond yields - tightened. Relative to the comparator benchmark, value added through active credit risk management was offset by bond selection. For example, American primary health care provider Cano Health performed poorly as it was downgraded on concerns around its high leverage. For the moment, we continue to hold as Cano is posting rapid organic growth, and takeover potential remains. In addition, the portfolio's exposure to corporate hybrid bonds detracted from the performance of the Fund due to their higher sensitivity to volatile market conditions. Subordinated hybrid bonds provide an opportunity to access higher yields from companies with resilient characteristics by moving down the capital structure. We believe the higher yields offered by these positions are attractive for the long-term investor, and as such, we are willing to accept the short-term volatility that comes with holding these bonds.

Positioning

Given the uncertain macroeconomic outlook, we started to reduce portfolio credit risk in the first quarter of 2023 as valuations recovered. By the end of March, high yield exposure had fallen from 41% to 26%. This was achieved by reducing positions in high yield and industrial hybrid bonds issued by companies such as French hotel group Accor and Indian telco Bharti Airtel. Complete sales included UK retailer Marks and Spencer, given the continued pressures on the UK consumer. These were replaced with high-quality additions such as A-rated bonds issued by leading Japanese telecommunications company, NTT. We believe this partially state-owned company's strong cash generation and commitment to deleveraging will see the balance sheet glide back to strength over the coming years. We also added low-risk, supranational bonds issued by the European Investment Bank.

During the period, we continued to identify new ideas, including Yara International, a partially state-owned European fertiliser company with a long and successful track record of navigating various commodity cycles. Given expected falls in profitability after a record year in 2022, their bonds offer excellent compensation for the long-term investor as their balance sheet remains robust and resilient enough to withstand short-term pressures. In addition, we purchased senior secured US dollar bonds issued by American information, data and market measurement firm Nielsen. While Nielsen is highly levered, we are attracted to its high-margin, cash-generative core business, which has effectively adapted to structural change.

Baillie Gifford & Co, 31 May 2023

Principal Bond Holdings as at 31 March 2023

Investment	Percentage of total Fund
NatWest Gp 2.875% 2026	2.78
Barclays 1.7% 2026	2.74
LeasePlan 7.375% 2024 Perp	2.60
EIB 3.875% 2037	2.14
KFW 1.375% 2024	2.08
Netflix 4.625% 2029	2.06
EIB 1.375% 2025	1.99
Virgin Media 5% 2027	1.96
EDF 6% 2026 Perp	1.95
InPost 2.25% 2027	1.88

Material Portfolio Changes for the six months ended 31 March 2023

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
EIB 1.375% 2025	14,502	EDP 4.496% 2024/79	20,056
KFW 1.375% 2024	13,707	Co-operative Group 7.5% 2026	15,486
DNB Bank 4% 2027	13,484	Compass Minerals International 6.75% 2027 (144A)	15,120
EIB 3.875% 2037	11,188	Match.com 5.625% 2029 144A	13,020
NTT 1.162% 2026	9,332	Cellnex Telecom 0.75% 2031 Convertible	11,589
AT&T 4.25% 2043	8,009	Telefonica 4.375% 2025 Perp	10,330
Enel 5.75% 2040	7,845	Marks and Spencer 7.125% 2037 (144A)	10,011
Yara Intl 7.378% 2032 (144A)	7,801	Nordstrom 4.375% 2030	10,003
Enel 5.625% 2024	7,641	Bharti Airtel 5.65% 2025 Perp	9,238
EIB 0.75% 2024	7,555	AT&T 2.875% Perp	8,937

The largest purchases and sales of bonds have been shown.

Portfolio Statement as at 31 March 2023

Stock description	Holding	Market value £'000	% of total net assets
Agency - 1.18% (0.59%)			
Temasek 0.5% 2031	6,920,000	4,713	0.65
Temasek 3.5% 2033	4,400,000	3,861	0.53
Asset Backed - 0.41% (0.44%)			
Mitchells & Butlers 5.574% 15/12/2030	3,770,000	975	0.14
Mitchells & Butlers 5.965% 15/12/2023	3,704,000	165	0.02
Mitchells & Butlers 6.469% 15/09/2030	2,022,000	1,823	0.25
Banking - 14.67% (9.68%)			
Barclays 1.7% 2026	22,160,000	19,939	2.74
Caixabank 6.75% 2024 Perp	4,200,000	3,533	0.48
DNB Bank 4% 2027	13,900,000	13,197	1.81
J.P. Morgan 1.895% 2033	15,980,000	12,261	1.68
NatWest Gp 2.875% 2026	21,750,000	20,241	2.78
Santander 1.5% 2026	12,400,000	10,927	1.50
Santander 4.75% 2025 Perp	17,400,000	12,144	1.67
Svenska Handelsbanken 3.375% 2028	4,400,000	3,800	0.52
Svenska Handelsbanken 6.25% 2024 Perp	13,800,000	10,826	1.49
Basic Industry - 2.58% (3.67%)			
Victoria 3.625% 2026	7,431,000	5,253	0.72
Victoria 3.75% 2028	8,550,000	5,847	0.80
Yara Intl 7.378% 2032 (144A)	8,600,000	7,693	1.06
Commercial Mortgage Backed - 6.61% (5.45%)			
Delamare (B-1) 6.067% 2029	2,620,000	2,565	0.35
Delamare 5.5457% 2029	10,070,000	6,143	0.84
Telereal (B-4) 6.1645% 2031	11,282,000	9,751	1.34
Telereal (C1) FRN 2031	11,180,000	9,671	1.33
Telereal 1.3657% 2031 (A6)	2,750,000	1,787	0.25
Telereal 1.963% 2033 (B2) ¹	1,877,000	1,675	0.23
Tesco Property Finance 5.744% 2040	7,350,000	6,623	0.91

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Tesco Property Finance 6 5.4111% 2044	11,450,000	9,923	1.36
Consumer Goods - 0.00% (0.00%)			
Virgolino De Oliveira 11.75% 2022 ²	2,485,000	-	0.00
Energy - 0.72% (1.97%)			
Venture Global Calcasieu 3.875% 2029 (144A)	3,266,000	2,375	0.33
Venture Global Calcasieu 3.875% 2033 (144A)	4,230,000	2,883	0.39
Financial Services - 9.71% (11.94%)			
Abrdn 5.25% 2026 Perp	7,320,000	5,755	0.79
Berkshire Hathaway 2.375% 2039	12,120,000	8,714	1.20
Berkshire Hathaway 2.625% 2059	8,650,000	5,427	0.74
Fidelity 7.125% 2024	300,000	303	0.04
Investec 2.625% 2032	15,120,000	12,169	1.67
Investor AB 0.375% 2035	2,480,000	1,443	0.20
LeasePlan 7.375% 2024 Perp	22,450,000	18,950	2.60
Orix Corp. 4.477% 2028	4,300,000	3,797	0.52
PaymentSense 8% 2025	7,003,000	6,302	0.87
Pershing Square 3.25% 2031 (RegS)	2,130,000	1,307	0.18
Pershing Square Holdings 1.375% 2027	5,504,000	4,034	0.55
Pershing Square Holdings 3.25% 2030	4,007,000	2,544	0.35
Government Guaranteed - 4.81% (2.19%)			
KFW 1.375% 2024	16,000,000	15,189	2.08
KFW 5% 2036	8,510,000	9,417	1.29
KFW 5.75% 2032	9,120,000	10,466	1.44
Health Care - 0.30% (1.22%)			
Cano Health 6.25% 2028 (144A)	4,470,000	1,979	0.27
SmileDirectClub 0% 2026 Convertible (144A)	2,230,000	182	0.03
Insurance - 8.93% (8.93%)			
Helvetia Hdg 2.75% 2031/2041	14,740,000	10,171	1.40
Hiscox 6% 2027	8,380,000	8,496	1.17

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Pension Insurance 3.625% 2032	4,700,000	3,551	0.49
Pension Insurance 4.625% 2031	5,640,000	4,715	0.65
Pension Insurance 5.625% 2030	6,650,000	5,981	0.82
Pension Insurance 8% 2026	7,820,000	8,051	1.10
Rothsay Life 8% 2025	11,640,000	11,901	1.63
ZhongAn 3.125% 2025	1,700,000	1,169	0.16
ZhongAn 3.5% 2026	4,300,000	2,799	0.38
Zurich Financial Services 5.125% 2032/2052	9,070,000	8,199	1.13
Leisure - 1.08% (1.77%)			
Accor SA 2.625% 2025 Perp	9,800,000	7,860	1.08
Media - 3.06% (5.84%)			
Netflix 3.625% 2030	3,080,000	2,594	0.35
Netflix 4.625% 2029	16,765,000	15,005	2.06
Prosus 3.832% 2051	9,200,000	4,738	0.65
Real Estate - 6.40% (4.95%)			
Annington Finance 3.935% 2047	2,800,000	1,959	0.27
Annington Funding 2.308% 2032	12,846,000	9,348	1.28
Annington Funding 2.924% 2051	4,880,000	2,689	0.37
Berkeley Group 2.5% 2031	9,600,000	6,683	0.92
CPI Property 2.75% 2028	11,720,000	7,914	1.09
Ctp N.V. 0.75% 2027	5,100,000	3,470	0.48
Ctp N.V. 1.25% 2029	3,680,000	2,214	0.30
Heimstaden Bostad 0.25% 2024	7,330,000	5,812	0.80
Heimstaden Bostad 2.625% 2027 Perp	14,840,000	6,520	0.89
Retail - 3.45% (8.58%)			
B&M European Value Retail 4% 2028	7,370,000	6,156	0.84
Co-operative Group 5.125% 2024	7,243,000	7,128	0.98
MercadoLibre 3.125% 2031	14,090,000	8,796	1.21
Rakuten 4.25% 2027 Perp	6,740,000	3,039	0.42

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Services - 7.03% (4.69%)			
InPost 2.25% 2027	18,390,000	13,665	1.88
Nielsen 9.29% 2029 (144A)	4,700,000	3,524	0.48
Ocado 0.75% 2027 Convertible	8,500,000	5,646	0.78
Ocado 3.875% 2026	7,380,000	5,476	0.75
United Rentals 6% 2029 (144A)	4,700,000	3,853	0.53
University of Cambridge 2.35% 2078	5,927,000	3,587	0.49
University of Cambridge 3.75% 2052	6,500,000	5,790	0.79
University of Oxford 2.544% 2117	9,930,000	5,426	0.75
Zenith 6.5% 2027	5,600,000	4,228	0.58
Sovereign - 1.11% (0.74%)			
UK Treasury 0.125% 31/01/2024	6,190,000	6,000	0.82
UK Treasury 1.75% 22/07/2057	3,352,447	2,088	0.29
Supranational - 7.06% (1.79%)			
EIB 0.75% 2024	9,280,000	8,752	1.20
EIB 0.875% 2026	2,400,000	2,177	0.30
EIB 1.375% 2025	15,300,000	14,461	1.99
EIB 3.875% 2037	15,866,000	15,590	2.14
EIB 4.625% 2054	2,300,000	2,482	0.34
EIB 5.5% 2025	2,700,000	2,757	0.38
EIB 5.625% 2032	3,383,000	3,850	0.53
IBRD 5.75% 2032	1,175,000	1,343	0.18
Technology & Electronics - 3.77% (5.32%)			
AAC Technologies 2.625% 2026	5,260,000	3,475	0.48
AMS 0% 2025 Convertible	17,200,000	11,911	1.63
Cellnex Telecom 2% 2033	7,600,000	5,112	0.70
Ubisoft Entertainment 0.878% 2027	11,200,000	6,994	0.96
Telecommunications - 6.23% (8.77%)			
Bharti Airtel 5.65% 2025 Perp	14,154,000	10,810	1.48
NTT 1.162% 2026	12,700,000	9,271	1.27

Portfolio Statement as at 31 March 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
NTT 1.591% 2028	5,020,000	3,514	0.48
Telecom Italia 5.875% 2023	7,550,000	7,535	1.04
Virgin Media 5% 2027	15,272,000	14,279	1.96
Transportation - 0.34% (0.39%)			
Fraport 1.875% 2028	3,190,000	2,474	0.34
Utilities - 6.01% (6.48%)			
EDF 4.5% 2069	5,400,000	3,196	0.44
EDF 6% 2026 Perp	16,000,000	14,214	1.95
EDF 6% 2114	1,900,000	1,737	0.24
Enel 5.625% 2024	7,500,000	7,544	1.04
Enel 5.75% 2040	8,950,000	8,902	1.22
Orsted 1.75% 2027 Perp	10,990,000	8,174	1.12
Derivatives - 0.25% (-0.23%)			
Forward currency contracts (see Table 1)		2,034	0.28
Futures contracts (see Table 2)		-	0.00
Interest rate swap contracts (see Table 3)		181	0.02
Credit default swap contracts (see Table 4)		(377)	(0.05)
Portfolio of investments		697,206	95.71
Net other assets - 4.29% (4.83%)		31,215	4.29
Net assets		728,421	100.00

¹This bond has been valued using a single broker quote.

²This bond was in default at the year end, therefore the bond has been valued at the Investment Adviser's valuation.

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

Unless otherwise stated the above holdings are in fixed interest securities.

Figures in brackets in the investment category headings refer to 30 September 2022.

Portfolio Statement as at 31 March 2023 cont.

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

Counterparty	Settlement	Buy	Buy Amount	Sell	Sell Amount	Unrealised gains/(losses) £'000	% of total net assets
HSBC	18/05/23	GBP	175,363,349	EUR	198,577,000	568	0.08
NatWest	18/05/23	GBP	89,303,082	USD	108,714,000	1,466	0.20
Unrealised gains/(losses) on open forward currency contracts						2,034	0.28

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

Futures	Maturity	Notional	Unrealised gains/(losses) £'000	% of total net assets
Euro-Bobl Future June 2023	12/06/23	109	-	0.00
Euro-Bund Future June 2023	12/06/23	(173)	-	0.00
Long Gilt Future 10 Year June 2023	30/06/23	714	-	0.00
US 5 Year Note June 2023	06/07/23	224	-	0.00
US Long Bond (CBT) June 2023	30/06/23	89	-	0.00
US Ultra 10 Year Note Future June 2023	30/06/23	(617)	-	0.00
US Ultra Long (CBT) June 2023	30/06/23	(14)	-	0.00
Unrealised gains/(losses) on futures contracts				0.00

Table 3: Unrealised gains/(losses) on open interest rate swap contracts:

Counterparty	Ccy	Termination	Notional	Fund pays	Fund receives	Unrealised gains/(losses) £'000	% of total net assets
J.P. Morgan Securities PLC	GBP	06/03/26	41,500,000	Overnight Rate	4.535800000	181	0.02
Unrealised gains/(losses) on open interest rate swap contracts						181	0.02

Table 4: Credit default swap contracts

Credit Default Swap	Maturity	Currency	Direction	Notional	Premium	Market Value £'000	% of total net assets
iTraxx Europe Crossover Series 39 Version 1	20/06/28	EUR	Buy protection	16,500,000	0%	(377)	(0.05)
Credit Default Swaps (Liability)						(377)	(0.05)

Fund Information

Fund and Share Information	31.03.23	30.09.22	30.09.21	30.09.20
Total net asset value of scheme property (£'000)	728,421	787,131	1,330,187	1,289,236
Synthetic Risk and Reward Indicator¹	4	4	4	4
Net asset value per share (pence)				
A Accumulation	193.26	180.11	228.51	220.11
A Income	67.96	64.36	84.82	84.46
B Accumulation	212.58	197.62	249.47	239.10
B Income	73.12	69.12	90.55	89.72
C Accumulation	248.65	230.58	289.64	276.22
C Income	78.13	73.71	96.10	94.75
Number of shares in issue				
A Accumulation	3,922,666	5,045,630	6,700,550	7,393,727
A Income	4,082,143	5,115,286	6,725,356	6,767,813
B Accumulation	201,894,201	241,252,330	331,457,349	335,502,352
B Income	377,350,304	422,141,690	528,057,495	516,732,795
C Accumulation	4,984,595	2,440,700	1,000	1,000
C Income	750,278	750,278	4,280,913	1,516,530
Annual Income Record	Period to 31.03.23 (pence)	Year to 30.09.22 (pence)	Year to 30.09.21 (pence)	Year to 30.09.20 (pence)
Income per share (financial period)				
A Accumulation	3.40	7.50	7.56	7.63
A Income	1.10	2.75	2.88	3.00
B Accumulation	3.76	8.21	8.22	8.28
B Income	1.24	2.94	3.06	3.17
C Accumulation	4.18	9.54	9.54	9.51
C Income	1.36	3.13	3.26	3.33

Fund Information cont.

Yearly Highest and Lowest Prices				
	Period to 31.03.23 (pence)	Year to 30.09.22 (pence)	Year to 30.09.21 (pence)	Year to 30.09.20 (pence)
Highest (financial period)				
A Accumulation	200.5	231.3	234.2	223.8
A Income	70.91	85.56	88.43	88.23
B Accumulation	220.3	252.8	255.5	243.1
B Income	76.22	91.35	93.92	93.27
C Accumulation	257.5	293.7	296.4	280.8
C Income	81.42	97.07	99.64	98.14
Lowest (financial period)				
A Accumulation	176.9	179.2	220.3	187.3
A Income	63.20	65.13	84.53	73.83
B Accumulation	194.1	196.6	239.3	203.0
B Income	67.89	69.51	89.79	78.04
C Accumulation	226.5	229.4	276.5	233.9
C Income	72.41	74.26	94.82	82.11
Ongoing Charges Figures	31.03.23 (%)	30.09.22 (%)	30.09.21 (%)	30.09.20 (%)
Ongoing Charges Figures²				
A Accumulation	1.02	1.03	1.02	1.02
A Income	1.03	1.03	1.02	1.02
B Accumulation	0.52	0.52	0.52	0.52
B Income	0.52	0.52	0.52	0.52
C Accumulation	0.02	0.02	0.03	0.03
C Income	0.02	0.02	0.03	0.03

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

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

²The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website www.bailliegifford.com.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 March 2023

	31 March 2023		31 March 2022	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		42,940		(93,542)
Revenue	16,860		20,653	
Expenses	(1,995)		(3,275)	
Net revenue before taxation	14,865		17,378	
Taxation	-		36	
Net revenue after taxation		14,865		17,414
Total return before distributions		57,805		(76,128)
Distributions		(13,745)		(16,222)
Change in net assets attributable to shareholders from investment activities		44,060		(92,350)

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 March 2023

	31 March 2023		31 March 2022	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		787,131		1,330,187
Amounts receivable on issue of shares	17,879		39,875	
Amounts payable on cancellation of shares	(129,524)		(180,412)	
		(111,645)		(140,537)
Dilution adjustment		497		293
Change in net assets attributable to shareholders from investment activities		44,060		(92,350)
Retained distributions on accumulation shares		8,378		9,538
Closing net assets attributable to shareholders		728,421		1,107,131

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 March 2023

	31 March 2023 £'000	30 September 2022 £'000
Assets:		
Fixed assets:		
Investments	697,583	753,927
Current assets:		
Debtors	16,722	43,592
Cash and bank balances	30,778	16,787
Total assets	745,083	814,306
Liabilities:		
Investment liabilities	(377)	(4,845)
Creditors:		
Bank overdrafts	(6,955)	(223)
Distributions payable	(802)	(3,187)
Other creditors	(8,528)	(18,920)
Total liabilities	(16,662)	(27,175)
Net assets attributable to shareholders	728,421	787,131

Basis for preparation

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

The accounting policies applied are consistent with those in the annual financial statements for the year ended 30 September 2022 and are described in those annual financial statements.

General Information

Dilution Adjustment

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

The COLL Rules allow the cost of dilution to be (1) met directly from the Scheme Property attributable to the sub-fund or (2) addressed by the imposition on investors of a dilution levy on the issue by the Company, subscriptions facilitated 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 subscriptions facilitated 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.

General Information cont.

Dilution Adjustment cont.

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.

Stamp Duty Reserve Tax (SDRT)

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

Taxation Reporting

In order to fulfil its legal obligations, the ACD is required to collect and report certain information about shareholders (and in some circumstances the shareholder's controlling persons), including their identity, tax residency, tax status and financial information relating to their shareholding. Shareholders must provide the ACD with any information required to meet these obligations, and may also be asked to provide self-certifications and tax reference numbers or the equivalent. The ACD reserves the right to refuse an

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

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

Share Classes

The net asset value of each sub-fund, the net asset value per share, and the number of shares in each class are shown in the Fund Information sections of the relevant sub-fund. In each sub-fund all share classes have the same rights on winding up.

With effect from 1 March 2022, Class A shares are only available to persons with a written agreement with the ACD or one of its associates. This requirement for a written agreement does not apply to those who held shares in this Class as at 28 February 2022 and who will continue to hold shares in this Class.

Where Class C shares are available, they are only available to persons to whom the ACD, or 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.

The minimum lump sum investment amounts are shown in the table on page 91.

Equalisation

The Company will operate grouping for equalisation. Each class of shares will operate its own equalisation account. Shares subscribed for during a distribution period are called Group 2 shares. Shares subscribed for during any previous distribution period are called Group 1 shares. Group 2 shares contain in their subscription price an amount called equalisation which represents a proportion of the net income of the sub-fund that has accrued up to the date of subscription. The amount of

General Information cont.

Equalisation cont.

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.

Fund Charges and Costs

For further details on the costs associated with investing in the sub-funds of the ICVC, please see the Enhanced Disclosure of Funds Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website www.bailliegifford.com.

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.

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General Information cont.

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General Information cont.

Minimum Lump Sum Investments and Annual Management Charge

	Class A	Class B ¹	Class C
Minimum lump sum investments:			
Baillie Gifford Emerging Markets Bond Fund	£1,000 ²	£100,000	£250,000
Baillie Gifford High Yield Bond Fund	£1,000 ²	£100,000	£250,000
Baillie Gifford Investment Grade Bond Fund	£1,000 ²	£100,000	£250,000
Baillie Gifford Investment Grade Long Bond Fund	n/a	£100,000	£250,000
Baillie Gifford Strategic Bond Fund ¹	£1,000 ²	£100,000	£250,000
Annual management charge:			
Baillie Gifford Emerging Markets Bond Fund	1.10%	0.40%	Nil
Baillie Gifford High Yield Bond Fund	1.00%	0.35%	Nil
Baillie Gifford Investment Grade Bond Fund	1.00%	0.25%	Nil
Baillie Gifford Investment Grade Long Bond Fund	n/a	0.25%	Nil
Baillie Gifford Strategic Bond Fund	1.00%	0.50%	Nil

¹Applicable to new investors from 1 March 2022. Further details are provided in the Prospectus of the minimum lump sum applicable to investors in Baillie Gifford Funds prior to 1 March 2022.

²With effect from 1 March 2022 Class A Shares are only available to persons with a written agreement with the ACD or one of its associates. This requirement for a written agreement does not apply to those who held Shares in this Class as at 28 February 2022 and who will continue to hold Shares in this Class.

The Group's Funds

Baillie Gifford Bond Funds ICVC

Baillie Gifford Emerging Markets Bond Fund
 Baillie Gifford High Yield Bond Fund
 Baillie Gifford Investment Grade Bond Fund
 Baillie Gifford Investment Grade Long Bond Fund
 Baillie Gifford Strategic Bond Fund

Baillie Gifford Investment Funds ICVC

Baillie Gifford Climate Optimism Fund
 Baillie Gifford Diversified Growth Fund
 Baillie Gifford Long Term Global Growth Investment Fund
 Baillie Gifford Multi Asset Growth Fund
 Baillie Gifford Positive Change Fund
 Baillie Gifford Sustainable Multi Asset Fund

Baillie Gifford Investment Funds II ICVC

Baillie Gifford Health Innovation Fund
 Baillie Gifford Japanese Income Growth Fund
 Baillie Gifford Sterling Aggregate Bond Fund
 Baillie Gifford Sustainable Growth Fund¹
 Baillie Gifford Sustainable Income Fund²
 Baillie Gifford UK Equity Core Fund

Baillie Gifford Overseas Growth Funds ICVC

Baillie Gifford American Fund
 Baillie Gifford China Fund
 Baillie Gifford Developed Asia Pacific Fund
 Baillie Gifford Emerging Markets Growth Fund
 Baillie Gifford Emerging Markets Leading Companies Fund
 Baillie Gifford European Fund
 Baillie Gifford Global Discovery Fund
 Baillie Gifford Japanese Fund
 Baillie Gifford Japanese Smaller Companies Fund
 Baillie Gifford Pacific Fund

Baillie Gifford UK & Balanced Funds ICVC

Baillie Gifford British Smaller Companies Fund
 Baillie Gifford Global Alpha Paris-Aligned Fund
 Baillie Gifford Global Alpha Growth Fund
 Baillie Gifford Global Income Growth Fund
 Baillie Gifford International Fund
 Baillie Gifford Managed Fund
 Baillie Gifford Responsible Global Equity Income Fund
 Baillie Gifford UK and Worldwide Equity Fund
 Baillie Gifford UK Equity Alpha Fund
 Glenfinlas Global Fund³

¹With effect from 31 March 2023 the name of Baillie Gifford Global Stewardship Fund was changed to Baillie Gifford Sustainable Growth Fund.

²With effect from 31 March 2023 the name of Baillie Gifford Global Multi Asset Income Fund was changed to Baillie Gifford Sustainable Income Fund.

³Glenfinlas Global Fund is no longer available for subscription.

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

Contact us at: Client Relations Team
Baillie Gifford & Co Limited,
Calton Square, 1 Greenside Row,
Edinburgh EH1 3AN

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

Visit our website at www.bailliegifford.com, or email us
on trusenquiries@bailliegifford.com.

Or fax us on 0131 275 3955.

