Fund objective

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

The manager believes that appropriate comparisons for this Fund are the Investment Association Sterling Strategic Bond sector average, given the investment policy of the Fund and the approach taken by the manager when investing and a composite index comprising 70%: ICE BofA Sterling Non-Gilt Index and 30%: ICE BofA European Currency High Yield Constrained Index (hedged to GBP) being representative of the strategic asset allocation of the Fund.

Investment proposition

Performance is driven by bond selection and active management of portfolio credit risk. Ideas are sourced across both investment grade and high yield and are driven by our fundamental, bottom-up stock analysis. The portfolio is well diversified with exposure typically between 60-85 companies. The portfolio could be characterised as combining the "best ideas" we can find across the high yield and investment grade markets with top-down management of portfolio risk.

Performance overview

Periodic performance

	6 Months	1 Year	3 Years (p.a.)	5 Years (p.a.)
Class B-Inc (%)	-0.0	4.2	7.5	0.7
Index (%)*	0.2	3.3	6.4	0.6
Sector Average (%)*	-0.4	3.6	6.3	1.5
Sector Ranking	40/92	31/92	20/83	56/75

Annual discrete performance

	30/06/21-30/06/22	30/06/22-30/06/23	30/06/23-30/06/24	30/06/24-30/06/25	30/06/25-30/06/26
Class B-Inc (%)	-15.5	-1.1	11.3	7.9	4.6
Index (%)*	-13.2	-2.2	10.5	6.8	4.9
Sector Average (%)**	-10.2	-0.2	8.8	6.6	5.3

Source: FE, Revolution, ICE Data Indices. Total return net of charges, in sterling. Share class returns calculated using 10am prices, while the Index is calculated close-to-close.
*70% ICE BofA Sterling Non Gilts Index / 30% ICE BofA European Currency High Yield Constrained Index (Hedged to GBP).
**IA £ Strategic Bond Sector.

Credit rating

	Fund weight (%)
AAA	6.7
AA	4.9
A*	14.7
BBB*	41.2
BB*	21.7
B*	9.9
CCC-D*	0.0
Cash & Derivatives	1.0

*Includes BG internally-rated bonds where there is no official rating.

Fund facts

Managers	Lesley Dunn* / Robert Baltzer / Nektarios Chatzilefteris Michalas
Fund launch date	26 February 1999
Fund size	£275.45m
IA sector	£ Strategic Bond
Current number of issuers	85
Typical number of issuers	60-85
Structure	OEIC
Duration	4.5
Average credit rating	BBB
Tracking error	0.6
Tracking error range	1-4%
Redemption Yield	5.9
Running Yield	5.6

*Partner

Top ten issuers*

	% Total assets
Mitchells & Butlers	2.9
Telereal Securitisation PLC	2.9
Pershing Square Capital Management, L.P.	2.2
Zurich Financial Services	2.1
Westfield Stratford City Finance No.3 Plc	2.1
UK Treasury	2.1
Realty Income Corporation	2.0
Temasek Financial (I) Limited	2.0
Banco Santander	1.9
EIB	1.9

*The Fund may also hold derivative positions for hedging purposes.

Outwith the UK, this document is solely for the use of professional investors. All data as at 31 August 2026 and source Baillie Gifford & Co Limited unless otherwise stated. Past performance is not a guide to future returns.

Industry

	Fund (%)
Financial Services	16.8
Real Estate	10.6
Banking	9.8
Insurance	9.2
Asset Backed	9.2
Commercial Mortgage Backed	6.8
Utility	6.6
Sovereign	3.5
Telecommunications	3.3
Retail	2.7
Media	2.7
Basic Industry	2.3
Supranational	2.2
Capital Goods	2.1
Agency	2.0
Technology & Electronics	2.0
Others	7.2
Cash & Derivatives	1.0

Geographic region

	Fund (%)
United Kingdom	54.8
Europe	19.2
North America	16.5
Developed Asia	5.1
Supranational	2.2
Emerging Markets	1.1
Cash & Derivatives	1.0

A negative cash position may sometimes occur due to obligations awaiting settlement.

Active share classes

Share Class	ISIN	SEDOL	Annual Management Charge (%)	Ongoing Charges Figure (%)	Distribution Yield (%)	Underlying Yield (%)
Class B-Inc	GB0005947741	0594774	0.50	0.54	5.80	5.20
Class B-Acc	GB0005947857	0594785	0.50	0.54	5.80	5.20

The table displays the primary share classes. Other share classes may be available for those investors who have a separate arrangement. Charges will reduce the value of the investment. Please refer to the Prospectus and Key Investor Information Document for further details.

Key terms

Periodic performance is a method of evaluating how a fund is doing over time. It compares a fund's performance in each period to its performance in past periods. It also looks at the performance of the fund to the performance of an index or its peers.

Discrete Performance is a method of evaluating the degree to which a fund performs compared against its benchmark on a given date.

Hedging is a strategy used to reduce or limit investment exposure to a particular risk. It involves taking an offsetting position in another asset to balance the risk associated with the original investment.

Distribution yield reflects the annualised income of the Fund (calculated in accordance with relevant accounting standards) as a percentage of the mid-market share price of the Fund (excluding tax) as at the date shown. It is based on a snapshot of the portfolio on that day.

Underlying yield reflects the annualised income net of expenses of the Fund (calculated in accordance with relevant accounting standards) as a percentage of the mid-market share price of the Fund (excluding tax) as at the date shown. It is based on a snapshot of the portfolio on that day.

Duration is a measure of how sensitive the price of a bond (or other debt instrument) is to a change in interest rates. In general, the higher the duration, the more a bond's price will drop in response to a rise in interest rates.

IA sectors are provided by the Investment Association. These sectors break up the universe of available funds to help investors navigate the large number of available products.

Tracking error measures the difference in the performance of the fund and the performance of the index it is benchmarked against.

Redemption yield estimates the annual total return of the portfolio gross of fees. It assumes all bonds are held until maturity (the date when the bond issuer is due to pay back the agreed value of the bond). The yield takes into account expected interest payments and the difference between the current market price and maturity value of the bonds held in the fund.

Running yield estimates expected cash income from the coupons of the current bond holdings in the portfolio. It is calculated by dividing the expected coupon payments from the portfolio's bonds by the current market price of those bonds. This yield provides investors with an understanding of the income generated by the fund relative to its current price, it does not account for potential capital gains or losses.

Credit ratings measure the creditworthiness of a bond issuer, such as a company or government. It tells you how likely the issuer is to pay back the money borrowed when they issued the bond. A higher rating means the issuer is considered more reliable and less likely to default on their debt, while a lower rating indicates a higher risk of not getting the invested money back. Baillie Gifford uses a blend of credit ratings from Moody's and S&P. Where there is no official rating for a bond issuer, Baillie Gifford will rate these internally. The ratings scale from highest to lowest (AAA, AA, A, BBB, BB, B, CCC, CC and C).

Additional fund information

The Distribution yield is higher than the Underlying Yield because the Fund's expenses are charged to capital. This has the effect of increasing distributions and constraining the Fund's capital performance.

The ongoing charges figure is based on the expenses for the financial year 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. The Ongoing Charge Figure (OCF) is at the latest annual or interim period. The OCF may be lower than previous declarations as a result of a revision to how the indirect fees associated with closed-ended investment companies need to be shown. This does not necessarily mean that fund expenses have gone down rather that we have reverted to how they have been calculated until 30 June 2022 to reflect the revised Investment Association's Guidance on Disclosure of Fund Charges and Costs (July 2020, updated January 2022, revised November 2023). Further explanation of all the charges and costs relating to this Fund can be found in the Enhanced Disclosure of Fund Charges and Costs document which is available through our website, baillliegifford.com. Where the share class has been launched during the financial period and / or expenses during the period are not representative, an estimate of expenses may have been used instead. Baillie Gifford operates a single swinging price for the Fund and, therefore, may apply a dilution adjustment to the price to protect long-term investors from the costs associated with buying and selling underlying investments that result from other investors joining or leaving the Fund. This adjustment will affect relative performance, either positively or negatively.

All figures are rounded, so any totals may not sum.

Further information

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

This factsheet does not provide you with all the facts that you need to make an informed decision about investing in the Fund. You need to read the associated Key Investor Information Document and Supplementary Information Document and decide whether to contact an authorised intermediary.

This factsheet has been issued and approved by Baillie Gifford & Co Limited, which is wholly owned by Baillie Gifford & Co, both of which are authorised and regulated by the Financial Conduct Authority.

Baillie Gifford Overseas Limited is wholly owned by Baillie Gifford & Co. Baillie Gifford Overseas Limited provides investment management and advisory services to non-UK clients and is authorised and regulated by the Financial Conduct Authority.

Target market

This Fund is suitable for all investors seeking a Fund that aims to deliver income and seeks opportunities for capital growth over a medium- or long-term investment horizon. The investor should be prepared to bear losses. This Fund is compatible for mass market distribution. This Fund may not be suitable for investors seeking capital protection and investing for less than three years.

Risk warnings

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

The specific risks associated with the Fund include:

- Market values for illiquid securities which are difficult to trade may not be readily available and there can be no assurance that any value assigned to such securities will accurately reflect the price the Fund might receive upon their sale. In certain circumstances it can be difficult to buy or sell the Fund's holdings and even small purchases or sales can cause their prices to move significantly, affecting the value of the Fund and the price of shares in the Fund.
- Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.
- Bonds issued by companies and governments may be adversely affected by changes in interest rates, expectations of inflation and a decline in the creditworthiness of the bond issuer. The issuers of bonds in which the Fund invests may not be able to pay the bond income as promised or could fail to repay the capital amount.
- The Fund's concentrated portfolio relative to similar funds may result in large movements in the share price in the short term.
- Derivatives may be used to obtain, increase or reduce exposure to assets and may result in the Fund being leveraged. This may result in greater movements (down or up) in the price of shares in the Fund. It is not our intention that the use of derivatives will significantly alter the overall risk profile of the Fund.
- The Fund's share price can be volatile due to movements in the prices of the underlying holdings and the basis on which the Fund is priced.
- The manager can charge some, or all, expenses to the Fund's capital, reducing its value. This amount can vary from year to year.

Further details of the risks associated with investing in the Fund can be found in the Key Investor Information Document or the Prospectus, copies of which are available at baillliegifford.com.

Legal notices

Source: ICE DATA INDICES, LLC ("ICE DATA"), is used with permission. ICE® is a registered trademark of ICE DATA or its affiliates and BOFA® is a registered trademark of Bank of America Corporation licensed by Bank of America Corporation and its affiliates ("BOFA") and may not be used without BOFA'S prior written approval. ICE DATA, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied, including any warranties of merchantability or fitness for a particular purpose or use, including the indices, index data and any data included in, related to, or derived therefrom. Neither ICE DATA, its affiliates not their respective third party suppliers shall be subject to any damages or liability with respect to the adequacy, accuracy, timeliness or completeness of the indices or the index data or any component thereof, and the indices and index data and all components thereof are provided as an "as is" basis and your use is at your own risk. ICE DATA, its affiliates and their respective third party suppliers do not sponsor, endorse or recommend Baillie Gifford & Co, or any of its products and services.

Contact us

For further information about the Fund or Baillie Gifford's range of OEICs, please contact our Client Relations Team on 0800 917 2113, visit our website at bailliegifford.com, or email enquiries@bailliegifford.com.

Important information Israel

This Factsheet, as well as investment in the Fund described herein, is directed at and intended for Investors that fall within at least one category in each of: (1) the First Schedule of the Israeli Securities Law, 1968 ("Sophisticated Investors"); and (2) the First Schedule of the Investment Advice Law ("Qualified Clients").

Important information Chile

(i) La presente oferta se acoge a la Norma de Carácter General N° 336 de la Comisión para el Mercado Financiero (CMF) de Chile. (ii) La presente oferta versa sobre valores no inscritos en el Registro de Valores o en el Registro de Valores Extranjeros que lleva la Comisión para el Mercado Financiero, por lo que los valores sobre los cuales ésta versa, no están sujetos a su fiscalización; (iii) Que por tratarse de valores no inscritos, no existe la obligación por parte del emisor de entregar en Chile información pública respecto de estos valores; y (iv) Estos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el Registro de Valores correspondiente. (v) Este material no constituye una evaluación o recomendación para invertir en instrumentos financieros o proyectos de inversión.

Important information Mexico

The Fund has not and will not be registered in the National Registry of Securities maintained by the National Banking and Securities Commission, and therefore may not be offered or sold publicly in Mexico. The Fund may be offered or sold to qualified and institutional investors in Mexico, pursuant to the private placement exemption set forth under Article 8 of the Securities Market Law as part of a private offer.

Important information Colombia

The securities have not been, and will not be, registered with the Colombian National Registry of Securities and Issuers (Registro Nacional de Valores y Emisores) or traded on the Colombian Stock Exchange (Bolsa de Valores de Colombia). Unless so registered, the securities may not be publicly offered in Colombia or traded on the Colombian Stock Exchange. The investor acknowledges that certain Colombian laws and regulations (including but not limited to foreign exchange and tax regulations) may apply in connection with the investment in the securities and represents that is the sole liable party for full compliance therewith.

Important information Peru

The Fund has not and will not be registered in the Public Registry of the Capital Market (Registro Público del Mercado de Valores) regulated by the Superintendency of the Capital Market (Superintendencia del Mercado de Valores – "SMV"). Therefore, neither this document, nor any other document related to the program has been submitted to or reviewed by the SMV. The Fund will be placed through a private offer aimed exclusively at institutional investors. Persons and/or entities that do not qualify as institutional investors should refrain from participating in the private offering of the Fund.

Ratings – As at 31 July 2026

Titan Square Mile Recommended Fund

This Fund is rated by Titan Square Mile, for more information go to: www.titansquaremile.com

Rayner Spencer Mills Research Rated Fund

This Fund is rated by Rayner Spencer Mills Research, for more information go to: rsmr.co.uk

This Fund is rated by FundCalibre, for more information go to: fundcalibre.com

These ratings are designed for use by professional advisers and intermediaries as part of their advice process. These ratings are not a recommendation to buy. If you need further information or are in doubt then you should contact a professional adviser.

3 Haymarket Square, Edinburgh EH3 8RY
Telephone +44 (0) 131 275 2000 bailliegifford.com

Contact
Your call may be recorded for training or monitoring purposes.

Intermediary Enquiries
Tel:0800 917 2113
email: enquiries@bailliegifford.com.

Institutional Enquiries
Tel: +44 (0)131 275 2000
email:Institutional.Enquiries@bailliegifford.com
Ref: 10065351

Copyright © Baillie Gifford & Co 2026 All rights reserved.