

BAILLIE GIFFORD

Baillie Gifford Investment Funds ICVC

Annual Report and Financial Statements

for the year ended 31 December 2023



Contents

About The Company*	1
Statement of Authorised Corporate Director's Responsibilities	4
Statement of Depositary's Responsibilities and Report to Shareholders	5
Report of the Independent Auditor	6
Accounting Policies	9
Risk Disclosures	11
Remuneration Report	13
Baillie Gifford Climate Optimism Fund*	15
Baillie Gifford Diversified Growth Fund*	39
Baillie Gifford Long Term Global Growth Investment Fund*	81
Baillie Gifford Multi Asset Growth Fund*	105
Baillie Gifford Positive Change Fund*	149
Baillie Gifford Sustainable Multi Asset Fund*	175
General Information	211
The Group's Funds	218

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

About the Company

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

At 31 December 2023 the Company offered six sub-funds, and the range may be varied in the future. Each sub-fund is valued on a daily basis and is subject to different charging structures and subscription limits. All shares are single priced. Details of the sub-fund and the share classes are contained in the Prospectus, along with details of the switching facility available between sub-funds. The Prospectus and the Instrument of Incorporation were last revised on 30 November 2023. Copies of the Prospectus or Instrument of Incorporation can be obtained from Baillie Gifford & Co Limited, the Authorised Corporate Director ('ACD') by contacting Client Relations.

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

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

The ACD has, in respect of Baillie Gifford Diversified Growth Fund and Baillie Gifford Multi Asset Growth Fund, made an election into the Tax Elected Fund ('TEF') regime and these sub-funds may therefore pay both dividend and non-dividend distributions. No such election has been made in respect of Baillie Gifford Climate Optimism Fund, Baillie Gifford Long Term Global Growth Investment Fund, Baillie Gifford Positive Change Fund, nor Baillie Gifford Sustainable Multi Asset Fund and these sub-funds will therefore only pay

dividend distributions. Future sub-funds launched may or may not be TEFs and the tax treatment will vary accordingly.

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

Alternative Investment Fund Managers Directive ('AIFMD')

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

Amendments to the Investment Objective and Policy of Baillie Gifford Long Term Global Growth Investment Fund

With effect from 30 June 2023 the Investment Objective of the Baillie Gifford Long Term Global Growth Investment Fund was amended to reflect a change of target benchmark to MSCI ACWI Index. In addition the Investment Policy has been amended to increase the minimum market capitalisation, at the time of purchase, from US\$2 billion to US\$4 billion.

Amendment to Investment Objective of Baillie Gifford Positive Change Fund

With effect from 30 June 2023 the Investment Objective of Baillie Gifford Positive Change Fund was amended to add a second non-financial objective to better communicate the sub-fund's existing aim of both achieving a financial return and contributing to a more sustainable and inclusive world through the sub-fund's investments.

About the Company cont.

Amendment to the Investment Objective and Policy of Baillie Gifford Sustainable Multi Asset Fund

With effect from 30 November 2023 the Investment Objective of the Baillie Gifford Sustainable Multi Asset Fund was amended to have a carbon footprint that is lower than that of the Fund's stated carbon budget. In addition the Investment Policy has been amended to reflect that Baillie Gifford will apply a norms-based evaluation to assess whether investments are in compliance with the Baillie Gifford United Nations Global Compact Exclusion Policy ("UNGC Exclusion Policy"), as more fully set out in Baillie Gifford's ESG Principles and Guidelines.

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 2023 is available on the website at www.bailliegifford.com.

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

Sub-fund Cross-holdings Table

Sub-fund	Cross-holding	Number of Shares	Value of Shares £'000
Baillie Gifford Diversified Growth Fund	Baillie Gifford Long Term Global Growth Investment Fund	8,517,113	97,436
Baillie Gifford Sustainable Multi Asset Fund	Baillie Gifford Positive Change Fund	1,320,197	3,584

At 31 December 2023 no other sub-funds had any cross-holdings.

About the Company cont.

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

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

Directors of the ACD

Executive

M J C Wylie (Chairman)
E Delaney
C M Fraser
L B S Haddow
D S McGowan
C M Murphy (appointed 22 November 2023)
A J Telfer (resigned 22 November 2023)

Independent Non-Executive

K B M Bolsover
D R Buckley
C R S Turpin (appointed 22 November 2023)

Investment Adviser

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

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
175 Glasgow Road
Gogarburn
Edinburgh EH12 1HQ

Registrar

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

Auditor

PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX

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

Statement of Authorised Corporate 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 year. In preparing the financial statements the Authorised Corporate Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with the disclosure requirements of the Statement of Recommended Practice relating to the Financial Statements of UK Authorised Funds issued in 2014;
- follow generally accepted accounting principles and applicable accounting standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland";
- 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 Annual 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
29 February 2024

Statement of the Depositary's Responsibilities and Report of the Depositary to the Shareholders of Baillie Gifford Investment Funds ICVC ('The Company') for the Year Ended 31 December 2023

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Investment Funds Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC Regulations), as amended, the Financial Services and Markets Act 2000, as amended, (together 'the Regulations'), the Company's Instrument of Incorporation and Prospectus (together 'the Scheme documents') as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of the shares of the Company is calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations and;
- the instructions of the Alternative Investment Fund Manager ('the AIFM') are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Regulations and the Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the

information available to us and the explanations provided, that in all material respects the Company, acting through the AIFM:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

NatWest Trustee and Depositary Services Limited
Trustee & Depositary Services
Edinburgh
1 January 2024

Independent Auditors' Report to the Shareholders of Baillie Gifford Investment Funds ICVC

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Baillie Gifford Investment Funds ICVC (the "Company"):

- give a true and fair view of the financial position of the Company and each of the sub-funds as at 31 December 2023 and of the net revenue and the net capital gains/losses on the scheme property of the Company and each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

Baillie Gifford Investment Funds ICVC is an Open-Ended Investment Company ('OEIC') with six sub-funds. The financial statements of the Company comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheets as at 31 December 2023; the Statements of Total Return and the Statements of Change in Net Assets Attributable to Shareholders for the year then ended; the distribution tables; the accounting policies; and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's or any sub-funds' ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's or any sub-funds' ability to continue as a going concern.

Our responsibilities and the responsibilities of the Authorised Corporate Director with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Authorised Corporate Director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or

Independent Auditors' Report to the Shareholders of Baillie Gifford Investment Funds ICVC cont.

our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on our work undertaken in the course of the audit, the Collective Investment Schemes sourcebook requires us also to report certain opinions as described below.

Authorised Corporate Director's Report

In our opinion, the information given in the Authorised Corporate Director's Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the Authorised Corporate Director for the financial statements

As explained more fully in the Statement of Authorised Corporate Director's Responsibilities, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Corporate Director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the Company's and each of the sub-funds ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to wind up or terminate the Company or individual sub-fund, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company/industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Company or the sub-funds. Audit procedures performed included:

- Discussions with the Authorised Corporate Director, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Authorised Corporate Director's board of directors;

Independent Auditors' Report to the Shareholders of Baillie Gifford Investment Funds ICVC cont.

- Identifying and testing journal entries, specifically any journals posted as part of the financial period end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

*PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
29 February 2024*

Accounting Policies

(1) *Basis of accounting*

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with UK Generally Accepted Accounting Principles, the Instrument of Incorporation, the Statement of Recommended Practice ('SORP') relating to the Financial Statements of UK Authorised Funds issued in 2014, and the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL'). Unless otherwise stated, accounting policies within these financial statements are consistent with prior year policies.

FRS 102 requires the Company to disclose, for the financial instruments held, the level within the fair value hierarchy that the fair value measurement of those instruments should be categorised. The fair value hierarchy is as follows:

- Level 1: The unadjusted quoted price in an active market for an identical instrument.
- Level 2: Valuation techniques using observable inputs other than quoted prices included within Level 1.
- Level 3: Valuation techniques using unobservable inputs.

(2) *Recognition of income*

Equities: Dividends on equities are recognised when the security is quoted ex-dividend. The ordinary element of stocks received in lieu of cash dividends is recognised as revenue and, where applicable, is included in the distribution. Special dividends are treated as repayments of capital or revenue depending on the facts of each particular case.

Debt securities: Income on debt securities is recognised on an effective interest basis by reference to the purchase price.

Collective investment schemes: Distributions and accumulations from holdings in collective investment schemes are recognised when the scheme units go ex-dividend or ex-interest; where a scheme reports income that amount is recognised when the report is made. Amounts stated as equalisation on units in distributions or reports are treated as a return of capital and deducted from the cost of investment. Where the manager of a scheme rebates a portion of the management fees suffered by that scheme this is recognised as revenue when the amount becomes due.

Deposits and other income: Interest on deposits is accounted for on an accruals basis. Underwriting commission is recognised when the issue takes place. Other income is accounted for on either an accruals or a receipts basis depending on the circumstances of each particular case.

Real Estate Investment Trusts: Distributions from Real Estate Investment Trusts (REITs) are recognised when the security is quoted as ex-dividend. Income is streamed between dividend income and property income distributions as appropriate. Special dividends are treated as repayments of capital or revenue depending on the facts of each particular case.

(3) *Treatment of management expenses*

For all of the sub-funds, all management expenses, other than those relating to the purchase and sale of investments and custodian transaction costs, have been allocated against revenue. For all of the sub-funds, VAT is written off to the extent that it is not considered to be recoverable.

Where the ACD, at its sole discretion, considers the expenses within a sub-fund to be too high, the ACD may rebate some of those expenses to that sub-fund. Where the ACD pays a rebate to a sub-fund this will reduce the expenses within that sub-fund.

(4) *Allocation of revenue and expenses to share classes*

Revenue is allocated when earned in the proportion of the net asset value of each share class to the total net asset value of the relevant sub-fund. Expenses incurred solely in respect of a share class are allocated directly to that class. Expenses incurred in respect of, or attributable to, the relevant sub-fund as a whole are allocated when incurred in the proportion of the net asset value of each share class to the total net asset value of the relevant sub-fund.

Accounting Policies cont.

(5) *Distribution policies*

Distributions: Two sub-funds, Baillie Gifford Diversified Growth Fund and Baillie Gifford Multi Asset Growth Fund, distribute income six monthly and pay both dividend distributions and non-dividend distributions. Income is recognised as dividend or non-dividend depending on the source. Expenses are allocated between dividend and non-dividend at the ACD's discretion and in keeping with the TEF rules. Baillie Gifford Climate Optimism Fund and Baillie Gifford Sustainable Multi Asset Fund distribute income six monthly and pay dividend distributions. All of the other sub-funds distribute income annually and pay dividend distributions. All sub-funds pay distributions out of income after the deduction of relevant expenses.

Investments in non-reporting offshore funds: Where the ACD deems an amount equivalent to that which would be reported had the share class in the offshore fund elected to report then that amount is transferred from capital to the distribution account and forms part of the distribution to shareholders.

Equalisation on units in collective investment schemes: Equalisation declared on distributions or reports for units held in collective investment schemes reduces the cost of investment and does not form part of the distribution to shareholders.

(6) *Taxation*

Corporation tax is charged at 20% of the revenue liable to corporation tax less expenses allocated to revenue and, where applicable, interest distributions made.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax. Deferred tax assets are recognised only to the extent that the ACD considers that it is more likely than not that there will be taxable profits from which the underlying timing differences can be deducted. Deferred tax assets are not discounted.

(7) *Basis of valuation of investments*

The investments of the sub-funds have been valued at the closing bid prices on 31 December 2023, or the Investment Adviser's valuation where indicated. Investments are valued using the fair value hierarchy, referenced in accounting policy 1.

(8) *Foreign exchange*

All foreign securities and currencies held at the year end have been translated into sterling at the rate of exchange ruling at 31 December 2023. Transactions during the year have been translated at the exchange rate ruling on the transaction date.

(9) *Financial Derivative Instruments*

Currency Contracts: Spot and forward currency contracts are marked to market daily and the change in value, if any, is recorded by the sub-fund as an unrealised gain or loss. Realised gains or losses equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed are recorded upon delivery or receipt of the currency or, if a spot or forward currency contract is offset by entering into another spot or forward currency contract with the same broker at the time of the offsetting trade, upon settlement of the net gain or loss.

Futures Contracts: Futures contracts are marked to market daily and an appropriate gain or loss for the change in value ('variation margin') is recorded by the sub-fund as realised.

Swap Agreements: Swaps are marked to market daily based upon quotations from market makers and the change in value, if any, is recorded by the sub-fund as an unrealised gain or loss. A liquidation payment received or made at the termination of all or part of the swap is used to calculate the realised gain or loss. Costs relating to the clearing of swaps are included as part of realised gains or losses.

Baillie Gifford Climate Optimism Fund, Baillie Gifford Long Term Global Growth Fund and Baillie Gifford Positive Change Fund may not invest or otherwise use derivatives.

Risk Disclosures

General Risk Management Process

The Company's overall risk management process is the responsibility of the ACD. Risks which are specific to the sub-funds are managed by the ACD in accordance with their Risk Management Policy, with oversight by the Depositary. The ACD has established a risk management framework, including a permanent risk management function, to monitor the risks in relation to the sub-funds. Where appropriate, the risk management function builds on the existing parts of the risk management framework of the Investment Advisor to make use of expertise and advice, and avoid unnecessary duplication.

The risk profile of each of the sub-funds is considered by the ACD to determine the nature and extent of risk management procedures and assess the appropriateness of disclosures made to investors. The ACD then considers the material risks facing the sub-funds via the receipt of quarterly reports from the risk management function.

Sub-Fund Risk Profile

In accordance with the Alternative Investment Fund Managers Directive ('AIFMD'), information in relation to a sub-fund's risk profile and leverage and the remuneration of the ACD, is required to be made available to investors.

The risk profile of a sub-fund is determined using a number of factors including market risk (comprising foreign currency risk, interest rate risk and other price risk), credit risk, liquidity risk and leverage (please see the "Leverage" note to the financial statements for each sub-fund). As described above, the ACD operates a risk management framework to oversee the risks that the sub-funds are exposed to and assess the sensitivity of a sub-fund's portfolio to these risks. The approach to managing these risks is set out below with oversight and monitoring provided by the ACD's risk management function.

Market Risk

Market risk is the potential for changes in the market value of underlying investments in a sub-fund. This comprises foreign currency risk, interest rate risk and other price risk.

Asset allocation is determined by the Investment Adviser who ensures that the distribution of each sub-fund's assets is appropriate in terms of the investment objectives. Divergence from the target asset allocation is strictly controlled and the portfolio closely monitored in terms of risk.

For Baillie Gifford Diversified Growth Fund, Baillie Gifford Multi Asset Growth Fund and Baillie Gifford Sustainable Multi Asset Fund, derivatives are used in keeping with each sub-fund's investment objective, with the intention of either protecting or enhancing the return of the sub-fund. The strategies used may include active currency management, bond curve strategies, interest rate strategies, asset allocation and market spread strategies; in addition, derivatives are used for the purposes of efficient portfolio management. The Investment Adviser makes use of these strategies as and when it considers it appropriate to do so. Derivative investments (which may be exchange-traded and/or off-exchange) are undertaken on a covered basis and the types of asset which underlie the derivative contract are appropriate in the context of each sub-fund's investment objective and policy. The Investment Adviser does not consider the use of derivatives to be either extensive and complex or significant and accordingly no value at risk or sensitivity analysis information is given.

Foreign currency risk

The Investment Adviser has identified three principal areas where foreign currency risk could impact the sub-funds, being where movements in exchange rates affect the value of investments, short-term timing differences and the revenue received.

A proportion of the net assets of the sub-funds are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements. The balance sheet net currency exposure is disclosed in the currency exposures section of the "Derivatives and other financial instruments" note to the financial statements for each sub-fund.

The sub-funds may be subject to short-term exposure to exchange rate movements, for instance where the date of an investment purchase and the date when the settlement occurs are different. To reduce this risk the Investment Adviser will normally execute a foreign currency contract on the transaction date wherever practicable.

Risk Disclosures cont.

The sub-funds receive revenue in currencies other than sterling and hence movements in exchange rates can affect the sterling value of this revenue. To minimise this risk arrangements are in place to convert all revenue receipts to sterling on, or shortly after, the date of receipt.

Interest rate risk

Baillie Gifford Diversified Growth Fund, Baillie Gifford Multi Asset Growth Fund and Baillie Gifford Sustainable Multi Asset Fund are subject to interest rate risk because bond yields are linked to underlying bank rates or equivalents. The interest rate risk profile of each sub-funds' portfolio is disclosed in interest rate risk profile of financial assets and financial liabilities section of the "Derivatives and other financial instruments" note to the financial statements. The majority of the financial assets of Baillie Gifford Climate Optimism Fund, Baillie Gifford Positive Change Fund and Baillie Gifford Long Term Global Growth Investment Fund are equities and other investments which neither pay interest nor have a maturity date. Therefore, these sub-funds' direct exposure to interest rate risk is not considered to be significant.

Other price risk

Market price risk arises mainly from uncertainty about future prices of the financial instruments held. It represents the potential loss a sub-fund might suffer through holding market positions in the face of price movements.

Investment markets can go down as well as up and market conditions can change rapidly. This means the value of an investor's holding may go down as well as up, and an investor may not recover the amounts invested especially if investments are not held for the long term. A market price decrease applied to the fund would result in a decrease on the net asset value of the Fund and vice versa.

Credit risk

For Baillie Gifford Diversified Growth Fund, Baillie Gifford Multi Asset Growth Fund and Baillie Gifford Sustainable Multi Asset Fund, the Investment Adviser monitors both the creditworthiness of counterparties and the extent to which the counterparty risk is diversified. The organisations with whom derivative transactions are arranged are either top rated institutions themselves or subsidiaries of such institutions. The aim is to strike a balance between spreading counterparty risk amongst a number of institutions and keeping costs low by achieving economies of scale. In some cases, counterparty risk is further reduced by collateralising net positions with the counterparty.

Stock settlement is normally on a delivery versus payment ('DVP') basis where the payment for stock is due at the time of delivery. Where stock settlement is not on a DVP basis, additional procedures are in place and approvals required to manage the settlement risks that may arise.

Liquidity risk

Liquidity risk is the potential that there are insufficiently realisable assets to cater for investor redemptions. Liquidity is managed by the Investment Advisor by taking into account the investment strategy, liquidity profile, and redemption policy of each sub-fund. The level of liquidity maintained by each sub-fund is appropriate to its underlying obligations based on an assessment of the relative liquidity of the sub-fund's assets in the market, taking account of the time required for liquidation and the price or value at which those assets can be liquidated, and their sensitivity to other market risks or factors.

Operational risk

Failure of Baillie Gifford & Co's accounting systems or those of other third party service providers could lead to an inability to provide accurate reporting and monitoring or a misappropriation of assets. Baillie Gifford & Co have a comprehensive business continuity plan which facilitates continued operation of the business in the event of a service disruption or major disaster. The ACD reviews Baillie Gifford & Co's report on internal controls and the reports by other key third party providers.

Fair values

The financial assets and liabilities of the sub-funds are included in the valuation at market value, or at the Investment Adviser's valuation (as indicated in the portfolio statement of the sub-funds). These values have been determined by reference to prices available from the markets on which the instruments are traded.

Remuneration Report

Baillie Gifford & Co ('Baillie Gifford') maintains a Remuneration Policy (the 'Policy') which applies to group companies, including Baillie Gifford & Co Limited, which is the group's sole Alternative Investment Fund Manager ('AIFM') for the range of Alternative Investment Funds ('AIFs') operated within the group. The Policy is subject to review on at least an annual basis by the Management Committee of Baillie Gifford & Co and the Board of Baillie Gifford & Co Limited. It was updated in June 2023, and are summarised below.

In accordance with Article 107(4) of the Alternative Investment Fund Managers Directive ('AIFMD') Level 2 Regulation, Baillie Gifford & Co Limited is required to provide the following general information relating to the financial and non-financial criteria of the AIFM Remuneration Code to enable shareholders to assess the incentives created.

Application of the AIFM Remuneration Code

The ACD is required to identify individuals whose professional activities have a material impact on its risk profile or the AIFs it manages, (known as 'Material Risk Takers') and the AIFM Remuneration Code requirements and disclosures apply to those individuals. The list of Material Risk Takers compiled by the ACD principally covers governance and control and support functions.

The ACD delegates portfolio management and certain administration roles to other entities, namely its parent Baillie Gifford & Co and another affiliate Baillie Gifford Overseas Limited. These delegates are not required to comply with the AIFM Remuneration Code as they are subject to regulatory requirements on remuneration that are considered equally as effective as those applicable under the AIFM Remuneration Code.

General Principles of the Policy

The ACD endeavours to reward staff fairly and appropriately for their contribution towards the success of the business and the level of service and performance delivered to the firm's clients. The Policy is designed to be consistent with and promote sound and effective risk management and should not encourage risk-taking which is inconsistent with the risk profiles of the AIFs the ACD manages. The Policy has been designed to avoid conflicts of interest and is subject to independent internal review by the compliance and risk functions. In order to achieve this, the remuneration of staff is reviewed annually, taking into account individual performance and market practice for the role being undertaken.

Governance of Remuneration

Baillie Gifford's Remuneration Policy is overseen by the Group's Remuneration Committee. The Remuneration Committee in turn reports to the management body of Baillie Gifford, the Management Committee. The Board of the ACD also oversees adherence to the AIFM Remuneration Code.

Approach to Remuneration

The key elements of staff remuneration are:

Fixed pay: salary and pension contributions. The aim is to offer compensation which is well positioned relative to the industry, supported by a positive working environment and strong culture.

The Annual Performance Award: an annual variable compensation award determined by performance measures that are important to the firm and its clients, with measures generally shared across the firm, weighted according to the role each member performs.

A Long-Term Profit Award: an annual variable compensation award distributing a proportion of the firm's profitability to all staff, reinforcing the collegiate culture and the sense of collective responsibility and purpose. Awards will rise and fall alongside the financial performance of the firm.

These elements are balanced to achieve an appropriate ratio between fixed and variable pay. The different levels within both performance-linked and profit awards offer the opportunity for people to progress over time, in line with changes to their role, responsibilities and contribution to the firm.

Additionally, the firm's deferral arrangements enhance this common sense of purpose and longer-term view by re-investing between 10% and 50% of any award into funds that broadly represent the overall investment approach of the firm.

Remuneration Report cont.

Recent Changes to Policy

Amendments to staff variable remuneration arrangements were introduced for the performance year commencing 1 April 2022 and are reflected in the structure outlined above. Full details of these arrangements can be found in the Remuneration Disclosure at www.bailliegifford.com.

	Headcount	Total Remuneration ¹ £'000
Baillie Gifford & Co Limited		
Fixed remuneration	47	1,660
Variable remuneration	47	510
Baillie Gifford & Co Limited Remuneration Code Staff²		
Total remuneration	26	2,050

This remuneration disclosure has been provided at the level of Baillie Gifford & Co Limited as Alternative Investment Fund Manager of AIF, as at 31 March 2023. Remuneration information at an individual AIF level is not readily available.

¹The total remuneration is the proportion of overall remuneration for Staff as it relates to the time spent on AIF related activity for Baillie Gifford & Co Limited.

²All Material Risk Takers are senior managers or staff engaged in control functions of Baillie Gifford & Co Limited and therefore a breakdown of remuneration between senior management and other risk takers is not applicable.

BAILLIE GIFFORD

Baillie Gifford Climate Optimism Fund

a sub-fund of Baillie Gifford Investment Funds ICVC

*Annual Report and Financial Statements
for the year ended 31 December 2023*



Baillie Gifford Climate Optimism Fund

Investment Objective

The Fund aims to outperform (after deduction of costs) the FTSE All-World Index, as stated in sterling, by at least 2.5% per annum over rolling five-year periods.

Investment Policy

The Fund will invest at least 90% in shares of companies that, in the ACD's opinion, have the potential to or already contribute to the substantial reduction, over the long term, of greenhouse gas emissions and/or remove greenhouse gases through their activities. Such companies will undertake one or more of the following activities: (1) create alternatives to current emission-intensive activities and processes; (2) provide the infrastructure or technology to enable or support the companies that create such alternatives; or (3) facilitate removal of greenhouse gases from the atmosphere. The Fund will be actively managed and will invest in companies in any country and in any sector which, typically at the time of initial purchase, have a market capitalisation of more than US\$1 billion. The Fund will be concentrated, typically comprising between 20-40 holdings.

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 company shares.

As returns are not available for all of the past five years we've used the comparative index in their place to calculate the indicator.

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

Over shorter time periods the Fund's share price can be volatile and returns can be much higher or lower than our five-year average target. There is no guarantee this objective will be achieved over any time period.

The Fund's ESG investment policy limits the type of companies it can hold. The Fund may have different returns from funds with no such restrictions.

The limitations of third party data, which may be backward looking or estimated, may impact on the Fund's ability to achieve any non-financial considerations.

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.

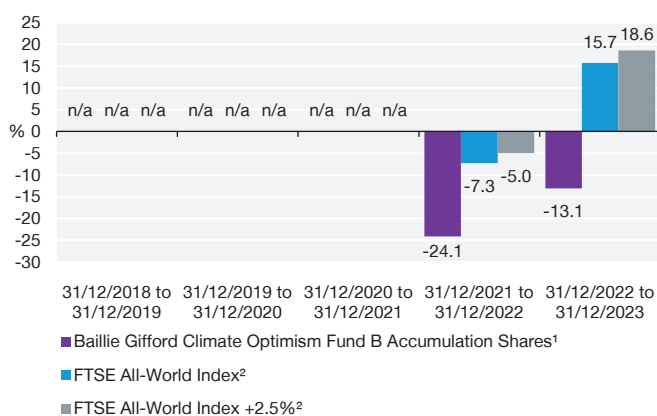
You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

Where possible, charges are taken from income. If insufficient, the rest will be taken from capital, reducing the capital value of the Fund.

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

Investment Report

Past Performance



The performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the the annual management charge of 0.50%. There are not five full years of performance shown as the Fund was launched on 14 September 2021. Performance figures 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 FTSE All-World Index (the ‘Index’) by at least 2.5% per annum (the ‘target return’) over rolling five-year periods. For the year to 31 December 2023 the return on B Accumulation Shares was -13.1%¹ compared to the Index of 15.7%² and the target return of 18.6%². We fully appreciate that this is disappointing. While periods of underperformance are inevitable given our style of investment, none of us enjoy these. We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance, a period in line with the Fund’s objectives. We look forward to reporting to you on more meaningful performance time periods over the years to come.

On an annual basis we produce a separate report on how the Fund has contributed to resolving the climate change crisis. Our Climate Optimism Impact Report can be obtained by contacting Client Relations.

Market environment

Market conditions have not been conducive to positive returns for the companies we hold in the Climate Optimism portfolio in the period under review, or indeed since we launched it in late 2021. Higher inflation and interest rates persisted for most of the year, conflicts in Ukraine and the Middle East escalated and global temperatures continued to rise. Market uncertainty has followed, as the world continued to face a number of social and environmental challenges. While the businesses in which we invest may be looking to alleviate some of these environmental challenges, a reversal in sentiment across markets led to lower valuations and weaker performance. Although many of our holdings exhibited strong operational performance and attractive long-term fundamentals, this did not offer protection and they continued to be out of favour.

Performance

Performance compared to global equities has been poor in the period under review, at around 29% behind the index and 32% behind target. As the market started to see

¹Source: FE, 10am dealing prices, income accumulated. ²Source: Revolution and FTSE, total return in sterling terms. 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 213. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

a wider recovery towards the end of the year, we continued to see energy and climate related stocks suffer as market sentiment struggled to filter through. It is worth pointing out that a disproportionate amount of the benchmark's returns were driven by a handful of stocks (the Magnificent Seven – US tech-related companies).

While we saw some success during the year from holdings such as Tesla, with the Model Y becoming the best-selling car in the world, Joby Aviation reaching important milestones such as its first piloted flight and Fortescue Metals benefiting from more positive signals on the Chinese economy and progressing with its green hydrogen projects, many of our holdings experienced a more challenging time.

Solaredge Technologies was greatly impacted by the higher interest rate environment and a sharp slowdown in some of its markets due to destocking of historically high inventory levels. Likewise, overcapacity in the industry affected LONGi which led to falling prices and margins for all producers. Increased competition from Tier 2 battery manufacturers caused growth to slow for CATL, however, we believe the company's research and development edge will sustain its market share and price premium over the long term.

Notable transactions

Portfolio changes in the past 12 months comprised four new buys, several lesser additions, and reductions, and six complete sales.

Over the course of the year, we took new positions in Befesa, which operates plants that recycle toxic zinc dust: an unavoidable by-product of recycling steel; and Rivian, a US based manufacturer of electric vehicles (EVs). Both have critical roles to play in decarbonisation, and potentially large upside. More recently we added positions in Hubbell, a supplier of utility electrical components and Sca, Europe's largest private forest owner, both benefiting from structural tailwinds in their respective sectors which will increase demand for their products and services.

We have continued to add to some holdings during the year where the opportunity presented itself – such as Joby Aviation, LONGi, Solaredge Technologies, Tomra and Wolfspeed. More recently we made some reductions to Fortescue Metals and Arcadium Lithium in order to better reflect our conviction and probability of planetary upside delivery, while increasing our allocation to Solaredge Technologies which has seen a sharp drawdown on fears that interest rates will kill demand, while in fact their long-term technology proposition has strengthened.

These purchases were funded by sales or reductions of companies where we have grown less confident in their climate impact, such as Pinduoduo, Zoom and ITM Power. We also sold EHang, the Chinese autonomous aerial vehicle manufacturer on management concerns, Proterra the commercial EV manufacturer due to underwhelming growth and Beyond Meat, the alternative protein company, given a difficult operating environment and weaker long-term growth potential.

Baillie Gifford & Co, 18 January 2024

Principal Holdings as at 31 December 2023

Investment	Percentage of total Fund
Tesla Inc	8.05
Prysmian	7.42
Vestas Wind Systems	7.13
Sungrow Power Supply	6.32
CATL 'A'	6.10
Arcadium Lithium Plc	6.10
Enphase Energy Inc	5.81
Tomra Systems AS	5.54
Fortescue Metals	5.07
Wolfspeed Inc	4.92

Material Portfolio Changes for the year ended 31 December 2023

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Wolfspeed Inc	100	Pinduoduo Inc ADR	132
Sca B	86	Prysmian	100
Befesa SA	70	Zoom	67
Sungrow Power Supply	69	Tesla Inc	66
Tomra Systems AS	53	Allkem	60
LONGi Green Energy Technology 'A'	43	EHang Holdings Ltd ADR	52
Enphase Energy Inc	42	NIO Inc	41
Longshine Technology 'A'	41	Beyond Meat Inc	34
Solaredge Technologies Inc	34	Neoen	32
NIO Inc	34	LONGi Green Energy Technology 'A'	31

Portfolio Statement as at 31 December 2023

Stock description	Holding	Market value £'000	% of total net assets
Australia - 11.17% (10.50%)			
Arcadium Lithium Plc	27,665	166	6.10
Fortescue Metals	8,880	138	5.07
Cayman Islands - 0.00% (0.77%)			
China - 24.47% (28.49%)			
CATL 'A'	9,200	166	6.10
LONGi Green Energy Technology 'A'	41,820	106	3.89
Longshine Technology 'A'	19,300	35	1.29
NIO Inc	8,209	61	2.24
Pinduoduo Inc ADR	1,099	126	4.63
Sungrow Power Supply	17,800	172	6.32
Denmark - 7.13% (5.85%)			
Vestas Wind Systems	7,801	194	7.13
France - 4.77% (6.23%)			
Neoen	4,968	130	4.77
Germany - 0.55% (0.29%)			
Lilium N.V.	16,183	15	0.55
Italy - 7.42% (8.57%)			
Prysmian	5,747	202	7.42
Luxembourg - 2.57% (0.00%)			
Befesa SA	2,291	70	2.57
Norway - 6.02% (5.33%)			
Nel	25,297	13	0.48
Tomra Systems AS	15,897	151	5.54

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Sweden - 3.27% (0.00%)			
Sca B	7,579	89	3.27
UK - 0.00% (0.16%)			
United States - 31.67% (32.98%)			
ChargePoint Holdings Inc	9,534	17	0.62
Enphase Energy Inc	1,525	158	5.81
Ginkgo Bioworks Holdings Inc	39,338	52	1.91
Hubbell	101	26	0.96
Joby Aviation Inc	9,200	48	1.76
QuantumScape Corp	6,736	37	1.36
Rivian Automotive Inc	3,678	68	2.50
Solaredge Technologies Inc	1,409	103	3.78
Tesla Inc	1,121	219	8.05
Wolfspeed Inc	3,935	134	4.92
Portfolio of investments		2,696	99.04
Net other assets - 0.96% (0.83%)		26	0.96
Net assets		2,722	100.00

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

Figures in brackets refer to 31 December 2022.

Comparative Tables

Comparative Table: B Accumulation Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Period Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	76.19	99.36	100.00 ¹
Return before operating charges*	(10.50)	(22.70)	(0.45)
Operating charges	(0.36)	(0.47)	(0.19)
Return after operating charges*	(10.86)	(23.17)	(0.64)
Distributions	(0.15)	0.00	0.00
Retained distributions on accumulation shares	0.15	0.00	0.00
Closing net asset value per share	65.33	76.19	99.36
*After direct transaction costs of:	0.00	0.00	0.01
Performance:			
Return after charges	(14.25)%	(23.32)%	(0.64)%
Other Information:			
Closing net asset value (£'000)	2,719	3,111	3,994
Closing number of shares	4,161,115	4,083,280	4,019,455
Operating charges	0.52% ²	0.60% ³	0.59%
Direct transaction costs ⁴	0.00%	0.00%	0.04%
Prices:			
Highest share price (pence)	86.93	101.3	119.2
Lowest share price (pence)	54.76	69.38	94.15

Comparative Tables cont.

Comparative Table: B Income Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Period Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	76.18	99.36	100.00 ¹
Return before operating charges*	(10.44)	(22.70)	(0.45)
Operating charges	(0.36)	(0.48)	(0.19)
Return after operating charges*	(10.80)	(23.18)	(0.64)
Distributions on income shares	(0.16)	0.00	0.00
Closing net asset value per share	65.22	76.18	99.36
*After direct transaction costs of:	0.00	0.00	0.01
Performance:			
Return after charges	(14.18)%	(23.33)%	(0.64)%
Other Information:			
Closing net asset value (£'000)	1	1	1
Closing number of shares	1,000	1,000	1,000
Operating charges	0.52% ²	0.60% ³	0.59%
Direct transaction costs ⁴	0.00%	0.00%	0.04%
Prices:			
Highest share price (pence)	86.92	101.3	119.2
Lowest share price (pence)	54.76	69.38	94.15

Comparative Tables cont.

Comparative Table: C Accumulation Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Period Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	76.68	99.51	100.00 ¹
Return before operating charges*	(10.54)	(22.79)	(0.46)
Operating charges	(0.01)	(0.04)	(0.03)
Return after operating charges*	(10.55)	(22.83)	(0.49)
Distributions	(0.52)	(0.35)	0.00
Retained distributions on accumulation shares	0.52	0.35	0.00
Closing net asset value per share	66.13	76.68	99.51
*After direct transaction costs of:	0.00	0.00	0.01
Performance:			
Return after charges	(13.76)%	(22.94)%	(0.49)%
Other Information:			
Closing net asset value (£'000)	1	1	1
Closing number of shares	1,000	1,000	1,000
Operating charges	0.02% ⁵	0.10% ³	0.10%
Direct transaction costs ⁴	0.00%	0.00%	0.04%
Prices:			
Highest share price (pence)	87.53	101.5	119.3
Lowest share price (pence)	55.35	69.61	94.18

Comparative Tables cont.

Comparative Table: C Income Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Period Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	76.33	99.51	100.00 ¹
Return before operating charges*	(10.48)	(22.79)	(0.46)
Operating charges	(0.01)	(0.04)	(0.03)
Return after operating charges*	(10.49)	(22.83)	(0.49)
Distributions on income shares	(0.51)	(0.35)	0.00
Closing net asset value per share	65.33	76.33	99.51
*After direct transaction costs of:	0.00	0.00	0.01
Performance:			
Return after charges	(13.74)%	(22.94)%	(0.49)%
Other Information:			
Closing net asset value (£'000)	1	1	1
Closing number of shares	1,000	1,000	1,000
Operating charges	0.02% ⁵	0.10% ³	0.10%
Direct transaction costs ⁴	0.00%	0.00%	0.04%
Prices:			
Highest share price (pence)	87.12	101.5	119.3
Lowest share price (pence)	55.02	69.61	94.18

¹This fund launched on 14 September 2021.

²As at 31 December 2023 the ACD considered 0.60% to be a more indicative rate for the ongoing charges figure for Class B Shares.

³This is a newly launched fund and, to ensure initial investors do not pay disproportionately high costs, we have capped expenses excluding the annual management charge at 0.10%, until the Fund reaches a suitable size. Following an update, the Ongoing Charge Figures for the year ended 31 December 2022 have been restated.

⁴The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

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.

⁵As at 31 December 2023 the ACD considered 0.10% to be a more indicative rate for the ongoing charges figure for Class C Shares.

Financial Statements

Statement of Total Return for the year ended 31 December 2023

	Notes	2023		2022	
		£'000	£'000	£'000	£'000
Income					
Net capital losses	1		(445)		(931)
Revenue	3	21		15	
Expenses	4	(14)		(17)	
Net revenue/(expense) before taxation		7		(2)	
Taxation	5	(2)		(1)	
Net revenue/(expense) after taxation			5		(3)
Total return before distributions			(440)		(934)
Distributions	6		(6)		-
Change in net assets attributable to shareholders from investment activities			(446)		(934)

Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 December 2023

	2023		2022	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		3,114		3,997
Amounts receivable on issue of shares	50		53	
Amounts payable on cancellation of shares	(2)		(3)	
		48		50
Dilution adjustment		-		1
Change in net assets attributable to shareholders from investment activities		(446)		(934)
Retained distributions on accumulation shares		6		-
Closing net assets attributable to shareholders		2,722		3,114

Financial Statements cont.

Balance Sheet as at 31 December 2023

	Notes	2023 £'000	2022 £'000
Assets:			
Fixed assets:			
Investments	13	2,696	3,088
Current assets:			
Debtors	8	13	2
Cash and bank balances	9	23	32
Total assets		2,732	3,122
Liabilities:			
Creditors:			
Other creditors	10	(10)	(8)
Total liabilities		(10)	(8)
Net assets attributable to shareholders		2,722	3,114

Notes to the Financial Statements

1 Net capital gains/(losses)

	2023			2022		
	Realised £'000	Unrealised £'000	Total £'000	Realised £'000	Unrealised £'000	Total £'000
Non-derivative securities	(609)	163	(446)	6	(939)	(933)
Currency gains/(losses)	2	1	3	4	-	4
Custodian transaction costs			(2)			(2)
Net capital gain/(losses)			(445)			(931)

2 Purchases, sales and transaction costs

	2023 £'000	2022 £'000
Purchases and transaction costs		
Gross purchases of equities excluding transaction costs	771	703
Commissions	-	-
Taxes	-	-
Total transaction costs on equity purchases ¹	-	-
Purchases including transaction costs	771	703

¹These amounts have been deducted in determining net capital gains/(losses).

	2023 %	2022 %
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.00	0.00
Taxes on equity purchases	0.00	0.00

Notes to the Financial Statements cont.

2 Purchases, sales and transaction costs (continued)

	2023	2022
	£'000	£'000
Sales and transaction costs		
Gross sales of equities excluding transaction costs	717	619
Commissions	-	-
Taxes	-	-
Total transaction costs on equity sales ¹	-	-
Sales net of transaction costs	717	619

¹These amounts have been deducted in determining net capital gains/(losses).

	2023	2022
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	0.00	0.00
Taxes on equity sales	0.00	0.00

	2023		2022	
	£'000	% of average NAV	£'000	% of average NAV
Portfolio transaction costs				
Commissions	-	0.00	-	0.00
Taxes	-	0.00	-	0.00
Total direct transaction costs	-	0.00	-	0.00

	2023	2022
	%	%
Average portfolio dealing spread	0.11	0.11

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

Notes to the Financial Statements cont.

3 Revenue

	2023	2022
	£'000	£'000
Overseas dividends	21	15
Total revenue	21	15

4 Expenses

	2023	2022
	£'000	£'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	14	18
Expenses rebate	(10)	(10)
	4	8
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	-	-
Bank charges	1	1
	1	1
Other expenses:		
Audit fee	8	8
Professional fees	1	-
	9	8
Total expenses	14	17

5 Taxation

	2023	2022
	£'000	£'000
Analysis of charge in the year		
Corporation tax	-	-
Overseas tax	2	1
Total taxation	2	1

The Fund is subject to corporation tax at 20% (2022: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses substantially exceed the taxable income of the Fund and, as a result, there is no corporation tax charge.

At 31 December 2023, the Fund had excess management expenses of £36,000 (2022: £23,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing excess expenses.

Notes to the Financial Statements cont.

5 Taxation (continued)

The tax charge is explained as follows:

	2023	2022
	£'000	£'000
Net revenue before taxation	7	(2)
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2022: 20%)	1	-
Effects of:		
Non-taxable overseas dividends	(4)	(3)
Overseas tax on dividends	2	1
Excess management expenses	3	3
Total taxation	2	1

6 Distributions

	2023	2022
	£'000	£'000
Interim to 30 June	-	-
Final to 31 December	6	-
	6	-
Amounts deducted on cancellation of shares	-	-
Amounts added on issue of shares	-	-
Total distributions	6	-

The distributions take account of income revenue transactions on the issue and cancellation of shares. Details of the distributions per share are set out in the Distribution Tables.

7 Reconciliation of net revenue to net distributions for the year

	2023	2022
	£'000	£'000
Net revenue after taxation for the year	5	(3)
Add capital transfers for deficits of income	-	3
Add distributable revenue brought forward	-	-
Less distributable revenue carried forward	1	-
Net distributions for the year	6	-

8 Debtors

	2023	2022
	£'000	£'000
Amounts due from ACD	13	2
Total debtors	13	2

Notes to the Financial Statements cont.

9 Cash and bank balances

	2023	2022
	£'000	£'000
Sterling bank accounts	23	19
Foreign currency bank accounts	-	13
Total cash and bank balances	23	32

10 Other creditors

	2023	2022
	£'000	£'000
Due to the ACD or associates	1	1
Other accrued expenses	9	7
Total other creditors	10	8

11 Related party transactions

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts receivable and payable on the issue and cancellation of shares have been disclosed in notes 8 and 10 respectively.

Amounts paid to Baillie Gifford & Co Limited in respect of ACD fees are disclosed in note 4 with amounts due at the year end given in note 10. During the period Baillie Gifford & Co Limited deemed it appropriate to reimburse expenses to the Fund. The amount of expenses reimbursed is given in note 4 with amounts receivable at the year end given in note 8.

Shares held by the ACD and associates of the ACD

The shares held by the ACD and associates of the ACD as a percentage of the Fund's NAV were:

	2023	2022
	%	%
ACD and associates of the ACD	96.08	97.94

12 Reconciliation of shares in issue

	Shares in issue as at 31.12.22	Shares issued	Shares cancelled	Shares converted	Shares in issue as at 31.12.23
B Accumulation Shares	4,083,280	77,835	-	-	4,161,115
B Income Shares	1,000	1,000	(1,000)	-	1,000
C Accumulation Shares	1,000	1,000	(1,000)	-	1,000
C Income Shares	1,000	1,000	(1,000)	-	1,000

Notes to the Financial Statements cont.

13 Basis of valuation

	2023	2022
	Assets	Assets
	£'000	£'000
Level 1: Quoted prices	2,696	3,088
Level 2: Observable market data	-	-
Level 3: Unobservable data	-	-
Total	2,696	3,088

14 Derivatives and other financial instruments

Currency exposures

A proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

Currency	Net currency assets/(liabilities)			Net currency assets/(liabilities)		
	2023			2022		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Australian dollar	-	304	304	13	327	340
Chinese yuan	-	479	479	-	585	585
Danish krone	-	194	194	-	182	182
Euro	-	402	402	-	461	461
Hong Kong dollar	-	61	61	-	87	87
Norwegian krona	-	164	164	-	166	166
Swedish krona	-	89	89	-	-	-
UK sterling	23	-	23	19	5	24
US dollar	-	1,003	1,003	-	1,275	1,275

Short term debtors and creditors have not been disclosed.

Totals may not sum due to rounding.

The Fund invests in a generally diversified portfolio of assets. Consequently the ACD considers that a single measure of market sensitivity does not accurately reflect the risks faced by the Fund.

Notes to the Financial Statements cont.

15 Leverage

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

There have been no changes to the maximum level of leverage that can be employed by the Fund under both the gross and commitment methods during the year. The leverage limits have not been exceeded during the year. The Fund’s maximum and actual leverage levels at 31 December 2023 are shown below:

Leverage exposure	Gross method	Commitment method
Maximum Limit	120%	110%
Actual	93%	94%

Typical types and sources of leverage which the Fund employs include: (i) borrowing cash; (ii) derivatives for efficient portfolio management purposes (including hedging); and (iii) derivatives for investment purposes. For information on the associated risks with these types and sources of leverage please refer to the Prospectus which is available by contacting Client Relations.

Distribution Tables

Interim distribution for the period ended 30 June 2023

Group 1 : shares purchased prior to 1 January 2023

Group 2 : shares purchased 1 January 2023 to 30 June 2023

	Net Revenue (dividend distribution)	Equalisation	Distribution (paid/accumulated 31.08.23)	Distribution (paid/accumulated 31.08.22)
	30.06.23 pence per share	30.06.23 pence per share	30.06.23 pence per share	30.06.22 pence per share
B Accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
B Income				
Group 1	-	-	-	-
Group 2	-	-	-	-
C Accumulation				
Group 1	0.10000	-	0.10000	-
Group 2	0.10000	-	0.10000	-
C Income				
Group 1	0.10000	-	0.10000	-
Group 2	0.10000	-	0.10000	-

Distribution Tables cont.

Final distribution for the period ended 31 December 2023

Group 1 : shares purchased prior to 1 July 2023

Group 2 : shares purchased 1 July 2023 to 31 December 2023

	Net Revenue (dividend distribution)	Equalisation	Distribution (paid/accumulated 28.02.24)	Distribution (paid/accumulated 28.02.23)
	31.12.23 pence per share	31.12.23 pence per share	31.12.23 pence per share	31.12.22 pence per share
B Accumulation				
Group 1	0.15000	-	0.15000	-
Group 2	0.01230	0.13770	0.15000	-
B Income				
Group 1	0.16000	-	0.16000	-
Group 2	0.16000	-	0.16000	-
C Accumulation				
Group 1	0.42000	-	0.42000	0.35000
Group 2	0.42000	-	0.42000	0.35000
C Income				
Group 1	0.41000	-	0.41000	0.35000
Group 2	0.41000	-	0.41000	0.35000

BAILLIE GIFFORD

Baillie Gifford Diversified Growth Fund

a sub-fund of Baillie Gifford Investment Funds ICVC

*Annual Report and Financial Statements
for the year ended 31 December 2023*



Baillie Gifford Diversified Growth Fund

Investment Objective

The Fund aims to achieve (after deduction of costs): an annualised return over rolling five-year periods that is at least 3.5% more than UK Base Rate; a positive return over rolling three-year periods; and annualised volatility of returns over rolling five-year periods that is below 10%. There is no guarantee that a positive return will be achieved over rolling three-year periods, or any time period, and capital may be at risk.

Investment Policy

The Fund will invest in a wide range of asset classes in any country or sector. At any one time, the Fund may be invested in any one or more of the following: shares, bonds, money market instruments, deposits and cash. This exposure may be achieved directly or indirectly through collective investment schemes. The Fund may also invest indirectly in property, infrastructure, commodities, private equity, loans and insurance-linked securities. 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.

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 a range of assets.

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

The Fund aims to limit losses in any short term period to a lower level than equities. Neither this nor positive returns are guaranteed.

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.

Investing in China may harm your investment due to difficulties with market volatility, political and economic instability including the risk of market shutdown, trading, liquidity, settlement, corporate governance, regulation, legislation and taxation.

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.

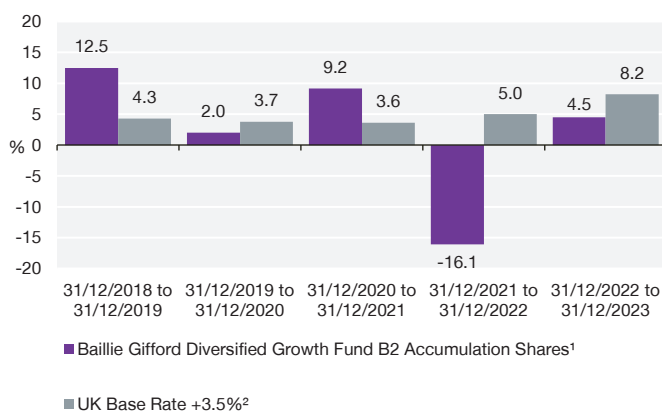
You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

Where possible, charges are taken from income. If insufficient, the rest will be taken from capital, reducing the capital value of the Fund.

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

Investment Report

Past Performance



The performance figures shown in this graph are for Class B2 Accumulation Shares. Performance figures reflect the annual management charge of 0.55% (until 30 June 2021, the annual management charge on Class B Shares was 0.65%). 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 achieve (after deduction of costs) an annualised return over rolling five-year periods that is at least 3.5% more than the UK Base Rate (the 'target return'), with annualised volatility of returns over rolling five-year periods that is below 10%. For the year to 31 December 2023 the return on B2 Accumulation Shares was 4.5%¹ compared to the target return of 8.2%². We fully appreciate that this is tough whether you are a longstanding client or a newer investor in the Fund. While periods of underperformance are inevitable given our style of investment, none of us enjoy these. We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance, a period in line with the Fund's objectives. Over that period, the annualised return on B2 Accumulation Shares was 1.9%¹ compared to the target return of 5.0%². The annualised volatility over this period was 8.9%³. The Fund also aims to achieve a positive return over rolling three-year periods. The annualised three-year return on B2 Accumulation Shares was -1.4%¹. It is disappointing that over this period the

Fund has underperformed its target return and three-year positive return target. Returns have been impacted by recent, short-term weakness.

Market environment

Markets can be very fickle over the short term, and so it proved towards the end of the year.

The final quarter began with most market indices in retreat. Concerns over the strength of US economic data led traders to worry about how much longer higher policy rates might remain. US bond 10-year yields touched 5%, their highest level in 15 years, pushing bond prices down. Other assets sold off too.

However, by late October, the dominant narrative had begun to swing around. Weaker economic data and trading updates from companies saw traders stop worrying about 'higher for longer' and the guessing game instead became about how much lower policy rates could go, and how soon. With this abrupt change in narrative, US bond yields tumbled to below 4% by December, pushing bond prices sharply higher. Other asset classes

¹Source: FE, 10am dealing prices, income accumulated. ²Source: Revolution and Bank of England. ³Source: Revolution, annualised volatility, calculated over five years to 31 December 2023. Please see Disclaimer on page 213. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

were also buoyed by this improvement in expectations, despite the implications for weaker earnings, and most rallied into year-end.

Performance

Fund performance was positive over the 12 months, but short of its objective. Throughout 2023, our position in the government debt of both developed and emerging economies was positive from a performance perspective, with our emerging market bond allocation being the largest contributor over the period. Other yield-sensitive asset classes, such as investment grade bonds and property, also benefited from the change in market sentiment.

Throughout the course of 2023, we have generally preferred fixed income assets to equities for the portfolio, judging the asymmetry of returns to be better in the current economic climate. That said, our allocation to listed equities, while relatively modest in a historic portfolio context, performed well overall, with the investments in Baillie Gifford's actively managed funds being the main contributors.

Elsewhere, our high-yielding structured finance investments performed particularly well, as did our property holdings, which delivered on rental growth and saw their capitalisation rates – the rate at which expected future cash flows are discounted – fall. Investments in industrial distribution and fulfilment property assets, such as Prologis and Segro, were strong contributors.

While our infrastructure, commodity, and high yield credit investments all ended the year on a more positive footing, over the 12 months they detracted from performance.

With respect to infrastructure, for example, during the early part of the year, underlying asset values were hit hard by higher financing costs. However, we still believe the competitive advantages available to actively-selected investments in areas such as renewables as offering compelling returns enhanced by longer-term, structural tailwinds.

In absolute return, strategies used to provide protection when equity markets are volatile partly offset declines in the early part of the year. These positions fell in value subsequently as market volatility remained subdued and were eventually sold during the second quarter. Finally, our investment in the Japanese yen – held as part of the active currency allocation - struggled as the Bank of Japan maintained low interest rates despite rising inflation.

Positioning

Looking ahead to 2024, our view is that it seems likely that markets have become overconfident about a soft landing. There are still inflationary impulses in the economy that need to be quelled and, so long as those exist, it is always possible that underlying economic strength or another unexpected event could allow pricing pressures to re-emerge.

We have taken the opportunity to reduce some of the portfolio's interest rate-sensitive exposures into the recent market rally. We have completely sold the Swedish government bonds held and substantially reduced our long-dated US Treasury positions. Instead, we prefer property, infrastructure, structured finance and see good value in emerging market equities.

Macroeconomic volatility remains likely to persist into 2024 as markets try to second-guess short-term inflation and growth data and what central banks will do next. With this in mind, our portfolio remains well-diversified and somewhat cautiously positioned. However, reviewing our return expectations across asset classes, we see plenty that have the potential to produce above-target returns over the coming years, and within our asset class groups are finding plenty of individual opportunities in which to invest.

Baillie Gifford & Co, 23 January 2024

Principal Holdings as at 31 December 2023

Investment	Percentage of total Fund
Baillie Gifford Worldwide Sustainable Emerging Markets Bond Fund C Acc USD ¹	7.13
Baillie Gifford Emerging Markets Bond Fund C Acc ¹	7.13
Baillie Gifford Worldwide Global Strategic Bond Fund C Acc USD ¹	5.02
Baillie Gifford Long Term Global Growth Investment Fund C Acc ²	4.30
Plutus CLO Fund	4.17
Baillie Gifford Emerging Markets Leading Companies Fund C Acc ¹	3.24
Galene Fund	2.85
Leadenhall UCITS ILS Fund	2.59
Aegon ABS Opportunity Fund Acc	2.40
iShares MSCI EM UCITS ETF	2.38

¹Baillie Gifford Investment Funds ICVC related party (please refer to note 11).

²Baillie Gifford Investment Funds ICVC cross-holding (please refer to note 11).

Material Portfolio Changes for the year ended 31 December 2023

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Baillie Gifford Worldwide Sustainable Emerging Markets Bond Fund C Acc USD ¹	155,498	Baillie Gifford Emerging Markets Bond Fund C Acc ¹	186,306
Baillie Gifford Emerging Markets Leading Companies Fund C Acc ¹	82,944	Baillie Gifford Global Income Growth Fund C Acc ¹	105,168
Baillie Gifford Long Term Global Growth Investment Fund C Acc ²	66,140	Baillie Gifford Global Alpha Growth Fund C Acc ¹	98,998
Barclays CSI 500 +5.5% ETN (c)	61,856	Aspect Core UCITS Fund C GBP	95,134
Leadenhall UCITS ILS Fund	61,390	Baillie Gifford Long Term Global Growth Investment Fund C Acc ²	79,095
Aegon ABS Opportunity Fund Acc	53,984	Fair Oaks Senior CLO Note	70,064
Sweden 3.5% 30/03/2039	53,644	UBS CSI 500 NTR index + 4.25% ETN	68,258
iShares MSCI EM UCITS ETF	53,394	Baillie Gifford Worldwide Global Strategic Bond Fund C Acc USD ¹	62,611
Citigroup US Steepener ETN (c)	49,146	Citigroup Volatility Carry ETN	60,782
Province of Quebec 3.25% 01/09/2032	47,635	Baillie Gifford Investment Grade Long Bond Fund C Acc ¹	59,636

¹Baillie Gifford Investment Funds ICVC related party (please refer to note 11).

²Baillie Gifford Investment Funds ICVC cross-holding (please refer to note 11).

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

Portfolio Statement as at 31 December 2023

Stock description	Holding	Market value £'000	% of total net assets
Absolute Return - 0.00% (5.02%)			
Commodities - 5.17% (3.76%)			
Lynas Corporation	6,107,847	23,408	1.02
MP Materials	1,673,773	26,049	1.14
WisdomTree Aluminium ETC (c)	18,578,707	45,879	2.00
WisdomTree Copper ETC (c)	846,765	23,062	1.01
Emerging Market Bonds Hard Currency - 8.30% (2.82%)			
Baillie Gifford Worldwide Sustainable Emerging Markets Bond Fund C Acc USD ¹	19,858,189	163,347	7.13
Dar Al Arkan Real Estate Development 6.875% 2027	400,000	309	0.01
IHS Hdg 5.625% 2026	600,000	408	0.02
ReNew Energy Global 4.5% 2027	400,000	275	0.01
Ukraine 7.75% 31/05/2041 (USD)	74,005,000	25,935	1.13
Emerging Market Bonds Local Currency - 7.12% (9.98%)			
Baillie Gifford Emerging Markets Bond Fund C Acc ¹	78,497,899	163,276	7.12
Government Bonds - 6.79% (7.57%)			
Australia 1.75% 21/06/2051	121,862,000	38,488	1.68
Australia 3% 21/03/2047	87,781,000	37,919	1.65
Canada Housing Trust No.1 3.65% 15/06/2033	59,606,000	35,882	1.57
Province of Ontario 5.85% 08/03/2033	26,151,000	18,001	0.78
Province of Quebec 3.25% 01/09/2032	28,186,000	16,207	0.71
US Treasury 2.875% 15/05/2052	3,602,400	2,261	0.10
US Treasury 3% 15/08/2052	10,560,000	6,808	0.30
High Yield Credit - 4.84% (9.34%)			
Aegea 9% 2031	500,000	417	0.02
AES Andes 7.125% 2024/79	400,000	301	0.01
Arcelik 8.5% 2028	500,000	412	0.02
Ares Capital Corp	681,759	10,712	0.47
Ashmore Asian High Yield Bond Fund Acc	831,268	35,714	1.56

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Baillie Gifford High Yield Bond Fund C Acc ¹	5,593,203	22,658	0.99
Banco Davivienda 6.65% 2031 Perp	400,000	223	0.01
Banco Do Brasil SA 6.25% 2024 Perp	400,000	307	0.01
Banco Do Brasil SA 6.25% 2030	200,000	163	0.01
Banco GNB Sudameris 7.5% 2031	500,000	327	0.01
Banco Mercantil del Norte 8.375% 2030 Perp	400,000	308	0.01
Bangkok Bank 5% 2025 Perp	400,000	300	0.01
Bharti Airtel 5.65% 2025 Perp	700,000	541	0.02
CEMEX 9.125% 2028 Perp	500,000	418	0.02
DP World 6% 01/10/2025 Perp	700,000	547	0.02
Ecobank Transnational 8.75% 2031	200,000	145	0.01
Ecopetrol 4.625% 2031 (USD)	900,000	599	0.03
Electricidad Firme de Mexico 4.9% 2026	400,000	283	0.01
Emirates NBD Bank 4.25% 2027 Perp	500,000	353	0.01
Energio - Pro 8.5% 2027	600,000	463	0.02
First Quantum Minerals 6.875% 2027 (144A)	600,000	400	0.02
GEMS Education 7.125% 2026	600,000	463	0.02
Globo Comunicacao E Participacoes 5.5% 2032	900,000	606	0.03
Greenko Energy 3.85% 2026	800,000	540	0.02
Grupo Aval 4.375% 2030	700,000	466	0.02
HDFC 3.7% Perp	500,000	357	0.02
Inkia Energy 5.875% 2027	200,000	149	0.01
Intl Container Terminal Services 4.75% 2030	900,000	685	0.03
Japfa Comfeed 5.375% 2026	200,000	137	0.01
Kionet 7.5% 2025	400,000	287	0.01
Kosmos Energy 7.125% 2026	600,000	448	0.02
Liberty Costa Rica 10.875% 2031 (Reg S)	600,000	482	0.02
Limak Iskenderun 9.5% 2036	200,000	142	0.01
Liquid Telecommunications Financing 5.5% 2026	400,000	181	0.01
Longfor 3.95% 2029	400,000	142	0.01
MAF Global Securities 6.375% 2026 Perp	600,000	462	0.02
Medco Bell Pte 6.375% 2027	600,000	448	0.02
Melco Resorts & Entertainment 5.75% 2028	500,000	360	0.02
MercadoLibre 2.375% 2026	800,000	586	0.02
Metinvest 8.5% 2026	400,000	219	0.01

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Minsur 4.5% 2031	700,000	485	0.02
Nemak 3.625% 2031	900,000	586	0.02
OTP Bank Nyrt. 8.75% 2033	500,000	403	0.02
Renew Power 4.5% 2028	400,000	279	0.01
Rumo Luxembourg 4.2% 2032	500,000	334	0.01
Sasol Financing 6.5% 2028	200,000	149	0.01
Sequoia Economic Infrastructure Income Fund	25,886,036	22,107	0.96
Shriram Finance 4.4% 2024	700,000	545	0.02
Standard Chartered 4.3% 2028 Perp	600,000	383	0.02
Studio City Intl Hdgs 7% 2027	200,000	154	0.01
TBC Bank 10.775% 2024 Perp	200,000	155	0.01
Teva Pharmaceutical Industries 6.75% 2028	700,000	561	0.02
Turkcell Iletisim Hizmetleri AS 5.8% 2028	600,000	445	0.02
Turkiye Sise ve Cam Fabrikalari A.S. 6.95% 2026	600,000	467	0.02
Unigel 8.75% 2026	400,000	90	0.00
VTR Comunicaciones 5.125% 2028	550,000	207	0.01
Yapi ve Kredi Bankasi 9.25% 2028	500,000	415	0.02
YPF Sociedad Anonima 6.95% 2027	400,000	281	0.01
YPF Sociedad Anónima 9% 2026	400,000	221	0.01
Infrastructure - 13.15% (13.51%)			
3i Infrastructure	8,708,538	27,998	1.22
Aquila European Renewables Income	22,728,284	15,263	0.67
Brookfield Renewable	352,536	7,959	0.35
China Longyuan Power Group 'H'	4,772,000	2,838	0.12
China Yangtze Power	2,180,700	5,630	0.24
EDP Renovaveis	566,366	9,069	0.40
Enel SpA	1,375,715	8,018	0.35
Eversource Energy	337,556	16,338	0.71
Fortis	240,089	7,770	0.34
Greencoat UK Wind	18,584,430	28,155	1.23
Hydro One	223,066	5,256	0.23
Iberdrola SA	1,782,320	18,332	0.80
Nexans	107,860	7,407	0.32
NextEra Energy	367,981	17,527	0.76

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
NKT Holding AS	148,523	8,000	0.35
Octopus Renewables Infrastructure	21,049,939	18,903	0.82
Orsted	536,397	23,332	1.02
Prysmian	284,954	10,020	0.44
Renewables Infrastructure Group	21,925,004	24,907	1.09
RWE	144,532	5,142	0.22
Terna	2,384,456	15,562	0.68
US Solar Fund	22,435,096	9,152	0.40
WEC Energy Group	114,384	7,553	0.33
Xinyi Energy	9,192,495	1,321	0.06
Insurance Linked - 6.22% (3.89%)			
Catahoula Re 2022-1 A (144A) ²	11,720,000	9,504	0.42
Catahoula Re 2022-1 B (144A) ²	7,030,000	5,547	0.24
Hestia Re 2022-1 A ²	23,920,000	17,450	0.76
Leadenhall UCITS ILS Fund	527,312	59,441	2.59
MetroCat 2023-1 Class A ²	7,000,000	5,539	0.24
Montoya 2022-2 Class A ²	7,000,000	5,977	0.26
Mystic Re IV 2023-1 A ²	8,000,000	6,471	0.28
Sanders Re 2019-1 B ²	14,000,000	1	0.00
Sanders Re III 2022-1 B ²	24,165,000	15,165	0.66
Ursa Re II 2022 AA (144A) ²	5,940,000	4,772	0.21
Ursa Re II 2022 C (144A) ²	11,710,000	9,522	0.42
Vitality Re XIV 2023 B (144A) ²	4,000,000	3,135	0.14
Investment Grade Bonds - 5.03% (6.31%)			
Baillie Gifford Worldwide Global Strategic Bond Fund C Acc USD ¹	8,596,039	114,928	5.02
Mashreqbank 8.5% 2027 Perp	400,000	327	0.01
Listed Equities - 14.03% (16.31%)			
Baillie Gifford Emerging Markets Leading Companies Fund C Acc ¹	12,030,931	74,291	3.24
Baillie Gifford Global Income Growth Fund C Acc ¹	1,851,267	46,819	2.04
Baillie Gifford Long Term Global Growth Investment Fund C Acc ³	8,517,113	98,458	4.30

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
GS Strategic Dividend 24 ETN (c)	14,175,860	13,653	0.59
GS Strategic Dividend 25 ETN (c)	3,425,760	3,569	0.16
iShares Edge MSCI World Value ETF	947,857	30,306	1.32
iShares MSCI EM UCITS ETF	1,753,874	54,528	2.38
Private Equity - 0.00% (0.00%)			
Eurovestech ²	1,356,949	27	0.00
Property - 8.41% (4.53%)			
American Tower Corp REIT	112,154	19,008	0.83
Assura Group	17,106,581	8,228	0.36
Crown Castle International REIT	93,758	8,470	0.37
Ctp N.V.	1,342,052	17,769	0.78
Equinix	23,103	14,596	0.64
Impact Healthcare REIT	3,453,833	3,039	0.13
Life Science REIT Plc	12,455,891	7,847	0.34
LondonMetric Property	5,386,964	10,316	0.45
Montea NV	54,595	4,078	0.18
Prologis Inc REIT	197,636	20,668	0.90
Rexford Industrial Realty REIT	359,548	15,814	0.69
Segro Plc	1,813,075	16,071	0.70
Sun Communities Inc REIT	54,600	5,721	0.25
Target Healthcare REIT Plc	4,084,556	3,513	0.15
Tritax Big Box REIT	5,417,518	9,134	0.40
Unite Group	1,182,925	12,350	0.54
Warehouses De Pauw	651,686	16,083	0.70
Special Opportunities - 0.00% (0.32%)			
Structured Finance - 12.24% (8.43%)			
Accunia European CLO Fund	252,353	28,184	1.23
Aegon ABS Opportunity Fund Acc	6,019,496	54,943	2.40
Galene Fund	374,726	65,243	2.85
HSBC Global Asset Backed High Yield Bond Fund	1,623,709	17,920	0.78
Plutus CLO Fund	930,085	95,583	4.17

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
TwentyFour Income Fund	17,614,914	18,531	0.81
Derivatives - 0.75% (0.15%)			
Forward currency contracts (see Table 1)		15,719	0.69
Futures contracts (see Table 2)		-	0.00
Interest rate swap contracts (see Table 3)		1,532	0.07
Portfolio of investments		2,109,773	92.05
Cash Equivalents - 7.35% (0.00%)			
UK T Bill 29/01/2024	9,000,000	8,960	0.39
UK T Bill 05/02/2024	34,500,000	34,313	1.50
UK T Bill 29/04/2024	27,987,368	27,500	1.20
UK T Bill 12/02/2024	28,600,000	28,416	1.24
UK T Bill 19/02/2024	46,865,000	46,515	2.03
UK T Bill 13/05/2024	23,200,000	22,752	0.99
Other Assets - 0.60% (8.06%)		13,750	0.60
Net assets		2,291,979	100.00

¹Baillie Gifford Investment Funds ICVC related party (please refer to note 11).

²This stock has been valued using a single broker quote and therefore is categorised as level 3 in note 13.

³Baillie Gifford Investment Funds ICVC cross-holding (please refer to note 11).

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

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

Figures in brackets in the investment category headings refer to 31 December 2022.

Portfolio Statement as at 31 December 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	10/01/24	GBP	67,442,864	EUR	77,539,380	230	0.01
Barclays	10/01/24	GBP	219,283,309	USD	267,737,000	9,273	0.40
Barclays	10/01/24	JPY	2,663,107,999	GBP	14,600,481	240	0.01
Barclays	24/01/24	GBP	47,577,430	EUR	54,496,018	315	0.01
Barclays	24/01/24	GBP	145,461,783	USD	180,404,000	3,966	0.17
Barclays	24/01/24	JPY	3,915,310,335	GBP	21,353,831	511	0.02
Barclays	14/02/24	GBP	68,133,776	EUR	77,539,380	839	0.04
Barclays	14/02/24	JPY	3,915,310,334	GBP	21,474,818	459	0.02
Barclays	28/02/24	GBP	110,526,375	EUR	128,219,380	(808)	(0.03)
Barclays	28/02/24	GBP	8,070,663	USD	10,211,619	63	0.00
Barclays	28/02/24	JPY	3,915,310,334	GBP	21,362,138	618	0.03
Deutsche Bank	28/02/24	GBP	14,858,415	USD	18,800,000	116	0.01
Goldman Sachs	10/01/24	GBP	19,190,716	AUD	36,500,000	(352)	(0.01)
Goldman Sachs	10/01/24	GBP	90,932,910	CNH	821,000,000	430	0.02
Goldman Sachs	24/01/24	GBP	15,119,730	USD	18,751,727	412	0.02
HSBC	10/01/24	JPY	1,252,202,335	GBP	6,865,195	113	0.01
JP Morgan Chase	10/01/24	GBP	79,877,592	CHF	87,990,000	(2,213)	(0.10)
JP Morgan Chase	28/02/24	GBP	189,678,735	USD	239,996,000	1,475	0.06
Merrill Lynch	28/02/24	GBP	19,653,826	EUR	22,800,000	(144)	(0.01)
National Australia Bank	10/01/24	GBP	135,029,035	AUD	256,820,000	(2,476)	(0.11)
National Australia Bank	10/01/24	GBP	48,892,001	NZD	100,200,000	(874)	(0.04)
Royal Bank of Canada	10/01/24	GBP	90,813,762	CAD	155,800,000	(1,880)	(0.08)
Royal Bank of Canada	24/01/24	GBP	16,587,839	EUR	19,000,000	110	0.01
Royal Bank of Canada	14/02/24	GBP	10,127,156	USD	12,638,381	215	0.01
Royal Bank of Scotland	24/01/24	GBP	34,060,537	USD	42,242,414	929	0.04
Royal Bank of Scotland	14/02/24	GBP	183,377,362	USD	228,849,336	3,902	0.17
State Street	28/02/24	GBP	32,087,853	USD	40,600,000	250	0.01
Unrealised gains/(losses) on open forward currency contracts						15,719	0.69

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

Futures	Maturity	Notional	Unrealised gains/(losses) £'000	% of total net assets
US 10 Year Note Future March 2024	28/03/24	(883)	-	0.00
Unrealised gains/(losses) on futures contracts			-	0.00

Portfolio Statement as at 31 December 2023 cont.

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
Barclays Bank Plc	JPY	20/06/30	50,480,615,735	.44375%	MUTAN Uncollateralised Overnight Call Rate	2,269	0.10
Barclays Bank Plc	JPY	01/12/30	13,300,000,000	.6775%	MUTAN Uncollateralised Overnight Call Rate	(337)	(0.01)
Nomura International Plc	JPY	11/09/30	12,886,136,255	.629%	MUTAN Uncollateralised Overnight Call Rate	(181)	(0.01)
Nomura International Plc	JPY	12/09/30	19,313,863,745	.622%	MUTAN Uncollateralised Overnight Call Rate	(219)	(0.01)
Unrealised gains/(losses) on open interest rate swap contracts						1,532	0.07

Breakdown of portfolio of investments

	31 December 2023		31 December 2022	
	Market value £'000	Percentage of total Fund	Market value £'000	Percentage of total Fund
Bonds - Direct	285,729	12.47	578,680	19.34
Bonds - Indirect	872,587	38.07	922,162	30.83
Commodities - Indirect	118,399	5.17	112,323	3.76
Derivatives	17,250	0.75	4,488	0.15
Equities - Direct	301,452	13.15	404,262	13.51
Equities - Indirect	321,651	14.03	592,932	19.82
Property - Indirect	192,705	8.41	135,504	4.53
Portfolio of investments	2,109,773	92.05	2,750,351	91.94

Investments are categorised based on underlying asset class.

Comparative Tables

Comparative Table: A Accumulation Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	187.24	225.68	208.48
Return before operating charges*	10.32	(35.09)	20.55
Operating charges	(3.02)	(3.35)	(3.35)
Return after operating charges*	7.30	(38.44)	17.20
Distributions	(2.94)	(2.28)	(1.60)
Retained distributions on accumulation shares	2.94	2.28	1.60
Closing net asset value per share	194.54	187.24	225.68
*After direct transaction costs of:	0.12	0.24	0.06
Performance:			
Return after charges	3.90%	(17.03)%	8.25%
Other Information:			
Closing net asset value (£'000)	1	638	741
Closing number of shares	500	340,937	328,425
Operating charges	1.57% ^{1,2}	1.68% ³	1.55% ⁴
Direct transaction costs ⁵	0.06%	0.12%	0.03%
Prices:			
Highest share price (pence)	199.3	226.3	226.5
Lowest share price (pence)	177.9	181.3	204.1

Comparative Tables cont.

Comparative Table: A Income Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	157.06	191.60	178.27
Return before operating charges*	8.66	(29.72)	17.55
Operating charges	(2.54)	(2.89)	(2.86)
Return after operating charges*	6.12	(32.61)	14.69
Distributions on income shares	(2.47)	(1.93)	(1.36)
Closing net asset value per share	160.71	157.06	191.60
*After direct transaction costs of:	0.10	0.21	0.06
Performance:			
Return after charges	3.90%	(17.02)%	8.24%
Other Information:			
Closing net asset value (£'000)	0	42	92
Closing number of shares	100	26,637	47,979
Operating charges	1.57% ^{1,2}	1.69% ³	1.54% ⁴
Direct transaction costs ⁵	0.06%	0.12%	0.03%
Prices:			
Highest share price (pence)	167.6	192.1	193.4
Lowest share price (pence)	149.5	153.7	174.5

Comparative Tables cont.

Comparative Table: B2 Accumulation Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	207.56	248.06	227.21
Return before operating charges*	11.27	(38.65)	22.53
Operating charges	(1.47)	(1.85)	(1.68)
Return after operating charges*	9.80	(40.50)	20.85
Distributions	(5.20)	(3.85)	(3.77)
Retained distributions on accumulation shares	5.20	3.85	3.77
Closing net asset value per share	217.36	207.56	248.06
*After direct transaction costs of:	0.13	0.27	0.07
Performance:			
Return after charges	4.72%	(16.33)%	9.18%
Other Information:			
Closing net asset value (£'000)	444,593	781,519	1,928,202
Closing number of shares	204,539,431	376,530,890	777,325,972
Operating charges	0.70% ²	0.83% ³	0.71% ⁶
Direct transaction costs ⁵	0.06%	0.12%	0.03%
Prices:			
Highest share price (pence)	221.1	248.8	248.9
Lowest share price (pence)	198.6	200.7	222.7

Comparative Tables cont.

Comparative Table: B Income Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	157.49	191.72	178.36
Return before operating charges*	8.53	(29.84)	17.62
Operating charges	(1.11)	(1.42)	(1.31)
Return after operating charges*	7.42	(31.26)	16.31
Distributions on income shares	(3.94)	(2.97)	(2.95)
Closing net asset value per share	160.97	157.49	191.72
*After direct transaction costs of:	0.10	0.21	0.06
Performance:			
Return after charges	4.71%	(16.31)%	9.14%
Other Information:			
Closing net asset value (£'000)	118,311	185,118	438,283
Closing number of shares	73,500,826	117,545,649	228,603,138
Operating charges	0.70% ²	0.83% ³	0.71% ⁶
Direct transaction costs ⁵	0.06%	0.12%	0.03%
Prices:			
Highest share price (pence)	167.8	192.3	194.3
Lowest share price (pence)	150.0	154.2	174.8

Comparative Tables cont.

Comparative Table: C Accumulation Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	237.99	282.87	257.56
Return before operating charges*	12.98	(44.17)	25.61
Operating charges	(0.36)	(0.71)	(0.30)
Return after operating charges*	12.62	(44.88)	25.31
Distributions	(7.31)	(5.79)	(5.90)
Retained distributions on accumulation shares	7.31	5.79	5.90
Closing net asset value per share	250.61	237.99	282.87
*After direct transaction costs of:	0.14	0.30	0.08
Performance:			
Return after charges	5.30%	(15.87)%	9.83%
Other Information:			
Closing net asset value (£'000)	1,719,914	1,994,096	3,404,493
Closing number of shares	686,302,425	837,888,719	1,203,554,105
Operating charges	0.15% ²	0.28% ³	0.11%
Direct transaction costs ⁵	0.06%	0.12%	0.03%
Prices:			
Highest share price (pence)	253.7	283.7	283.8
Lowest share price (pence)	228.7	229.9	252.8

Comparative Tables cont.

Comparative Table: C Income Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	218.92	266.62	247.98
Return before operating charges*	11.98	(41.59)	24.57
Operating charges	(0.34)	(0.66)	(0.28)
Return after operating charges*	11.64	(42.25)	24.29
Distributions on income shares	(6.69)	(5.45)	(5.65)
Closing net asset value per share	223.87	218.92	266.62
*After direct transaction costs of:	0.13	0.28	0.08
Performance:			
Return after charges	5.32%	(15.85)%	9.80%
Other Information:			
Closing net asset value (£'000)	9,160	30,099	79,853
Closing number of shares	4,091,533	13,748,742	29,950,750
Operating charges	0.15% ²	0.28% ³	0.11%
Direct transaction costs ⁵	0.06%	0.12%	0.03%
Prices:			
Highest share price (pence)	233.4	267.4	271.3
Lowest share price (pence)	209.9	215.0	243.4

¹As at 31 December 2023 the ACD considered 1.55% to be a more indicative rate for the ongoing charges figure for Class A Shares.

²In November 2023, following the FCA's statement regarding communications related to PRIIPs and UCTIS, the Investment Association amended its Guidance on Disclosure of Fund Charges and Costs, removing the requirement to include indirect costs associated with holding closed-ended investment funds from Ongoing Charges figures. Consequently, these costs are no longer included in the Ongoing Charges figure to 31 December 2023. Had the indirect costs associated with holding closed-ended investment funds been included, the Ongoing Charges figure would have been 0.12% higher.

³In July 2020, the Investment Association issued Guidance on Disclosure of Fund Charges and Costs effective from 30 June 2022 which updated the Ongoing Charges disclosure requirements to include indirect costs associated with fund's holdings of closed-ended investment funds. This resulted in an increase of 0.13% in the Ongoing Charges figures disclosed as at 31 December 2022.

⁴With effect from 1 July 2021, the ACD's annual fee for Class A shares was reduced from 1.60% to 1.50%. As at 31 December 2021 the ACD considered 1.52% to be a more indicative rate for the ongoing charges figure.

⁵The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions. Commission is also payable to the counterparty on the trading of futures contracts.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

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.

Comparative Tables cont.

⁶With effect from 1 July 2021, the ACD's annual fee for Class B shares was reduced from 0.65% to 0.55%. As at 31 December 2021 the ACD considered 0.57% to be a more indicative rate for the ongoing charges figure.

Financial Statements

Statement of Total Return for the year ended 31 December 2023

	Notes	2023		2022	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		44,598		(989,904)
Revenue	3	80,090		102,840	
Expenses	4	(4,598)		(10,517)	
Net revenue before taxation		75,492		92,323	
Taxation	5	(1,495)		(2,602)	
Net revenue after taxation			73,997		89,721
Total return before distributions			118,595		(900,183)
Distributions	6		(74,042)		(89,767)
Change in net assets attributable to shareholders from investment activities			44,553		(989,950)

Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 December 2023

	2023		2022	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		2,991,512		6,192,763
Amounts receivable on issue of shares	108,318		240,944	
Amounts payable on cancellation of shares	(918,645)		(2,527,988)	
		(810,327)		(2,287,044)
Dilution adjustment		3,393		6,666
Change in net assets attributable to shareholders from investment activities		44,553		(989,950)
Retained distributions on accumulation shares		62,848		69,077
Closing net assets attributable to shareholders		2,291,979		2,991,512

Financial Statements cont.

Balance Sheet as at 31 December 2023

	Notes	2023 £'000	2022 £'000
Assets:			
Fixed assets:			
Investments	13	2,119,257	2,784,241
Current assets:			
Debtors	8	15,754	33,990
Cash and bank balances	9	41,549	239,378
Cash equivalents		168,456	0
Total assets		2,345,016	3,057,609
Liabilities:			
Investment liabilities	13	(9,484)	(33,890)
Creditors:			
Bank overdrafts	9	(15,640)	-
Distributions payable		(2,553)	(2,752)
Other creditors	10	(25,360)	(29,455)
Total liabilities		(53,037)	(66,097)
Net assets attributable to shareholders		2,291,979	2,991,512

Notes to the Financial Statements

1 Net capital gains/(losses)

	2023			2022		
	Realised £'000	Unrealised £'000	Total £'000	Realised £'000	Unrealised £'000	Total £'000
Non-derivative securities	65,810	(22,918)	42,892	237,655	(740,807)	(503,152)
Derivative contracts	(43,633)	1,532	(42,101)	(21,649)	-	(21,649)
Forward currency contracts	29,165	15,717	44,882	(470,332)	4,488	(465,844)
Currency gains/(losses)	73	(1,125)	(1,052)	(1,199)	1,982	783
Custodian transaction costs			(23)			(42)
Net capital gain/(losses)			44,598			(989,904)

Where realised gains/(losses) include gains/(losses) arising from prior years, a corresponding (loss)/gain is included within the unrealised gains/(losses) presented.

2 Purchases, sales and transaction costs

	2023 £'000	2022 £'000
Purchases and transaction costs		
Gross purchases of bonds excluding transaction costs ¹	420,609	872,683
Gross purchases of equities excluding transaction costs	311,300	354,631
Commissions	92	150
Taxes	244	402
Total transaction costs on equity purchases²	336	552
Gross purchases of funds excluding transaction costs	838,219	1,076,641
Commissions on purchases of funds	119	36
Taxes on purchases of funds	192	126
Total transaction costs on fund purchases²	311	162
Purchases including transaction costs	1,570,776	2,304,669

¹There were no transaction costs on the purchase or sale of bonds.

²These amounts have been deducted in determining net capital gains/(losses).

Notes to the Financial Statements cont.

2 Purchases, sales and transaction costs (continued)

	2023	2022
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.03	0.04
Taxes on equity purchases	0.08	0.11
Commission on fund purchases	0.01	0.00
Taxes on fund purchases	0.02	0.01
	2023	2022
	£'000	£'000
Sales and transaction costs		
Gross sales of bonds excluding transaction costs ¹	697,678	1,760,148
Gross sales of equities excluding transaction costs	423,019	1,573,949
Commissions	(133)	(565)
Taxes	(40)	(85)
Total transaction costs on equity sales²	(173)	(650)
Gross sales of funds excluding transaction costs	1,169,574	1,656,436
Commissions on sales of funds	(58)	(2,884)
Taxes on sales of funds	(467)	(659)
Total transaction costs on fund sales²	(525)	(3,543)
Sales net of transaction costs	2,289,573	4,986,340

¹There were no transaction costs on the purchase or sale of bonds.

²These amounts have been deducted in determining net capital gains/(losses).

	2023	2022
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.03)	(0.04)
Taxes on equity sales	(0.01)	(0.01)
Commission on fund sales	(0.00)	(0.17)
Taxes on fund sales	(0.04)	(0.04)

Notes to the Financial Statements cont.

2 Purchases, sales and transaction costs (continued)

	2023		2022	
	£'000	% of average NAV	£'000	% of average NAV
Transaction cost on derivative contracts				
Commission on trading futures contracts	117		322	
Portfolio transaction costs				
Commissions	519	0.02	3,957	0.09
Taxes	944	0.04	1,272	0.03
Total direct transaction costs	1,463	0.06	5,229	0.12
Average portfolio dealing spread				
			0.37	0.51

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions. Commission is also payable to the counterparty on the trading of futures contracts.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying Funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

Notes to the Financial Statements cont.

3 Revenue

	2023	2022
	£'000	£'000
UK dividends ¹	6,365	14,905
Overseas dividends ¹	13,062	37,414
Property income distributions ¹	2,244	3,615
Interest on debt securities ¹	54,174	43,307
Bank interest	4,645	2,530
Swaps interest	(1,737)	3
Management fee rebates from third party funds	1,337	1,066
Total revenue	80,090	102,840

¹Includes income from relevant Collective Investment Schemes.

4 Expenses

	2023	2022
	£'000	£'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	4,166	9,814
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	190	287
Bank charges	159	382
	349	669
Other expenses:		
Audit fee	19	18
Non-audit fees paid to auditors	4	10
Professional fees	60	6
	83	34
Total expenses	4,598	10,517

Notes to the Financial Statements cont.

5 Taxation

	2023	2022
	£'000	£'000
Analysis of charge in the year		
Corporation tax	-	-
Overseas tax	929	3,261
Irrecoverable tax on property income distributions	449	723
Prior year tax reclaims written off	90	-
Tax recoverable on overseas dividends	27	(1,382)
Total taxation	1,495	2,602

The Fund is subject to corporation tax at 20% (2022: 20%), however, the Fund operates under the Tax Elected Fund regime, and therefore the Fund has made distributions divided between dividend distributions and non-dividend distributions. The non-dividend distributions made by the Fund are allowable in arriving at the amount of revenue liable to tax. As a result, this has reduced the corporation tax liability of the Fund to nil.

The tax charge is explained as follows:

	2023	2022
	£'000	£'000
Net revenue before taxation	75,492	92,323
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2022: 20%)	15,099	18,464
Effects of:		
Non-taxable UK dividends	(1,273)	(2,981)
Non-taxable overseas dividends	(2,238)	(6,835)
Non-taxable property income distributions	(449)	(723)
Non-dividend distributions	(11,083)	(7,828)
Overseas tax on dividends	927	3,304
Irrecoverable tax on property income distributions	449	723
Overseas tax on coupons	2	(43)
Prior year tax reclaims written off	90	-
Tax recoverable on overseas dividends	27	(1,382)
Expense relief claimed on overseas tax	(56)	(97)
Total taxation	1,495	2,602

Notes to the Financial Statements cont.

6 Distributions

	2023	2022
	£'000	£'000
Interim to 30 June	15,439	29,023
Final to 31 December	50,638	45,518
	66,077	74,541
Amounts deducted on cancellation of shares	9,257	16,699
Amounts added on issue of shares	(1,292)	(1,473)
Total distributions	74,042	89,767

The distributions take account of income revenue transactions on the issue and cancellation of shares. Details of the distributions per share are set out in the Distribution Tables.

7 Reconciliation of net revenue to net distributions for the year

	2023	2022
	£'000	£'000
Net revenue after taxation for the year	73,997	89,721
Add distributable revenue brought forward	128	174
Less distributable revenue carried forward	(83)	(128)
Net distributions for the year	74,042	89,767

8 Debtors

	2023	2022
	£'000	£'000
Receivable for issue of shares	319	2,878
Sales awaiting settlement	67	12,055
Accrued income	2,042	6,405
Overseas tax recoverable	1,141	1,278
VAT recoverable	4	7
Collateral held by counterparties	6,965	9,390
Amounts due from clearing house	3,941	-
Other debtors	1,275	1,977
Total debtors	15,754	33,990

Notes to the Financial Statements cont.

9 Cash and bank balances

	2023	2022
	£'000	£'000
Sterling amounts held at clearing houses and brokers	874	2,132
Foreign amounts held at clearing houses and brokers	1,936	62,323
Sterling bank accounts	37,190	171,145
Foreign currency bank accounts	1,549	3,778
	41,549	239,378
Sterling amounts held at clearing houses and brokers overdrawn	(283)	-
Foreign amounts held at clearing houses and brokers overdrawn	(503)	-
Sterling bank accounts overdrawn	(14,854)	-
	(15,640)	-
Total cash and bank balances	25,909	239,378

10 Other creditors

	2023	2022
	£'000	£'000
Payable for cancellation of shares	1,122	416
Purchases awaiting settlement	220	776
Due to the ACD or associates	246	449
Due to the Depositary or associates	1	4
Collateral held on behalf of counterparty	22,500	27,755
Amounts due to clearing broker	1,211	-
Other accrued expenses	60	55
Total other creditors	25,360	29,455

Notes to the Financial Statements cont.

11 Related party transactions

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts receivable and payable on the issue and cancellation of shares have been disclosed in notes 8 and 10 respectively.

Amounts paid to Baillie Gifford & Co Limited in respect of ACD fees are disclosed in note 4 with amounts due at the year end given in note 10.

The Fund invests in other funds for whom Baillie Gifford & Co, the ultimate parent company of the ACD, act as Investment Adviser and these funds are therefore considered to be related parties. Transactions with these related party funds are noted in the table below.

	2023			2022		
	Purchases £'000	Sales £'000	Income £'000	Purchases £'000	Sales £'000	Income £'000
Baillie Gifford Emerging Markets Bond Fund C Acc	29,789	186,306	16,787	214,211	81,390	14,901
Baillie Gifford Emerging Markets Leading Companies Fund C Acc	82,944	8,763	-	-	-	-
Baillie Gifford Global Alpha Growth Fund C Acc	8,013	98,998	401	-	109,403	1,703
Baillie Gifford Global Income Growth Fund C Acc	20,046	105,168	1,444	107,438	230,303	5,527
Baillie Gifford High Yield Bond Fund C Acc	1,548	14,243	1,644	-	22,572	2,118
Baillie Gifford Investment Grade Long Bond Fund C Acc	-	59,636	-	89,448	34,885	527
Baillie Gifford Long Term Global Growth Investment Fund C Acc	66,140	79,095	87	106,340	151,016	245
Baillie Gifford Worldwide Global Strategic Bond Fund C Acc USD	43,150	62,611	-	114,357	38,944	-
Baillie Gifford Worldwide Sustainable Emerging Markets Bond Fund C Acc USD	155,498	48,820	-	69,688	20,951	-

Shares held by the ACD and associates of the ACD

The shares held by the ACD and associates of the ACD as a percentage of the Fund's NAV were:

	2023	2022
	%	%
ACD and associates of the ACD	0.00	0.28

Notes to the Financial Statements cont.

12 Reconciliation of shares in issue

	Shares in issue as at 31.12.22	Shares issued	Shares cancelled	Shares converted	Shares in issue as at 31.12.23
A Accumulation Shares	340,937	1,247	(4,008)	(337,676)	500
A Income Shares	26,637	63	100	(26,700)	100
B2 Accumulation Shares	376,530,890	8,592,347	(174,174,896)	(6,408,910)	204,539,431
B Income Shares	117,545,649	4,991,590	(43,269,230)	(5,767,183)	73,500,826
C Accumulation Shares	837,888,719	34,396,127	(191,816,700)	5,834,279	686,302,425
C Income Shares	13,748,742	152,208	(13,955,349)	4,145,932	4,091,533

13 Basis of valuation

	2023		2022	
	Assets	Liabilities	Assets	Liabilities
	£'000	£'000	£'000	£'000
Level 1: Quoted prices	688,867	-	895,213	-
Level 2: Observable market data	1,347,280	(9,484)	1,706,500	(33,890)
Level 3: Unobservable data ¹	83,110	-	182,527	-
Total	2,119,257	(9,484)	2,784,241	(33,890)

¹For further information on the assets included in Level 3, as at 31 December 2023, please refer to the Portfolio Statement.

14 Credit ratings

Rating Block	2023		2022	
	Market value	Percentage of	Market value	Percentage of
	£'000	total Fund	£'000	total Fund
Investment Grade	324,707	14.17	252,536	8.44
High Yield	48,615	2.12	88,968	2.97
Unrated	80,864	3.53	366,487	12.25
Total	454,186	19.82	707,991	23.66
Other	1,837,793	80.18	2,283,521	76.34
Net Assets	2,291,979	100.00	2,991,512	100.00

Notes to the Financial Statements cont.

15 Derivatives and other financial instruments

Currency exposures

A proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

Currency	Net currency assets/(liabilities)			Net currency assets/(liabilities)		
	2023			2022		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Australian dollar	-	(57,233)	(57,233)	-	(149,355)	(149,355)
Brazilian real	-	-	-	-	30,785	30,785
Canadian dollar	-	(9,577)	(9,577)	-	(18,330)	(18,330)
Chinese yuan (offshore)	-	(90,503)	(90,503)	-	(62,736)	(62,736)
Chinese yuan (onshore)	-	5,630	5,630	-	23,663	23,663
Colombian peso	-	-	-	-	(43,606)	(43,606)
Danish krone	-	59,516	59,516	-	45,801	45,801
Euro	-	(130,472)	(130,472)	7,404	(241,232)	(233,828)
Hong Kong dollar	-	4,159	4,159	-	21,723	21,723
Indian rupee	40	-	40	43	(30,397)	(30,354)
Japanese yen	(1,714)	89,129	87,415	-	192,422	192,422
Mexican peso	-	-	-	-	29,052	29,052
New Zealand dollar	-	(49,765)	(49,765)	-	(67,657)	(67,657)
Pakistan rupee	-	-	-	11	-	11
Peruvian nuevo sol	-	-	-	-	15,204	15,204
South African rand	-	-	-	-	45,085	45,085
Swiss franc	-	(82,091)	(82,091)	-	(99,264)	(99,264)
Thai baht	-	-	-	-	66,790	66,790
Turkish lira	-	-	-	-	(17,859)	(17,859)
UK sterling	179,788	2,393,108	2,572,896	154,912	3,196,424	3,351,336
US dollar	3,445	(22,128)	(18,683)	58,643	(186,162)	(127,519)

Short term debtors and creditors have not been disclosed.

Totals may not sum due to rounding.

Notes to the Financial Statements cont.

15 Derivatives and other financial instruments (continued)

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund was:

Currency	2023				2022			
	Floating Rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000	Floating Rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
Australian dollar	-	76,407	23,408	99,815	-	114,003	38,202	152,204
Brazilian real	-	-	-	-	-	-	30,785	30,785
Canadian dollar	-	70,090	13,026	83,117	-	-	3,200	3,200
Chinese yuan (onshore)	-	-	5,630	5,630	-	-	23,663	23,663
Danish krone	-	-	59,516	59,516	-	-	45,801	45,801
Euro	-	72,166	126,743	198,909	7,404	87,268	228,923	323,595
Hong Kong dollar	-	-	4,159	4,159	-	-	21,723	21,723
Indian rupee	40	-	-	40	43	-	-	43
Japanese yen	533,989	-	87,597	621,586	-	-	192,422	192,422
Mexican peso	-	-	-	-	-	-	29,052	29,052
Pakistan rupee	-	-	-	-	11	-	-	11
Peruvian nuevo sol	-	-	-	-	-	-	15,204	15,204
South African rand	-	-	-	-	-	-	45,085	45,085
Swiss franc	-	-	-	-	-	-	45,438	45,438
Thai baht	-	-	-	-	-	-	66,790	66,790
UK sterling	56,789	515,216	2,132,005	2,704,010	182,667	556,081	3,085,084	3,823,832
US dollar	112,463	359,456	338,254	810,173	237,306	668,543	230,676	1,136,525

Notes to the Financial Statements cont.

15 Derivatives and other financial instruments (continued)

Currency	2023			Total £'000	2022			Total £'000
	Floating Rate financial liabilities £'000	Fixed Rate financial liabilities £'000	Financial liabilities not carrying interest £'000		Floating Rate financial liabilities £'000	Fixed Rate financial liabilities £'000	Financial liabilities not carrying interest £'000	
Australian dollar	-	-	157,048	157,048	-	-	301,559	301,559
Canadian dollar	-	-	92,694	92,694	-	-	21,530	21,530
Chinese yuan (offshore)	-	-	90,503	90,503	-	-	62,736	62,736
Colombian peso	-	-	-	-	-	-	43,606	43,606
Euro	-	-	329,381	329,381	-	-	557,423	557,423
Indian rupee	-	-	-	-	-	-	30,397	30,397
Japanese yen	1,714	532,457	-	534,171	-	-	-	-
New Zealand dollar	-	-	49,765	49,765	-	-	67,657	67,657
Swiss franc	-	-	82,091	82,091	-	-	144,703	144,703
Turkish lira	-	-	-	-	-	-	17,859	17,859
UK sterling	45,457	-	85,656	131,113	27,755	-	444,741	472,496
US dollar	-	-	831,525	831,525	-	-	1,264,044	1,264,044

The Fund invests in a generally diversified portfolio of assets, including derivatives that are used for efficient portfolio management purposes (including hedging) and for investment purposes. Consequently the ACD considers that a single measure of market sensitivity does not accurately reflect the risks faced by the Fund.

Totals may not sum due to rounding.

Notes to the Financial Statements cont.

16 Derivative exposure

The exposure to derivative counterparties was:

Counterparty	2023					2022				
	Forward currency contracts	Inflation rate swaps	Interest rate swaps	Cash collateral held	Total exposure	Forward currency contracts	Inflation rate swaps	Interest rate swaps	Cash collateral held	Total exposure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Barclays	16,513	-	2,269	(15,230)	3,552	13,952	-	-	-	13,952
CitiGroup	-	-	-	-	-	1,523	-	-	(325)	1,198
Deutsche Bank	116	-	-	-	116	169	-	-	-	169
Goldman Sachs	842	-	-	(800)	42	74	-	-	-	74
HSBC	113	-	-	(140)	(27)	-	-	-	(3,500)	(3,500)
JP Morgan Chase	1,475	-	-	-	1,475	3,665	-	-	(3,580)	85
National Australia Bank	-	-	-	-	-	18,701	-	-	-	18,701
NatWest	4,831	-	-	(5,655)	(824)	-	-	-	(13,730)	(13,730)
Royal Bank of Canada	325	-	-	-	325	294	-	-	(6,620)	(6,326)
State Street Bank	250	-	-	(675)	(425)	-	-	-	-	-

In addition the Fund trades futures contracts through UBS. Fair value movements are offset by movements in the variation margin account which reduces the derivative counterparty exposure to nil.

Collateral pledged on derivatives was:

Counterparty	2023			2022		
	Cash £'000	Bonds £'000	Total £'000	Cash £'000	Bonds £'000	Total £'000
Barclays	-	-	-	3,490	-	3,490
Deutsche Bank	-	-	-	130	-	130
Goldman Sachs	-	-	-	2,965	-	2,965
HSBC	-	9,069	9,069	-	-	-
JP Morgan Chase	1,100	-	1,100	-	-	-
Merrill Lynch	135	-	135	105	-	105
National Australia Bank	4,225	-	4,225	2,700	-	2,700
Royal Bank of Canada	1,505	-	1,505	-	-	-

Notes to the Financial Statements cont.

17 Leverage

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

There have been no changes to the maximum level of leverage that can be employed by the Fund under both the gross and commitment methods during the year. The leverage limits have not been exceeded during the year. The Fund’s maximum and actual leverage levels at 31 December 2023 are shown below:

Leverage exposure	Gross method	Commitment method
Maximum Limit	1,000%	300%
Actual	210%	131%

Typical types and sources of leverage which the Fund employs include: (i) borrowing cash; (ii) derivatives for efficient portfolio management purposes (including hedging); and (iii) derivatives for investment purposes. For information on the associated risks with these types and sources of leverage please refer to the Prospectus which is available by contacting Client Relations.

Distribution Tables

Interim dividend distribution for the period ended 30 June 2023

Group 1 : shares purchased prior to 1 January 2023

Group 2 : shares purchased 1 January 2023 to 30 June 2023

	Net Revenue (dividend distribution)	Equalisation	Distribution (paid/accumulated 31.08.23)	Distribution (paid/accumulated 31.08.22)
	30.06.23 pence per share	30.06.23 pence per share	30.06.23 pence per share	30.06.22 pence per share
A Accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
A Income				
Group 1	-	-	-	-
Group 2	-	-	-	-
B2 Accumulation				
Group 1	0.05000	-	0.05000	0.50000
Group 2	0.02358	0.02642	0.05000	0.50000
B Income				
Group 1	-	-	-	0.40000
Group 2	-	-	-	0.40000
C Accumulation				
Group 1	0.40000	-	0.40000	1.00000
Group 2	-	0.40000	0.40000	1.00000
C Income				
Group 1	0.40000	-	0.40000	1.00000
Group 2	0.40000	-	0.40000	1.00000

Distribution Tables cont.

Final dividend distribution for the period ended 31 December 2023

Group 1 : shares purchased prior to 1 July 2023

Group 2 : shares purchased 1 July 2023 to 31 December 2023

	Net Revenue (dividend distribution)	Equalisation	Distribution (paid/accumulated 28.02.24)	Distribution (paid/accumulated 28.02.23)
	31.12.23 pence per share	31.12.23 pence per share	31.12.23 pence per share	31.12.22 pence per share
A Accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
A Income				
Group 1	-	-	-	-
Group 2	-	-	-	-
B2 Accumulation				
Group 1	0.42000	-	0.42000	0.93000
Group 2	0.29280	0.12720	0.42000	0.93000
B Income				
Group 1	0.35000	-	0.35000	0.70000
Group 2	0.22214	0.12786	0.35000	0.70000
C Accumulation				
Group 1	1.44000	-	1.44000	1.94000
Group 2	0.69565	0.74435	1.44000	1.94000
C Income				
Group 1	1.28000	-	1.28000	1.89000
Group 2	0.18960	1.09040	1.28000	1.89000

Distribution Tables cont.

Interim Non-Dividend Distribution for the period ended 30 June 2023

Group 1 : shares purchased prior to 1 January 2023

Group 2 : shares purchased 1 January 2023 to 30 June 2023

	Net Revenue (non-dividend distribution)	Equalisation	Distribution (paid/accumulated 31.08.23)	Distribution (paid/accumulated 31.08.22)
	30.06.23 pence per share	30.06.23 pence per share	30.06.23 pence per share	30.06.22 pence per share
A Accumulation				
Group 1	0.10000	-	0.10000	0.45000
Group 2	-	0.10000	0.10000	0.45000
A Income				
Group 1	0.10000	-	0.10000	0.25000
Group 2	-	0.10000	0.10000	0.25000
B2 Accumulation				
Group 1	0.80000	-	0.80000	0.65000
Group 2	-	0.80000	0.80000	0.65000
B Income				
Group 1	0.75000	-	0.75000	0.65000
Group 2	-	0.75000	0.75000	0.65000
C Accumulation				
Group 1	1.20000	-	1.20000	0.90000
Group 2	0.03830	1.16170	1.20000	0.90000
C Income				
Group 1	1.20000	-	1.20000	0.85000
Group 2	1.20000	-	1.20000	0.85000

Distribution Tables cont.

Final Non-Dividend Distribution for the period ended 31 December 2023

Group 1 : shares purchased prior to 1 July 2023

Group 2 : shares purchased 1 July 2023 to 31 December 2023

	Net Revenue (non-dividend distribution)	Equalisation	Distribution (paid/accumulated 28.02.24)	Distribution (paid/accumulated 28.02.23)
	31.12.23 pence per share	31.12.23 pence per share	31.12.23 pence per share	31.12.22 pence per share
A Accumulation				
Group 1	2.84000	-	2.84000	1.83000
Group 2	0.70000	2.14000	2.84000	1.83000
A Income				
Group 1	2.37000	-	2.37000	1.68000
Group 2	2.37000	-	2.37000	1.68000
B2 Accumulation				
Group 1	3.93000	-	3.93000	1.77000
Group 2	1.53387	2.39613	3.93000	1.77000
B Income				
Group 1	2.84000	-	2.84000	1.22000
Group 2	1.30550	1.53450	2.84000	1.22000
C Accumulation				
Group 1	4.27000	-	4.27000	1.95000
Group 2	1.73981	2.53019	4.27000	1.95000
C Income				
Group 1	3.81000	-	3.81000	1.71000
Group 2	-	3.81000	3.81000	1.71000

BAILLIE GIFFORD

Baillie Gifford Long Term Global Growth Investment Fund

a sub-fund of Baillie Gifford Investment Funds ICVC

*Annual Report and Financial Statements
for the year ended 31 December 2023*



Baillie Gifford Long Term Global Growth Investment Fund

Investment Objective

The Fund aims to outperform (after deduction of costs) the MSCI ACWI Index, as stated in sterling, by at least 2.5% per annum over rolling five-year periods.

Investment Policy

The Fund will invest at least 90% in shares of companies anywhere in the world. The Fund will invest in companies in any sector which, typically at the time of purchase, have a market capitalisation of more than US\$4 billion. The Fund will be actively managed and will be concentrated, typically comprising 30 to 60 holdings.

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 company shares.

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

Over shorter time periods the Fund's share price can be volatile and returns can be much higher or lower than our five-year average target. There is no guarantee this objective will be achieved over any time period.

Investing in China may harm your investment due to difficulties with market volatility, political and economic instability including the risk of market shutdown, trading, liquidity, settlement, corporate governance, regulation, legislation and taxation.

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.

Where possible, charges are taken from income. If insufficient, the rest will be taken from capital, reducing the capital value of the Fund.

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

Adoption of Net Zero Asset Managers initiative

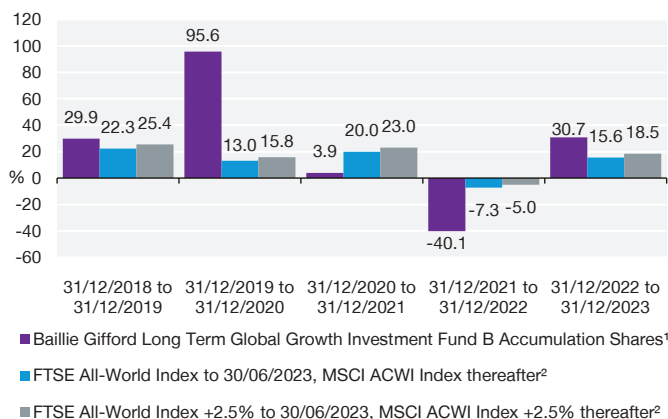
Baillie Gifford & Co, the Fund's Investment Manager, has joined the Net Zero Asset Managers initiative (NZAM), as part of the Investment Manager's commitment to support the goal of net zero greenhouse gas emissions by 2050, in line with global efforts to limit warming to 1.5°C.

This commitment includes supporting investing aligned with net zero emissions by 2050 or sooner, and the Fund has been managed in line with and counted towards the Investment Manager's net zero commitment.

As a long-term investor, the Investment Manager's investment process takes into account the long-term prospects (including long-term sustainability) of an investment. Consideration of climate-related factors, including NZAM commitments, and the impact of these on a company's competitive positioning form an integral part of this process.

Investment Report

Past Performance



The performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the annual management charge of 0.62%. Performance figures for the share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

Past performance

The investment objective of the Fund is to outperform (after deduction of costs) MSCI ACWI Index (the 'Index') by at least 2.5% per annum (the 'target return') over rolling five-year periods. From 30 June 2023 the Index was changed from the FTSE All-World Index to the MSCI ACWI; the target return remains the same. For the year to 31 December 2023 the return on B Accumulation Shares was 30.7%¹ compared to the Index of 15.6%² and the target return of 18.5%². We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance, a period in line with the Fund's objectives. Over that period, the annualised return on B Accumulation Shares was 15.6%¹ compared to the Index of 12.2%² and the target return of 15.0%².

Market environment

Market sentiment has been fluctuating over the year, with concerns about inflation one day and central banks keeping rates steady the next. However, the recent dovish

tone from monetary authorities is improving market sentiment towards growth companies. Consequently, the performance of the Long Term Global Growth Investment Fund's (LTGG) portfolio has risen sharply over the year. The LTGG team remains committed to identifying and holding exceptional growth stocks at the forefront of multi-decade transformations.

At its core, LTGG's task is futureproofing. Investing with an eye on the next 10 years, instead of the next quarter, necessitates adaptability, diligent capital allocation, and resilience from our holdings. Now that capital costs have increased, unruly companies have been required to pull back, while the disciplined outliers have been able to forge ahead and win share from those in retreat. This has been the clear theme emerging from our interactions with several LTGG holdings, and we have been excited to see the strength of the green shoots across the portfolio.

Performance

Reflecting on the last 12 months, NVIDIA, PDD Holdings and Shopify were among the top contributors to the Fund's relative performance during the year.

¹Source: FE, 10am dealing prices, income accumulated. ²Source: Revolution and FTSE and MSCI, total return in sterling terms. 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 213. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

According to CEO Jensen Huang, a new era of computing has begun as companies shift from general-purpose to accelerated computing and generative Artificial Intelligence (AI) technologies. NVIDIA has reported record revenues of over \$18 billion in the recent quarter, up over 200% compared to last year, mainly due to record data centre revenues. The company's earnings per share also rose significantly, 12x compared to the previous year. Major cloud service providers announced the implementation of massive NVIDIA H100 AI chip infrastructures while leading enterprise IT systems and software providers announced partnerships to bring NVIDIA AI to every industry.

PDD has delivered rapid revenue growth over the past year, rising over 90% year-over-year, combined with a nearly 50% increase in profits compared to last year. The company continues to invest in agricultural and supply chain technology and supports infrastructure to improve the overall quality of agricultural products sold on its platform. PDD's global business has also gathered strong momentum since its launch a year ago. It now serves over 10,000 manufacturers from over 100 industrial belts across China, connecting them to consumers in over 40 countries and regions worldwide. PDD's business is going from strength to strength and has been one of the best-performing companies in the Chinese market.

Shopify now handles 10% of all US ecommerce transactions, and the market has reacted positively to increased discipline towards profitability. Recent results showed revenues rose 25% year-over-year, spurred by merchant growth helping drive gross merchandise volume higher. They recently disposed of their logistics business and have made several changes to their senior management to reflect the company's changing needs. They now offer an enterprise solution and have raised prices for the first time. Shopify is deepening its relationship with merchants, broadening its opportunity set, and plans to leverage its latent pricing power.

Moderna, Meituan and Illumina were among the top detractors to the Fund's relative performance during the year.

Moderna's share price remains volatile due to market speculation about Covid-19 sales, but the company has the potential to transform treatments and prevent

diseases, including infectious diseases and cancer. With 47 development programs, six in Phase 3 and seven in Phase 2, Moderna has demonstrated the scalability of its platform. The market opportunity for respiratory infectious diseases, latent viruses, cancer, and rare diseases is over \$50bn. Moderna is a leading player in mRNA with a first-mover advantage and significant capital investment. Although Moderna has been unprofitable recently, they still have substantial financial firepower at their disposal.

Meituan's operational performance remains robust, with recent results showing revenues rising over 20% and profits tripling from a year earlier, helped by removing Covid-19 era restrictions in China. Their in-store, hotel and travel business continued to thrive, with transaction value increasing by over 90% over the year. However, the company warned of slowing growth in future quarters as they cited factors such as the macroeconomic environment, recovery of competitors, and declining order value due to a higher share of volume from its group purchasing channel. Meituan will continue to spend on promotions to boost customer loyalty, potentially impacting margins too.

Illumina remains the market leader in next-generation genome sequencing with over 20,000 installed machines and a near-monopoly on the industry, with 80% of the market share. However, there are concerns about future growth. The acquisition of Grail has faced challenges from the European Commission and Federal Trade Commission, which could be a distraction from the core business. The profitability of the core sequencing machines business has slipped, innovation is underwhelming, and competitive pressures are increasing. Combined with recent management changes, we have decided to move on as we have higher convictions in other holdings.

Notable transactions

During the year, we made four new purchases and four complete sales. We purchased solar micro-inverter manufacturer Enphase Energy, semiconductor company Advanced Micro Devices (AMD), SaaS data analytics platform provider Datadog, and eVTOL (electric Vertical

Investment Report cont.

Take-Off and Landing) manufacturer Joby Aviation. We sold biotechnology company Illumina, video conferencing provider Zoom, online used car retailer Carvana and cloud-based software company Salesforce.

Though this commentary pertains to the year 2023, as ever our focus is on the much longer-term prospects for companies in the Fund over five to ten years and beyond. Our role as stockpickers remains as relevant as ever. We are seeking to identify the small number of exceptional companies with the most compelling operational performance and opportunities for long-term growth.

Baillie Gifford & Co, 18 January 2024

Principal Holdings as at 31 December 2023

Investment	Percentage of total Fund
NVIDIA	7.02
Pinduoduo Inc ADR	6.50
Amazon.com	6.31
ASML	4.49
Atlassian Corp Plc	4.07
Dexcom Inc	3.75
Shopify 'A'	3.60
Tesla Inc	3.52
Adyen N.V.	3.34
Cloudflare Inc	3.29

Material Portfolio Changes for the year ended 31 December 2023

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Advanced Micro Devices Inc	46,743	NVIDIA	113,593
Adyen N.V.	23,418	Tesla Inc	59,369
MercadoLibre	22,380	Netflix Inc	43,281
Samsara	22,003	ASML	43,196
Datadog	21,801	Tencent	42,957
Moderna Inc	20,746	Illumina	40,694
Enphase Energy Inc	20,654	Amazon.com	35,470
CATL 'A'	18,960	Salesforce.com	35,221
Sea Ltd ADR	18,823	Pinduoduo Inc ADR	29,403
Coupang	17,190	Hermes International	26,495

Portfolio Statement as at 31 December 2023

Stock description	Holding	Market value £'000	% of total net assets
Brazil - 2.57% (1.07%)			
MercadoLibre	43,611	53,696	2.57
Canada - 3.60% (2.21%)			
Shopify 'A'	1,229,543	75,105	3.60
China - 14.79% (21.35%)			
Alibaba Group Holding	3,037,840	23,056	1.10
Beigene Ltd	248,313	35,130	1.68
CATL 'A'	2,027,088	36,602	1.75
Meituan	4,635,750	38,141	1.83
NIO Inc ADR	2,412,703	17,147	0.82
Pinduoduo Inc ADR	1,183,474	135,819	6.50
Tencent	786,600	23,169	1.11
France - 5.48% (7.41%)			
Hermes International	32,882	54,666	2.62
Kering	173,022	59,821	2.86
Germany - 1.95% (3.17%)			
BioNTech ADR	491,860	40,678	1.95
India - 2.14% (2.68%)			
HDFC Bank	2,778,690	44,772	2.14
Netherlands - 7.83% (8.24%)			
Adyen N.V.	69,079	69,830	3.34
ASML	158,674	93,702	4.49
Singapore - 1.47% (1.01%)			
Sea Ltd ADR	966,216	30,696	1.47
South Korea - 2.48% (2.21%)			
Coupang	4,079,295	51,775	2.48

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Sweden - 2.78% (1.58%)			
Spotify Technology SA	394,444	58,142	2.78
United States - 53.92% (48.03%)			
Advanced Micro Devices Inc	536,500	62,042	2.97
Affirm Holdings Inc Class A	550,379	21,220	1.02
Amazon.com	1,106,641	131,898	6.31
Atlassian Corp Plc	456,533	85,129	4.07
Cloudflare Inc	1,052,494	68,732	3.29
Datadog	280,858	26,738	1.28
Dexcom Inc	804,027	78,265	3.75
Enphase Energy Inc	261,143	27,069	1.30
Ginkgo Bioworks Holdings Inc	6,542,482	8,622	0.41
Intuitive Surgical	255,653	67,655	3.24
Joby Aviation Inc	2,670,964	13,933	0.67
Moderna Inc	720,421	56,202	2.69
Netflix Inc	155,924	59,549	2.85
NVIDIA	377,713	146,715	7.02
Roblox	1,087,910	39,034	1.87
Samsara	1,158,946	30,310	1.45
Tesla Inc	376,862	73,457	3.52
The Trade Desk	1,143,873	64,560	3.09
Workday Inc	301,243	65,232	3.12
Portfolio of investments		2,068,309	99.01
Net other assets - 0.99% (1.04%)		20,716	0.99
Net assets		2,089,025	100.00

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

Figures in brackets refer to 31 December 2022.

Comparative Tables

Comparative Table: B Accumulation Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	780.68	1,294.52	1,251.69
Return before operating charges*	238.17	(508.04)	51.37
Operating charges	(5.81)	(5.80)	(8.54)
Return after operating charges*	232.36	(513.84)	42.83
Distributions	0.00	0.00	0.00
Retained distributions on accumulation shares	0.00	0.00	0.00
Closing net asset value per share	1,013.04	780.68	1,294.52
*After direct transaction costs of:	0.18	0.36	0.13
Performance:			
Return after charges	29.76%	(39.69)%	3.42%
Other Information:			
Closing net asset value (£'000)	634,799	650,208	1,239,131
Closing number of shares	62,662,525	83,287,256	95,721,300
Operating charges	0.64%	0.64%	0.64%
Direct transaction costs ¹	0.02%	0.04%	0.01%
Prices:			
Highest share price (pence)	1,024	1,292	1,506
Lowest share price (pence)	787.1	747.5	1,132

Comparative Tables cont.

Comparative Table: B Income Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	781.22	1,295.41	1,252.55
Return before operating charges*	238.36	(508.43)	51.41
Operating charges	(5.83)	(5.76)	(8.55)
Return after operating charges*	232.53	(514.19)	42.86
Distributions on income shares	0.00	0.00	0.00
Closing net asset value per share	1,013.75	781.22	1,295.41
*After direct transaction costs of:	0.18	0.36	0.13
Performance:			
Return after charges	29.76%	(39.69)%	3.42%
Other Information:			
Closing net asset value (£'000)	46,691	39,680	48,977
Closing number of shares	4,605,793	5,079,247	3,780,811
Operating charges	0.64%	0.64%	0.64%
Direct transaction costs ¹	0.02%	0.04%	0.01%
Prices:			
Highest share price (pence)	1,024	1,293	1,507
Lowest share price (pence)	787.6	748.0	1,133

Comparative Tables cont.

Comparative Table: C Accumulation Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	876.37	1,444.16	1,387.74
Return before operating charges*	268.08	(567.59)	56.72
Operating charges	(0.20)	(0.20)	(0.30)
Return after operating charges*	267.88	(567.79)	56.42
Distributions	(2.79)	(2.44)	(1.25)
Retained distributions on accumulation shares	2.79	2.44	1.25
Closing net asset value per share	1,144.25	876.37	1,444.16
*After direct transaction costs of:	0.20	0.41	0.15
Performance:			
Return after charges	30.57%	(39.32)%	4.07%
Other Information:			
Closing net asset value (£'000)	1,377,157	1,304,001	2,665,779
Closing number of shares	120,354,465	148,796,210	184,590,539
Operating charges	0.02%	0.02%	0.02%
Direct transaction costs ¹	0.02%	0.04%	0.01%
Prices:			
Highest share price (pence)	1,156	1,441	1,679
Lowest share price (pence)	883.6	836.0	1,258

Comparative Tables cont.

Comparative Table: C Income Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	802.82	1,326.63	1,275.90
Return before operating charges*	245.60	(521.39)	52.15
Operating charges	(0.19)	(0.19)	(0.27)
Return after operating charges*	245.41	(521.58)	51.88
Distributions on income shares	(2.56)	(2.23)	(1.15)
Closing net asset value per share	1,045.67	802.82	1,326.63
*After direct transaction costs of:	0.19	0.37	0.14
Performance:			
Return after charges	30.57%	(39.32)%	4.07%
Other Information:			
Closing net asset value (£'000)	30,378	27,999	43,916
Closing number of shares	2,905,126	3,487,629	3,310,324
Operating charges	0.02%	0.02%	0.02%
Direct transaction costs ¹	0.02%	0.04%	0.01%
Prices:			
Highest share price (pence)	1,059	1,324	1,543
Lowest share price (pence)	809.4	767.9	1,156

¹The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. 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.

Financial Statements

Statement of Total Return for the year ended 31 December 2023

	Notes	2023		2022	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		554,254		(1,514,029)
Revenue	3	6,579		7,478	
Expenses	4	(4,618)		(5,667)	
Net revenue before taxation		1,961		1,811	
Taxation	5	(309)		(321)	
Net revenue after taxation			1,652		1,490
Total return before distributions			555,906		(1,512,539)
Distributions	6		(3,755)		(4,540)
Change in net assets attributable to shareholders from investment activities			552,151		(1,517,079)

Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 December 2023

	2023		2022	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		2,021,888		3,997,803
Amounts receivable on issue of shares	170,175		584,768	
Amounts payable on cancellation of shares	(659,162)		(1,049,016)	
		(488,987)		(464,248)
Dilution adjustment		615		1,781
Change in net assets attributable to shareholders from investment activities		552,151		(1,517,079)
Retained distributions on accumulation shares		3,358		3,631
Closing net assets attributable to shareholders		2,089,025		2,021,888

Financial Statements cont.

Balance Sheet as at 31 December 2023

	Notes	2023 £'000	2022 £'000
Assets:			
Fixed assets:			
Investments	13	2,068,309	2,000,956
Current assets:			
Debtors	8	898	322
Cash and bank balances	9	21,857	22,191
Total assets		2,091,064	2,023,469
Liabilities:			
Creditors:			
Distributions payable		(74)	(78)
Other creditors	10	(1,965)	(1,503)
Total liabilities		(2,039)	(1,581)
Net assets attributable to shareholders		2,089,025	2,021,888

Notes to the Financial Statements

1 Net capital gains/(losses)

	2023			2022		
	Realised £'000	Unrealised £'000	Total £'000	Realised £'000	Unrealised £'000	Total £'000
Non-derivative securities	173,377	381,069	554,446	93,787	(1,598,110)	(1,504,323)
Currency gains/(losses)	(210)	30	(180)	(9,808)	115	(9,693)
Custodian transaction costs			(12)			(13)
Net capital gain/(losses)			554,254			(1,514,029)

2 Purchases, sales and transaction costs

	2023 £'000	2022 £'000
Purchases and transaction costs		
Gross purchases of equities excluding transaction costs	363,903	741,433
Commissions	114	209
Taxes	44	194
Total transaction costs on equity purchases ¹	158	403
Purchases including transaction costs	364,061	741,836

¹These amounts have been deducted in determining net capital gains/(losses).

	2023 %	2022 %
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.03	0.03
Taxes on equity purchases	0.01	0.03

Notes to the Financial Statements cont.

2 Purchases, sales and transaction costs (continued)

	2023	2022
	£'000	£'000
Sales and transaction costs		
Gross sales of equities excluding transaction costs	851,016	1,205,282
Commissions	(186)	(315)
Taxes	(133)	(360)
Total transaction costs on equity sales ¹	(319)	(675)
Sales net of transaction costs	850,697	1,204,607

¹These amounts have been deducted in determining net capital gains/(losses).

	2023	2022
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.02)	(0.03)
Taxes on equity sales	(0.02)	(0.03)

	2023		2022	
	£'000	% of average NAV	£'000	% of average NAV
Portfolio transaction costs				
Commissions	300	0.01	524	0.02
Taxes	177	0.01	554	0.02
Total direct transaction costs	477	0.02	1,078	0.04

	2023	2022
	%	%
Average portfolio dealing spread	0.07	0.05

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

Notes to the Financial Statements cont.

3 Revenue

	2023	2022
	£'000	£'000
Overseas dividends	5,659	7,222
Bank interest	920	256
Total revenue	6,579	7,478

4 Expenses

	2023	2022
	£'000	£'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	4,261	5,194
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	138	173
Bank charges	200	281
Bank overdraft interest	-	9
	338	463
Other expenses:		
Audit fee	8	7
Professional fees	11	3
	19	10
Total expenses	4,618	5,667

5 Taxation

	2023	2022
	£'000	£'000
Analysis of charge in the year		
Corporation tax	-	-
Overseas tax	309	321
Total taxation	309	321

The Fund is subject to corporation tax at 20% (2022: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses substantially exceed the taxable income of the Fund and, as a result, there is no corporation tax charge.

At 31 December 2023, the Fund had excess management expenses of £34,540,000 (2022: £30,843,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing excess expenses.

Notes to the Financial Statements cont.

5 Taxation (continued)

The tax charge is explained as follows:

	2023	2022
	£'000	£'000
Net revenue before taxation	1,961	1,811
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2022: 20%)	392	362
Effects of:		
Non-taxable overseas dividends	(1,131)	(1,444)
Overseas tax on dividends	309	321
Excess management expenses	739	1,082
Total taxation	309	321

6 Distributions

	2023	2022
	£'000	£'000
Final to 31 December	3,432	3,709
Amounts deducted on cancellation of shares	442	1,134
Amounts added on issue of shares	(119)	(303)
Total distributions	3,755	4,540

The distributions take account of income revenue transactions on the issue and cancellation of shares. Details of the distributions per share are set out in the Distribution Table.

7 Reconciliation of net revenue to net distributions for the year

	2023	2022
	£'000	£'000
Net revenue after taxation for the year	1,652	1,490
Add capital transfers for deficits of income	2,109	3,045
Add distributable revenue brought forward	1	6
Less distributable revenue carried forward	(7)	(1)
Net distributions for the year	3,755	4,540

Notes to the Financial Statements cont.

8 Debtors

	2023	2022
	£'000	£'000
Receivable for issue of shares	242	126
Accrued income	328	30
Overseas tax recoverable	131	134
VAT recoverable	7	8
Other debtors	190	24
Total debtors	898	322

9 Cash and bank balances

	2023	2022
	£'000	£'000
Sterling bank accounts	8,990	2,481
Foreign currency bank accounts	12,867	19,710
Total cash and bank balances	21,857	22,191

10 Other creditors

	2023	2022
	£'000	£'000
Payable for cancellation of shares	801	82
Due to the ACD or associates	328	374
Due to the Depositary or associates	30	42
Capital gains tax provision	795	997
Other accrued expenses	11	8
Total other creditors	1,965	1,503

11 Related party transactions

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts receivable and payable on the issue and cancellation of shares have been disclosed in notes 8 and 10 respectively.

Amounts paid to Baillie Gifford & Co Limited in respect of ACD fees are disclosed in note 4 with amounts due at the year end given in note 10.

Notes to the Financial Statements cont.

11 Related party transactions (continued)

Shares held by the ACD and associates of the ACD

The shares held by the ACD and associates of the ACD as a percentage of the Fund's NAV were:

	2023	2022
	%	%
ACD and associates of the ACD	4.67	4.65

12 Reconciliation of shares in issue

	Shares in issue as at 31.12.22	Shares issued	Shares cancelled	Shares converted	Shares in issue as at 31.12.23
B Accumulation Shares	83,287,256	8,185,679	(28,812,523)	2,113	62,662,525
B Income Shares	5,079,247	267,736	(739,078)	(2,112)	4,605,793
C Accumulation Shares	148,796,210	9,545,231	(37,986,976)	-	120,354,465
C Income Shares	3,487,629	-	(582,503)	-	2,905,126

13 Basis of valuation

	2023	2022
	Assets	Assets
	£'000	£'000
Level 1: Quoted prices	2,068,309	2,000,956
Level 2: Observable market data	-	-
Level 3: Unobservable data	-	-
Total	2,068,309	2,000,956

Notes to the Financial Statements cont.

14 Derivatives and other financial instruments

Currency exposures

A proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

Currency	Net currency assets/(liabilities)			Net currency assets/(liabilities)		
	2023			2022		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Chinese yuan	-	36,602	36,602	-	49,514	49,514
Euro	-	278,018	278,018	-	316,501	316,501
Hong Kong dollar	-	84,366	84,366	8,028	210,329	218,357
Indian rupee	-	44,772	44,772	-	54,133	54,133
UK sterling	8,990	-	8,990	2,481	-	2,481
US dollar	12,867	1,624,551	1,637,418	11,682	1,370,479	1,382,161

Short term debtors and creditors have not been disclosed.

Totals may not sum due to rounding.

The Fund invests in a generally diversified portfolio of assets. Consequently the ACD considers that a single measure of market sensitivity does not accurately reflect the risks faced by the Fund.

15 Leverage

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

There have been no changes to the maximum level of leverage that can be employed by the Fund under both the gross and commitment methods during the year. The leverage limits have not been exceeded during the year. The Fund’s maximum and actual leverage levels at 31 December 2023 are shown below:

Leverage exposure	Gross method	Commitment method
Maximum Limit	120%	110%
Actual	100%	100%

Typical types and sources of leverage which the Fund employs include: (i) borrowing cash; (ii) derivatives for efficient portfolio management purposes (including hedging); and (iii) derivatives for investment purposes. For information on the associated risks with these types and sources of leverage please refer to the Prospectus which is available by contacting Client Relations.

Distribution Table

Final distribution for the year ended 31 December 2023

Group 1 : shares purchased prior to 1 January 2023

Group 2 : shares purchased 1 January 2023 to 31 December 2023

	Net Revenue (dividend distribution)	Equalisation	Distribution (paid/accumulated 28.02.24)	Distribution (paid/accumulated 28.02.23)
	31.12.23 pence per share	31.12.23 pence per share	31.12.23 pence per share	31.12.22 pence per share
B Accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
B Income				
Group 1	-	-	-	-
Group 2	-	-	-	-
C Accumulation				
Group 1	2.79000	-	2.79000	2.44000
Group 2	0.75177	2.03823	2.79000	2.44000
C Income				
Group 1	2.56000	-	2.56000	2.23000
Group 2	2.56000	-	2.56000	2.23000

BAILLIE GIFFORD

Baillie Gifford Multi Asset Growth Fund

a sub-fund of Baillie Gifford Investment Funds ICVC

*Annual Report and Financial Statements
for the year ended 31 December 2023*



Baillie Gifford Multi Asset Growth Fund

Investment Objective

The Fund aims to achieve (after deduction of costs): an annualised return over rolling five-year periods that is 3.5% more than UK Base Rate; a positive return over rolling three-year periods; and annualised volatility of returns over rolling five-year periods that is below 10%. There is no guarantee that a positive return will be achieved over rolling three-year periods, or any time period, and capital may be at risk.

Investment Policy

The Fund will invest in a wide range of asset classes in any country or sector. At any one time, the Fund may be invested in any one or more of the following: shares, bonds, money market instruments, deposits and cash. This exposure may be achieved directly or indirectly through collective investment schemes. The Fund may also invest indirectly in property, infrastructure, commodities and loans. 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.

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 a range of assets.

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

The Fund aims to limit losses in any short term period to a lower level than equities. Neither this nor positive returns are guaranteed.

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.

Investing in China may harm your investment due to difficulties with market volatility, political and economic instability including the risk of market shutdown, trading, liquidity, settlement, corporate governance, regulation, legislation and taxation.

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.

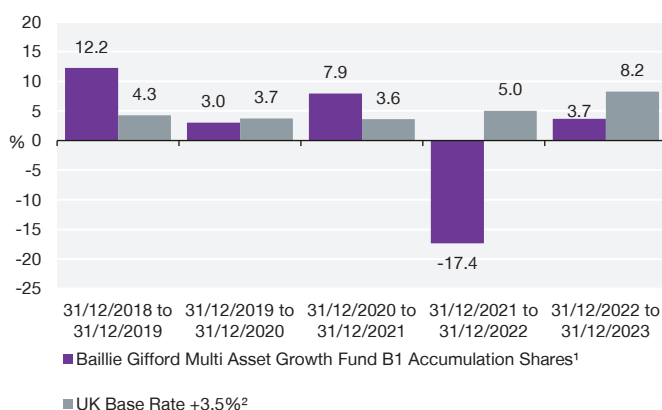
You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

Where possible, charges are taken from income. If insufficient, the rest will be taken from capital, reducing the capital value of the Fund.

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

Investment Report

Past Performance



The performance figures shown in this graph are for Class B1 Accumulation Shares. Performance figures reflect the annual management charge of 0.50%. 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 achieve (after deduction of costs) an annualised return over rolling five-year periods that is 3.5% more than UK Base Rate (the 'target return'), with annualised volatility of returns over rolling five-year periods that is below 10%. For the year to 31 December 2023 the return on B1 Accumulation Shares was 3.7%¹ compared to the target return of 8.2%². We fully appreciate that this is tough whether you are a longstanding client or a newer investor in the Fund. While periods of underperformance are inevitable given our style of investment, none of us enjoy these. We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance, a period in line with the Fund's objectives. Over that period, the annualised return on B1 Accumulation Shares was 1.4%¹ compared to the target return of 5.0%². The annualised volatility over this period was 9.1%³. The Fund also aims to achieve a positive return over rolling three-year periods. The annualised three-year return on B1 Accumulation Shares was -2.6%³. It is disappointing that over this period the

Fund has underperformed its target return and three-year positive return target. Returns have been impacted by recent, short-term weakness.

Market environment

Markets can be very fickle over the short term, and so it proved towards the end of the year.

The final quarter began with most market indices in retreat. Concerns over the strength of US economic data led traders to worry about how much longer higher policy rates might remain. US bond 10-year yields touched 5%, their highest level in 15 years, pushing bond prices down. Other assets sold off too.

However, by late October, the dominant narrative had begun to swing around. Weaker economic data and trading updates from companies saw traders stop worrying about 'higher for longer' and the guessing game instead became about how much lower policy rates could go, and how soon. With this abrupt change in narrative, US bond yields tumbled to below 4% by December, pushing bond prices sharply higher. Other asset classes

¹Source: FE, 10am dealing prices, income accumulated. ²Source: Revolution and Bank of England. ³Source: Revolution, annualised volatility, calculated over five years to 31 December 2023. Please see Disclaimer on page 213. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

were also buoyed by this improvement in expectations, despite the implications for weaker earnings, and most rallied into year-end.

Performance

Fund performance was positive over the 12 months, but short of its objective. Throughout 2023, our position in the government debt of both developed and emerging economies was positive from a performance perspective, with our emerging market bond allocation being the largest contributor over the period. Other yield-sensitive asset classes, such as investment grade bonds and property, also benefited from the change in market sentiment.

Throughout the course of 2023, we have generally preferred fixed income assets to equities for the portfolio, judging the asymmetry of returns to be better in the current economic climate. That said, our allocation to listed equities, while relatively modest in a historic portfolio context, performed well overall, with the investments in Baillie Gifford's actively managed funds being the main contributors.

Elsewhere, our high-yielding structured finance investments performed particularly well, as did our property holdings, which delivered on rental growth and saw their capitalisation rates – the rate at which expected future cash flows are discounted – fall. Investments in industrial distribution and fulfilment property assets, such as Prologis and Segro, were strong contributors.

While our infrastructure, commodity, and high yield credit investments all ended the year on a more positive footing, over the 12 months they detracted from performance.

With respect to infrastructure, for example, during the early part of the year, underlying asset values were hit hard by higher financing costs. However, we still believe the competitive advantages available to actively-selected investments in areas such as renewables as offering compelling returns enhanced by longer-term, structural tailwinds.

In absolute return, strategies used to provide protection when equity markets are volatile partly offset declines in the early part of the year. These positions fell in value subsequently as market volatility remained subdued and were eventually sold during the second quarter. Finally, our investment in the Japanese yen – held as part of the active currency allocation - struggled as the Bank of Japan maintained low interest rates despite rising inflation.

Positioning

Looking ahead to 2024, our view is that it seems likely that markets have become overconfident about a soft landing. There are still inflationary impulses in the economy that need to be quelled and, so long as those exist, it is always possible that underlying economic strength or another unexpected event could allow pricing pressures to re-emerge.

We have taken the opportunity to reduce some of the portfolio's interest rate-sensitive exposures into the recent market rally. We have completely sold the Swedish government bonds held and substantially reduced our long-dated US Treasury positions. Instead, we prefer property, infrastructure, structured finance and see good value in emerging market equities.

Macroeconomic volatility remains likely to persist into 2024 as markets try to second-guess short-term inflation and growth data and what central banks will do next. With this in mind, our portfolio remains well-diversified and somewhat cautiously positioned. However, reviewing our return expectations across asset classes, we see plenty that have the potential to produce above-target returns over the coming years, and within our asset class groups are finding plenty of individual opportunities in which to invest.

Baillie Gifford & Co, 23 January 2024

Principal Holdings as at 31 December 2023

Investment	Percentage of total Fund
Baillie Gifford Emerging Markets Bond Fund C Acc ¹	7.04
Baillie Gifford Worldwide Sustainable Emerging Markets Bond Fund C Acc USD ¹	6.97
Baillie Gifford Worldwide Global Strategic Bond Fund C Acc USD ¹	5.94
Plutus CLO Fund	4.03
Baillie Gifford Emerging Markets Leading Companies Fund C Acc ¹	3.70
Aegon ABS Opportunity Fund Acc	3.39
Galene Fund	2.94
WisdomTree Aluminium ETC (c)	2.11
Baillie Gifford Global Income Growth Fund C Acc ¹	2.00
iShares Edge MSCI World Value ETF	2.00

¹Baillie Gifford Investment Funds ICVC related party (please refer to note 11).

Material Portfolio Changes for the year ended 31 December 2023

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Baillie Gifford Worldwide Sustainable Emerging Markets Bond Fund C Acc USD ¹	45,530	Baillie Gifford Emerging Markets Bond Fund C Acc ¹	70,129
Aegon ABS Opportunity Fund Acc	28,410	UBS CSI 500 NTR index + 4.25% ETN	37,163
Barclays CSI 500 +5.5% ETN (c)	24,495	Fair Oaks Senior CLO Note	32,974
Baillie Gifford Emerging Markets Leading Companies Fund C Acc ¹	22,176	Aspect Core UCITS Fund C GBP	27,014
Citigroup US Steepener ETN (c)	19,436	Plutus CLO Fund	26,557
Sweden 3.5% 30/03/2039	17,609	Blackrock Asian High Yield Bond Fund	25,309
GS Strategic Dividend 23 ETN (c)	17,261	Baillie Gifford Worldwide Sustainable Emerging Markets Bond Fund C Acc USD ¹	24,791
iShares Edge MSCI World Value ETF	16,354	Baillie Gifford Investment Grade Long Bond Fund C Acc ¹	23,550
Province of Quebec 3.25% 01/09/2032	15,870	Baillie Gifford Worldwide Global Strategic Bond Fund C Acc USD ¹	22,762
Canada Housing Trust No.1 3.65% 15/06/2033	15,502	Citigroup Volatility Carry ETN	22,699

¹Baillie Gifford Investment Funds ICVC related party (please refer to note 11).

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

Portfolio Statement as at 31 December 2023

Stock description	Holding	Market value £'000	% of total net assets
Absolute Return - 0.00% (4.32%)			
Commodities - 5.55% (3.89%)			
Lynas Corporation	2,377,526	9,112	1.19
MP Materials	603,045	9,385	1.22
WisdomTree Aluminium ETC (c)	6,554,132	16,185	2.11
WisdomTree Copper ETC (c)	289,383	7,882	1.03
Emerging Market Bonds Hard Currency - 7.87% (3.52%)			
Baillie Gifford Worldwide Sustainable Emerging Markets Bond Fund C Acc USD ¹	6,490,754	53,391	6.97
Ukraine 7.75% 31/05/2041 (USD)	19,740,000	6,918	0.90
Emerging Market Bonds Local Currency - 7.04% (8.82%)			
Baillie Gifford Emerging Markets Bond Fund C Acc ¹	25,940,555	53,956	7.04
Government Bonds - 7.60% (8.35%)			
Australia 1.75% 21/06/2051	41,165,000	13,001	1.70
Australia 3% 21/03/2047	29,885,000	12,909	1.68
Canada Housing Trust No.1 3.65% 15/06/2033	21,906,000	13,187	1.72
Province of Ontario 5.85% 08/03/2033	9,421,000	6,485	0.85
Province of Quebec 3.25% 01/09/2032	11,410,000	6,561	0.85
US Treasury 2.875% 15/05/2052	4,736,300	2,973	0.39
US Treasury 3% 15/08/2052	4,844,100	3,123	0.41
High Yield Credit - 4.67% (10.63%)			
Adient 8.25% 2031 (144A)	256,000	213	0.03
Aegea 9% 2031	200,000	167	0.02
Altice France Hdg 8.125% 2027 (144A)	200,000	145	0.02
AMS 12.25% 2029 (144A)	150,000	131	0.02
ANGI Homeservices 3.875% 2028 (144A)	300,000	199	0.03
APX Gp Holdings 6.75% 2027 (144A)	205,000	160	0.02
Arcelik 8.5% 2028	200,000	165	0.02
Arconic 8% 2030 (144A)	130,000	106	0.01

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Ardagh Packaging 4.125% 2026 (144A)	573,000	410	0.05
Ashmore Asian High Yield Bond Fund Acc	301,452	12,951	1.69
Banco Davivienda 6.65% 2031 Perp	200,000	112	0.01
Banco Do Brasil SA 6.25% 2024 Perp	300,000	230	0.03
Banco Mercantil del Norte 8.375% 2030 Perp	200,000	154	0.02
Bangkok Bank 5% 2025 Perp	200,000	150	0.02
Banijay Gp 8.125% 2029 (144A)	250,000	202	0.03
Bausch & Lomb 8.375% 2028 (144A)	250,000	207	0.03
Bausch Health Companies 11% 2028 (144A)	280,000	160	0.02
Bharti Airtel 5.65% 2025 Perp	200,000	155	0.02
Burford Capital 9.25% 2031 (144A)	300,000	250	0.03
Canpack 3.125% 2025 (144A)	390,000	290	0.04
Carnival 10.375% 2028 (144A)	110,000	94	0.01
Cascades 5.375% 2028 (144A)	324,000	246	0.03
Catalent 5% 2027 (144A)	275,000	209	0.03
CCO Holdings 4.5% 2030 (144A)	305,000	216	0.03
CCO Holdings 7.375% 2031 (144A)	140,000	113	0.02
CEMEX 9.125% 2028 Perp	200,000	167	0.02
Chart Industries 7.5% 2030 (144A)	125,000	103	0.01
Chart Industries 9.5% 2031 (144A)	256,000	218	0.03
Cheplapharm 5.5% 2028 (144A)	240,000	178	0.02
Cimpress 7% 2026 (144A)	547,000	419	0.06
Cogent Communications Holdings 7% 2027 (144A)	210,000	166	0.02
Coinbase 3.375% 2028 (144A)	140,000	93	0.01
CommScope 6% 2026 (144A)	181,000	127	0.02
Compass Minerals International 6.75% 2027 (144A)	152,000	118	0.02
Conduent 6% 2029 (144A)	371,000	262	0.03
Cushman & Wakefield 6.75% 2028 (144A)	131,000	102	0.01
Darling Ingredients 6% 2030 (144A)	129,000	101	0.01
DaVita 4.625% 2030 (144A)	546,000	374	0.05
DP World 6% 01/10/2025 Perp	200,000	156	0.02
Ecobank Transnational 8.75% 2031	200,000	145	0.02
Ecopetrol 4.625% 2031 (USD)	200,000	133	0.02
Emirates NBD Bank 4.25% 2027 Perp	200,000	141	0.02
Energio - Pro 8.5% 2027	200,000	154	0.02

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
EquipmentShare 9% 2028 (144A)	127,000	103	0.01
First Quantum Minerals 6.875% 2026 (144A)	200,000	141	0.02
First Quantum Minerals 6.875% 2027 (144A)	200,000	133	0.02
FMG Resources 6.125% 2032 (144A)	174,000	138	0.02
Frontier Communications 5.875% 2027 (144A)	137,000	104	0.01
Frontier Communications Corp 6.75% 2029 (144A)	150,000	105	0.01
FTAI Aviation 7.875% 2030 (144A)	250,000	204	0.03
FTAI Aviation 9.75% 2027 (144A)	273,000	223	0.03
FTAI Infrastructure 10.5% 2027 (144A)	122,000	99	0.01
GEMS Education 7.125% 2026	200,000	154	0.02
Globo Comunicacao E Participacoes 5.5% 2032	200,000	135	0.02
Gray Television 7% 2027 (144A)	140,000	104	0.01
Great Lakes Dredge & Dock 5.25% 2029 (144A)	140,000	95	0.01
Greenko Energy 3.85% 2026	200,000	135	0.02
Grifols 4.75% 2028 (144A)	350,000	249	0.03
Grupo Aval 4.375% 2030	200,000	133	0.02
HAT Holdings 8.0% 2027 (144A)	300,000	245	0.03
HDFC 3.7% Perp	200,000	143	0.02
Herbalife 4.875% 2029 (144A)	110,000	68	0.01
Herbalife 7.875% 2025 (144A)	200,000	155	0.02
Hilton Grand Vacations 4.875% 2031 (144A)	156,000	108	0.01
IHO Verwaltungs PIK 4.75% 2026 (144A)	200,000	150	0.02
IHS Hdg 5.625% 2026	400,000	272	0.04
ING Group 6.5% 2025 Perp	200,000	153	0.02
Intl Container Terminal Services 4.75% 2030	200,000	152	0.02
JB Poindexter 7.125% 2026 (144A)	293,000	230	0.03
Kosmos Energy 7.125% 2026	200,000	149	0.02
Kyndryl Holdings Inc 4.1% 2041	396,000	234	0.03
Liberty Costa Rica 10.875% 2031 (Reg S)	530,000	425	0.06
Liberty Puerto Rico 6.75% 2027 (144A)	200,000	154	0.02
Liquid Telecommunications Financing 5.5% 2026	200,000	91	0.01
Longfor 3.95% 2029	200,000	71	0.01
Marks and Spencer 7.125% 2037 (144A)	395,000	311	0.04
Masonite 5.375% 2028 (144A)	135,000	102	0.01
Match.com 5.625% 2029 144A	303,000	231	0.03

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Medco Bell Pte 6.375% 2027	200,000	149	0.02
Melco Resorts & Entertainment 5.75% 2028	300,000	216	0.03
Mercer Intl 12.875% 2028 (144A)	113,000	97	0.01
Metinvest 8.5% 2026	200,000	109	0.01
Millicom Intl Cellular 5.125% 2028	200,000	131	0.02
Mineral Resources 9.25% 2028 (144A)	190,000	159	0.02
NCL Corporation Ltd 5.875% 2027 (144A)	241,000	187	0.02
Nemak 3.625% 2031	200,000	130	0.02
Nordstrom 4.375% 2030	170,000	116	0.02
OCI 6.7% 2033 (144A)	220,000	177	0.02
One Toronto Gaming 8% 2030 (144A)	145,000	117	0.02
Open Text 3.875% 2028 (144A)	237,000	173	0.02
Organon & Co. 4.125% 2028 (144A)	443,000	320	0.04
Organon & Co. 5.125% 2031 (144A)	258,000	173	0.02
OTP Bank Nyrt. 8.75% 2033	200,000	161	0.02
Perrigo Co 4.4% 2030	400,000	285	0.04
Phoenix Life 5.625% 2025 Perp	200,000	149	0.02
Popular Inc 7.25% 2028	269,000	217	0.03
QVC Inc 4.375% 2028	170,000	96	0.01
Rain Carbon 12.25% 2029 (144A)	130,000	100	0.01
Santander 9.625% 2029 Perp AT1	400,000	336	0.04
Scripps Escrow 5.875% 2027 (144A)	160,000	112	0.02
Sealed Air 6.875% 2033 (144A)	160,000	133	0.02
Shriram Finance 4.4% 2024	200,000	156	0.02
Sirius XM Radio 4.125% 2030 (144A)	291,000	203	0.03
SiriusXM Radio 3.125% 2026 (144A)	400,000	295	0.04
Six Flags Entertainment 7.25% 2031 (144A)	127,000	100	0.01
SmileDirectClub 0% 2026 Convertible (144A)	265,000	1	0.00
Solenis 9.75% 2028 (144A)	263,000	218	0.03
SPCM 3.125% 2027 (144A)	281,000	201	0.03
Standard Chartered 4.3% 2028 Perp	200,000	128	0.02
StoneCo 3.95% 2028	300,000	203	0.03
Taseko Mines 7% 2026 (144A)	428,000	318	0.04
Tegna Inc 4.625% 2028	220,000	161	0.02
Telecom Italia 6.375% 2033	140,000	107	0.01

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Tempur Sealy International 4% 2029 (144A)	355,000	251	0.03
Teva Pharmaceutical Industries 6.75% 2028	200,000	160	0.02
Tidewater 10.375% 2028 (144A)	400,000	327	0.04
Total Play Telecom 7.5% 2025	200,000	104	0.01
Townsquare Media 6.875% 2026 (144A)	220,000	169	0.02
Turkcell Iletisim Hizmetleri AS 5.8% 2028	200,000	148	0.02
UPC 5.5% 2028 (144A)	200,000	148	0.02
Venture Global Calcasieu 3.875% 2033 (144A)	200,000	133	0.02
Venture Global Delta LNG 8.375% 2031 (144A)	228,000	179	0.02
Veritext 8.5% 2030 (144A)	300,000	245	0.03
Verra Mobility 5.5% 2029 (144A)	126,000	94	0.01
Viavi Solutions 3.75% 2029 (144A)	210,000	144	0.02
Viking Ocean Cruises 5.625% 2029 (144A)	349,000	267	0.04
VistaJet 7.875% 2027 (144A)	250,000	169	0.02
Vital Energy 10.125% 2028	349,000	281	0.04
VodafoneZiggo Gp 5% 2032 (144A)	330,000	220	0.03
Yapi ve Kredi Bankasi 9.25% 2028	200,000	166	0.02
YPF Sociedad Anonima 6.95% 2027	200,000	140	0.02
ZF NA Capital 6.875% 2028 (144A)	250,000	204	0.03
Infrastructure - 13.02% (13.27%)			
3i Infrastructure	1,470,691	4,728	0.62
Brookfield Renewable	111,215	2,511	0.33
China Longyuan Power Group 'H'	2,067,000	1,229	0.16
China Yangtze Power	556,300	1,436	0.19
EDP Renovaveis	214,606	3,437	0.45
Enel SpA	551,166	3,212	0.42
Eversource Energy	204,978	9,921	1.29
Fortis	96,425	3,121	0.41
Greencoat UK Wind	3,264,118	4,945	0.64
Hydro One	168,308	3,966	0.52
Iberdrola SA	538,933	5,543	0.72
Nexans	45,917	3,153	0.41
NextEra Energy	174,911	8,331	1.09
NKT Holding AS	57,099	3,076	0.40

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Octopus Renewables Infrastructure	7,078,381	6,356	0.83
Orsted	122,072	5,310	0.69
Prismian	101,006	3,552	0.46
Renewables Infrastructure Group	4,403,579	5,003	0.65
RWE	109,861	3,909	0.51
Terna	2,020,010	13,184	1.72
WEC Energy Group	45,938	3,033	0.40
Xinyi Energy	6,078,460	873	0.11
Investment Grade Bonds - 6.01% (6.38%)			
Baillie Gifford Worldwide Global Strategic Bond Fund C Acc USD ¹	3,407,453	45,558	5.94
Calumet Specialty Products 8.125% 2027 (144A)	290,000	224	0.03
Time Warner 4.5% 2042	263,000	162	0.02
Uniti Gp 10.5% 2028 (144A)	130,000	103	0.02
Listed Equities - 15.46% (17.50%)			
Baillie Gifford American Fund C Acc ¹	531,199	7,963	1.04
Baillie Gifford Emerging Markets Leading Companies Fund C Acc ¹	4,600,536	28,408	3.70
Baillie Gifford European Fund C Acc ¹	181,530	5,620	0.73
Baillie Gifford Global Income Growth Fund C Acc ¹	606,593	15,341	2.00
Baillie Gifford UK Equity Alpha Fund C Acc ¹	350,170	2,603	0.34
Baillie Gifford Worldwide Japanese Fund C Acc GBP ¹	270,345	5,489	0.72
GS Strategic Dividend 24 ETN (c)	10,885,660	10,484	1.37
GS Strategic Dividend 25 ETN (c)	2,628,870	2,739	0.36
iShares Edge MSCI World Value ETF	479,714	15,338	2.00
iShares MSCI EM UCITS ETF	448,103	13,932	1.82
Scottish Mortgage Investment Trust ¹	1,312,481	10,576	1.38
Property - 9.16% (4.76%)			
American Tower Corp REIT	42,570	7,215	0.94
Assura Group	6,499,680	3,126	0.41
Crown Castle International REIT	35,663	3,222	0.42
Ctp N.V.	509,556	6,747	0.88

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Equinix	8,778	5,546	0.73
LondonMetric Property	2,043,910	3,914	0.51
Montea NV	20,770	1,551	0.20
Prologis Inc REIT	81,615	8,535	1.11
Rexford Industrial Realty REIT	150,211	6,607	0.86
Segro Plc	933,899	8,278	1.08
Sun Communities Inc REIT	20,700	2,169	0.28
Target Healthcare REIT Plc	2,947,959	2,535	0.33
Unite Group	448,940	4,687	0.61
Warehouses De Pauw	247,531	6,108	0.80
Structured Finance - 12.51% (8.65%)			
Accunia European CLO Fund	89,992	10,051	1.31
Aegon ABS Opportunity Fund Acc	2,849,488	26,009	3.39
Galene Fund	129,387	22,527	2.94
HSBC Global Asset Backed High Yield Bond Fund	586,728	6,475	0.84
Plutus CLO Fund	300,382	30,870	4.03
Derivatives - 0.61% (0.24%)			
Forward currency contracts (see Table 1)		4,173	0.54
Futures contracts (see Table 2)		-	0.00
Interest rate swap contracts (see Table 3)		510	0.07
Portfolio of investments		686,066	89.50
Cash Equivalents - 10.44% (0.00%)			
UK T Bill 29/01/2024	16,195,000	16,123	2.10
UK T Bill 15/01/2024	4,955,000	4,943	0.65
UK T Bill 05/02/2024	15,200,000	15,118	1.97
UK T Bill 29/04/2024	8,812,632	8,659	1.13
UK T Bill 12/02/2024	14,900,000	14,804	1.93
UK T Bill 08/04/2024	9,100,000	8,969	1.17
UK T Bill 19/02/2024	11,500,000	11,414	1.49

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Other Assets - 0.06% (9.67%)		447	0.06
Net assets		766,543	100.00

¹Baillie Gifford Investment Funds ICVC related party (please refer to note 11).

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

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

Figures in brackets in the investment category headings refer to 31 December 2022.

Portfolio Statement as at 31 December 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	28/02/24	GBP	64,118,227	USD	81,259,969	395	0.05
Citigroup	01/10/24	GBP	56,571,751	USD	69,096,250	2,373	0.31
Deutsche Bank	28/02/24	GBP	5,365,544	USD	6,800,000	33	0.00
Goldman Sachs	24/01/24	GBP	22,552,069	USD	27,991,219	598	0.08
Goldman Sachs	01/10/24	GBP	30,457,972	CNH	275,000,000	143	0.02
HSBC	24/01/24	GBP	22,683,113	EUR	26,023,858	113	0.02
HSBC	28/02/24	GBP	8,373,454	EUR	9,724,199	(70)	(0.01)
HSBC	01/10/24	GBP	1,137,451	EUR	1,304,580	7	0.00
JP Morgan Chase	24/01/24	JPY	1,248,206,721	GBP	6,803,188	167	0.02
JP Morgan Chase	14/02/24	JPY	1,959,619,241	GBP	10,735,996	242	0.03
JP Morgan Chase	28/02/24	JPY	1,248,206,721	GBP	6,805,522	202	0.03
JP Morgan Chase	01/10/24	GBP	29,903,033	CHF	32,940,000	(829)	(0.11)
Merrill Lynch	24/01/24	GBP	7,369,719	EUR	8,455,124	37	0.01
Merrill Lynch	14/02/24	GBP	43,277,043	EUR	49,478,983	335	0.04
Merrill Lynch	28/02/24	GBP	27,171,649	EUR	31,554,784	(228)	(0.03)
Merrill Lynch	01/10/24	GBP	19,263,901	EUR	22,094,403	112	0.01
National Australia Bank	01/10/24	GBP	50,777,406	AUD	96,750,000	(1,024)	(0.13)
National Australia Bank	01/10/24	GBP	16,199,257	NZD	33,199,000	(289)	(0.04)
Royal Bank of Canada	14/02/24	GBP	45,615,149	USD	56,888,750	1,000	0.13
Royal Bank of Canada	01/10/24	GBP	36,296,361	CAD	62,270,000	(751)	(0.10)
Royal Bank of Canada	01/10/24	GBP	9,660,547	EUR	11,080,000	56	0.01
Royal Bank of Scotland	24/01/24	GBP	55,373,632	USD	68,728,750	1,468	0.19
State Street	28/02/24	GBP	13,492,766	USD	17,100,000	83	0.01
Unrealised gains/(losses) on open forward currency contracts						4,173	0.54

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

Futures	Maturity	Notional	Unrealised gains/(losses) £'000	% of total net assets
US 10 Year Note Future March 2024	28/03/24	(296)	-	0.00
Unrealised gains/(losses) on futures contracts			-	0.00

Portfolio Statement as at 31 December 2023 cont.

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
Barclays Bank Plc	JPY	20/06/30	17,432,155,074	0.44375%	MUTAN Uncollateralised Overnight Call Rate	783	0.10
Barclays Bank Plc	JPY	01/12/30	5,500,000,000	0.6775%	MUTAN Uncollateralised Overnight Call Rate	(139)	(0.02)
Nomura International Plc	JPY	11/09/30	4,302,048,595	0.629%	MUTAN Uncollateralised Overnight Call Rate	(61)	0.00
Nomura International Plc	JPY	12/09/30	6,447,951,405	0.622%	MUTAN Uncollateralised Overnight Call Rate	(73)	(0.01)
Unrealised gains/(losses) on open interest rate swap contracts						510	0.07

Breakdown of portfolio of investments

	31 December 2023		31 December 2022	
	Market value £'000	Percentage of total Fund	Market value £'000	Percentage of total Fund
Bonds - Direct	88,469	11.54	227,151	19.19
Bonds - Indirect	261,789	34.16	345,497	29.17
Commodities - Indirect	42,563	5.55	46,031	3.89
Derivatives	4,683	0.61	2,814	0.24
Equities - Direct	99,829	13.02	157,101	13.27
Equities - Indirect	118,493	15.46	234,371	19.80
Property - Indirect	70,240	9.16	56,390	4.76
Portfolio of investments	686,066	89.50	1,069,355	90.33

Investments are categorised based on underlying asset class.

Comparative Tables

Comparative Table: B1 Accumulation Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	114.68	138.93	128.80
Return before operating charges*	5.11	(23.38)	10.92
Operating charges	(0.74)	(0.87)	(0.79)
Return after operating charges*	4.37	(24.25)	10.13
Distributions	(2.40)	(1.92)	(2.10)
Retained distributions on accumulation shares	2.40	1.92	2.10
Closing net asset value per share	119.05	114.68	138.93
*After direct transaction costs of:	0.09	0.05	0.05
Performance:			
Return after charges	3.81%	(17.45)%	7.86%
Other Information:			
Closing net asset value (£'000)	196,430	431,643	948,571
Closing number of shares	165,003,350	376,382,478	682,745,694
Operating charges	0.64% ¹	0.71% ²	0.59%
Direct transaction costs ³	0.08%	0.23%	0.04%
Prices:			
Highest share price (pence)	121.8	139.8	139.7
Lowest share price (pence)	108.7	110.2	126.4

Comparative Tables cont.

Comparative Table: B Income Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	103.01	126.88	119.45
Return before operating charges*	4.57	(21.33)	10.11
Operating charges	(0.66)	(0.80)	(0.73)
Return after operating charges*	3.91	(22.13)	9.38
Distributions on income shares	(2.15)	(1.74)	(1.95)
Closing net asset value per share	104.77	103.01	126.88
*After direct transaction costs of:	0.08	0.04	0.05
Performance:			
Return after charges	3.80%	(17.44)%	7.85%
Other Information:			
Closing net asset value (£'000)	50,046	84,283	290,548
Closing number of shares	47,767,278	81,818,730	228,991,652
Operating charges	0.64% ¹	0.71% ²	0.59%
Direct transaction costs ³	0.08%	0.04%	0.04%
Prices:			
Highest share price (pence)	109.4	127.7	128.8
Lowest share price (pence)	97.25	100.0	117.2

Comparative Tables cont.

Comparative Table: C Accumulation Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	119.35	143.87	132.71
Return before operating charges*	5.33	(24.25)	11.28
Operating charges	(0.17)	(0.27)	(0.12)
Return after operating charges*	5.16	(24.52)	11.16
Distributions	(3.12)	(2.62)	(2.85)
Retained distributions on accumulation shares	3.12	2.62	2.85
Closing net asset value per share	124.51	119.35	143.87
*After direct transaction costs of:	0.10	0.05	0.06
Performance:			
Return after charges	4.32%	(17.04)%	8.41%
Other Information:			
Closing net asset value (£'000)	513,085	601,895	1,051,920
Closing number of shares	412,085,241	504,313,985	731,162,677
Operating charges	0.14% ¹	0.21% ²	0.09%
Direct transaction costs ³	0.08%	0.04%	0.04%
Prices:			
Highest share price (pence)	126.8	144.8	144.6
Lowest share price (pence)	113.6	114.6	130.4

Comparative Tables cont.

Comparative Table: C Income Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	104.55	128.82	121.25
Return before operating charges*	4.65	(21.69)	10.27
Operating charges	(0.15)	(0.24)	(0.11)
Return after operating charges*	4.50	(21.93)	10.16
Distributions on income shares	(2.71)	(2.34)	(2.59)
Closing net asset value per share	106.34	104.55	128.82
*After direct transaction costs of:	0.09	0.05	0.05
Performance:			
Return after charges	4.30%	(17.02)%	8.38%
Other Information:			
Closing net asset value (£'000)	1	23,629	62,001
Closing number of shares	1,000	22,600,786	48,130,381
Operating charges	0.14% ¹	0.21% ²	0.09%
Direct transaction costs ³	0.08%	0.04%	0.04%
Prices:			
Highest share price (pence)	111.1	129.7	131.2
Lowest share price (pence)	98.98	101.8	119.1

Comparative Tables cont.

Comparative Table: J Accumulation Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	116.11	140.45	130.01
Return before operating charges*	5.16	(23.65)	11.04
Operating charges	(0.57)	(0.69)	(0.60)
Return after operating charges*	4.59	(24.34)	10.44
Distributions	(2.61)	(2.12)	(2.31)
Retained distributions on accumulation shares	2.61	2.12	2.31
Closing net asset value per share	120.70	116.11	140.45
*After direct transaction costs of:	0.09	0.05	0.05
Performance:			
Return after charges	3.95%	(17.33)%	8.03%
Other Information:			
Closing net asset value (£'000)	721	739	895
Closing number of shares	597,736	636,227	636,926
Operating charges	0.49% ¹	0.56% ²	0.44%
Direct transaction costs ³	0.08%	0.04%	0.04%
Prices:			
Highest share price (pence)	123.4	141.4	141.2
Lowest share price (pence)	110.2	111.6	127.6

Comparative Tables cont.

Comparative Table: J Income Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	102.58	126.37	118.95
Return before operating charges*	4.61	(21.27)	10.07
Operating charges	(0.52)	(0.62)	(0.54)
Return after operating charges*	4.09	(21.89)	9.53
Distributions on income shares	(2.31)	(1.90)	(2.11)
Closing net asset value per share	104.36	102.58	126.37
*After direct transaction costs of:	0.08	0.04	0.05
Performance:			
Return after charges	3.99%	(17.32)%	8.01%
Other Information:			
Closing net asset value (£'000)	1	34	98
Closing number of shares	1,000	32,935	77,708
Operating charges	0.50% ¹	0.56% ²	0.44%
Direct transaction costs ³	0.08%	0.04%	0.04%
Prices:			
Highest share price (pence)	109.0	127.2	128.6
Lowest share price (pence)	97.03	99.9	116.8

Comparative Tables cont.

Comparative Table: P Accumulation Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	116.07	140.40	129.97
Return before operating charges*	5.19	(23.64)	11.02
Operating charges	(0.58)	(0.69)	(0.59)
Return after operating charges*	4.61	(24.33)	10.43
Distributions	(2.69)	(2.12)	(2.31)
Retained distributions on accumulation shares	2.69	2.12	2.31
Closing net asset value per share	120.68	116.07	140.40
*After direct transaction costs of:	0.09	0.05	0.05
Performance:			
Return after charges	3.97%	(17.33)%	8.02%
Other Information:			
Closing net asset value (£'000)	6,259	41,575	49,330
Closing number of shares	5,187,033	35,819,961	35,134,320
Operating charges	0.49% ¹	0.56% ²	0.44%
Direct transaction costs ³	0.08%	0.04%	0.04%
Prices:			
Highest share price (pence)	123.3	141.3	141.1
Lowest share price (pence)	110.1	111.5	127.6

¹In November 2023, following the FCA's statement regarding communications related to PRIIPs and UCTIS, the Investment Association amended its Guidance on Disclosure of Fund Charges and Costs, removing the requirement to include indirect costs associated with holding closed-ended investment funds from Ongoing Charges figures. Consequently, these costs are no longer included in the Ongoing Charges figure to 31 December 2023. Had the indirect costs associated with holding closed-ended investment funds been included, the Ongoing Charges figure would have been 0.07% higher.

²In July 2020, the Investment Association issued Guidance on Disclosure of Fund Charges and Costs effective from 30 June 2022 which updated the Ongoing Charges disclosure requirements to include indirect costs associated with fund's holdings of closed-ended investment funds. This resulted in an increase of 0.07% in the Ongoing Charges figures disclosed as at 31 December 2022.

³The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions. Commission is also payable to the counterparty on the trading of futures contracts.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

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.

Financial Statements

Statement of Total Return for the year ended 31 December 2023

	Notes	2023		2022	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		13,180		(450,129)
Revenue	3	24,049		40,588	
Expenses	4	(2,062)		(5,326)	
Net revenue before taxation		21,987		35,262	
Taxation	5	(263)		(1,429)	
Net revenue after taxation			21,724		33,833
Total return before distributions			34,904		(416,296)
Distributions	6		(21,800)		(33,873)
Change in net assets attributable to shareholders from investment activities			13,104		(450,169)

Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 December 2023

	2023		2022	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		1,183,798		2,485,394
Amounts receivable on issue of shares	44,370		113,358	
Amounts payable on cancellation of shares	(493,805)		(991,693)	
		(449,435)		(878,335)
Dilution adjustment		1,506		2,449
Change in net assets attributable to shareholders from investment activities		13,104		(450,169)
Retained distributions on accumulation shares		17,570		24,459
Closing net assets attributable to shareholders		766,543		1,183,798

Financial Statements cont.

Balance Sheet as at 31 December 2023

	Notes	2023 £'000	2022 £'000
Assets:			
Fixed assets:			
Investments	13	689,530	1,083,242
Current assets:			
Debtors	8	5,185	21,529
Cash and bank balances	9	13,345	110,525
Cash equivalents		80,030	-
Total assets		788,090	1,215,296
Liabilities:			
Investment liabilities	13	(3,464)	(13,887)
Creditors:			
Bank overdrafts	9	(8,861)	-
Distributions payable		(836)	(1,188)
Other creditors	10	(8,386)	(16,423)
Total liabilities		(21,547)	(31,498)
Net assets attributable to shareholders		766,543	1,183,798

Notes to the Financial Statements

1 Net capital gains/(losses)

	2023			2022		
	Realised £'000	Unrealised £'000	Total £'000	Realised £'000	Unrealised £'000	Total £'000
Non-derivative securities	(282)	14,331	14,049	(9,840)	(232,760)	(242,600)
Derivative contracts	(20,272)	510	(19,762)	(6,115)	-	(6,115)
Forward currency contracts	14,819	4,173	18,992	(204,832)	2,813	(202,019)
Currency gains/(losses)	363	(441)	(78)	(200)	835	635
Custodian transaction costs			(21)			(30)
Net capital gain/(losses)			13,180			(450,129)

Where realised gains/(losses) include gains/(losses) arising from prior years, a corresponding (loss)/gain is included within the unrealised gains/(losses) presented.

2 Purchases, sales and transaction costs

	2023 £'000	2022 £'000
Purchases and transaction costs		
Gross purchases of bonds excluding transaction costs ¹	187,488	361,012
Gross purchases of equities excluding transaction costs	139,225	109,241
Commissions	43	49
Taxes	129	97
Total transaction costs on equity purchases ²	172	146
Gross purchases of funds excluding transaction costs	237,588	423,760
Commissions on purchases of funds	21	13
Taxes on purchases of funds	51	46
Total transaction costs on fund purchases ²	72	59
Purchases including transaction costs	564,546	894,218

¹There were no transaction costs on the purchase or sale of bonds.

²These amounts have been deducted in determining net capital gains/(losses).

Notes to the Financial Statements cont.

2 Purchases, sales and transaction costs (continued)

	2023	2022
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.03	0.04
Taxes on equity purchases	0.09	0.09
Commission on fund purchases	0.01	0.00
Taxes on fund purchases	0.02	0.01
	2023	2022
	£'000	£'000
Sales and transaction costs		
Gross sales of bonds excluding transaction costs ¹	322,585	784,180
Gross sales of equities excluding transaction costs	186,551	568,148
Commissions	(50)	(212)
Taxes	(13)	(28)
Total transaction costs on equity sales²	(63)	(240)
Gross sales of funds excluding transaction costs	463,800	613,019
Commissions on sales of funds	(152)	(190)
Taxes on sales of funds	(251)	(71)
Total transaction costs on fund sales²	(403)	(261)
Sales net of transaction costs	972,470	1,964,846

¹There were no transaction costs on the purchase or sale of bonds.

²These amounts have been deducted in determining net capital gains/(losses).

	2023	2022
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.03)	(0.04)
Taxes on equity sales	(0.01)	(0.00)
Commission on fund sales	(0.03)	(0.03)
Taxes on fund sales	(0.05)	(0.01)

Notes to the Financial Statements cont.

2 Purchases, sales and transaction costs (continued)

	2023		2022	
	£'000	% of average NAV	£'000	% of average NAV
Transaction cost on derivative contracts				
Commission on trading futures contracts	49		144	
Portfolio transaction costs				
Commissions	315	0.03	608	0.03
Taxes	445	0.05	242	0.01
Total direct transaction costs	760	0.08	850	0.04
Average portfolio dealing spread				
			0.25	0.42

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions. Commission is also payable to the counterparty on the trading of futures contracts.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying Funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

Notes to the Financial Statements cont.

3 Revenue

	2023	2022
	£'000	£'000
UK dividends ¹	1,966	5,786
Overseas dividends ¹	4,681	16,838
Property income distributions ¹	714	940
Interest on debt securities ¹	15,250	15,566
Bank interest	1,608	1,054
Swaps interest	(592)	2
Management fee rebates from third party funds	422	402
Total revenue	24,049	40,588

¹Includes income from relevant Collective Investment Schemes.

4 Expenses

	2023	2022
	£'000	£'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	1,885	5,005
Expenses rebate	(15)	(17)
	1,870	4,988
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	69	133
Bank charges	62	178
	131	311
Other expenses:		
Audit fee	20	17
Non-audit fees paid to auditors	4	6
Professional fees	37	4
	61	27
Total expenses	2,062	5,326

Notes to the Financial Statements cont.

5 Taxation

	2023	2022
	£'000	£'000
Analysis of charge in the year		
Corporation tax	-	-
Overseas tax	338	1,453
Irrecoverable tax on property income distributions	143	188
Prior year tax reclaims written off	3	-
Tax recoverable on overseas dividends	(221)	(212)
Total taxation	263	1,429

The Fund is subject to corporation tax at 20% (2022: 20%), however, the Fund operates under the Tax Elected Fund regime, and therefore the Fund has made distributions divided between dividend distributions and non-dividend distributions. The non-dividend distributions made by the Fund are allowable in arriving at the amount of revenue liable to tax. As a result, this has reduced the corporation tax liability of the Fund to nil.

The tax charge is explained as follows:

	2023	2022
	£'000	£'000
Net revenue before taxation	21,987	35,262
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2022: 20%)	4,397	7,052
Effects of:		
Non-taxable UK dividends	(393)	(1,157)
Non-taxable overseas dividends	(784)	(3,035)
Non-taxable property income distributions	(143)	(188)
Non-dividend distributions	(3,054)	(2,622)
Overseas tax on dividends	337	1,463
Irrecoverable tax on property income distributions	143	188
Overseas tax on coupons	1	(10)
Prior year tax reclaims written off	3	-
Tax recoverable on overseas dividends	(221)	(212)
Expense relief claimed on overseas tax	(23)	(50)
Total taxation	263	1,429

Notes to the Financial Statements cont.

6 Distributions

	2023	2022
	£'000	£'000
Interim to 30 June	3,827	12,082
Final to 31 December	14,862	15,225
	18,689	27,307
Amounts deducted on cancellation of shares	3,958	7,743
Amounts added on issue of shares	(847)	(1,177)
Total distributions	21,800	33,873

The distributions take account of income revenue transactions on the issue and cancellation of shares. Details of the distributions per share are set out in the Distribution Tables.

7 Reconciliation of net revenue to net distributions for the year

	2023	2022
	£'000	£'000
Net revenue after taxation for the year	21,724	33,833
Add distributable revenue brought forward	130	170
Less distributable revenue carried forward	(54)	(130)
Net distributions for the year	21,800	33,873

8 Debtors

	2023	2022
	£'000	£'000
Receivable for issue of shares	276	119
Sales awaiting settlement	1,300	11,522
Accrued income	724	2,208
Overseas tax recoverable	443	414
VAT recoverable	2	4
Collateral held by counterparties	1,955	6,685
Amounts due from ACD	16	16
Other debtors	469	561
Total debtors	5,185	21,529

Notes to the Financial Statements cont.

9 Cash and bank balances

	2023	2022
	£'000	£'000
Sterling amounts held at clearing houses and brokers	18	618
Foreign amounts held at clearing houses and brokers	762	25,048
Sterling bank accounts	11,554	82,656
Foreign currency bank accounts	1,011	2,203
	13,345	110,525
Sterling amounts held at clearing houses and brokers overdrawn	(81)	-
Sterling bank accounts overdrawn	(8,780)	-
	(8,861)	-
Total cash and bank balances	4,484	110,525

10 Other creditors

	2023	2022
	£'000	£'000
Payable for cancellation of shares	246	146
Purchases awaiting settlement	459	279
Due to the ACD or associates	102	229
Due to the Depositary or associates	3	2
Collateral held on behalf of counterparty	7,130	15,735
Amounts due to clearing broker	406	-
Other accrued expenses	40	32
Total other creditors	8,386	16,423

Notes to the Financial Statements cont.

11 Related party transactions

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts receivable and payable on the issue and cancellation of shares have been disclosed in notes 8 and 10 respectively.

Amounts paid to Baillie Gifford & Co Limited in respect of ACD fees are disclosed in note 4 with amounts due at the year end given in note 10. During the year Baillie Gifford & Co Limited deemed it appropriate to reimburse expenses to the Fund. The amount of expenses reimbursed is given in note 4 with amounts receivable at the year end given in note 8.

The Fund invests in other funds for whom Baillie Gifford & Co, the ultimate parent company of the ACD, act as Investment Adviser and these funds are therefore considered to be related parties. Transactions with these related party funds are noted in the table below.

	2023			2022		
	Purchases	Sales	Income	Purchases	Sales	Income
	£'000	£'000	£'000	£'000	£'000	£'000
Baillie Gifford American Fund C Acc	2,777	11,296	14	-	24,924	33
Baillie Gifford Emerging Markets Bond Fund C Acc	12,322	70,129	5,702	76,852	55,220	6,184
Baillie Gifford Emerging Markets Leading Companies Fund C Acc	22,176	11,876	426	-	42,612	1,737
Baillie Gifford European Fund C Acc	1,806	12,852	93	20,937	46,962	438
Baillie Gifford Global Income Growth Fund C Acc	2,812	14,341	469	45,293	21,851	566
Baillie Gifford UK Equity Alpha Fund C Acc	855	13,675	229	-	21,745	805
Baillie Gifford Worldwide Global Strategic Bond Fund C Acc USD	14,888	22,762	-	50,952	21,829	-
Baillie Gifford Worldwide Japanese Fund C Acc GBP	2,014	14,964	659	-	24,935	720
Baillie Gifford Worldwide Sustainable Emerging Markets Bond Fund C Acc USD	45,530	24,791	-	48,384	18,822	-
Scottish Mortgage Investment Trust	10,530	1,420	-	-	-	-

Shares held by the ACD and associates of the ACD

The shares held by the ACD and associates of the ACD as a percentage of the Fund's NAV were:

	2023	2022
	%	%
ACD and associates of the ACD	0.00	0.00

Notes to the Financial Statements cont.

12 Reconciliation of shares in issue

	Shares in issue as at 31.12.22	Shares issued	Shares cancelled	Shares converted	Shares in issue as at 31.12.23
B1 Accumulation Shares	376,382,478	3,335,391	(183,696,725)	(31,017,794)	165,003,350
B Income Shares	81,818,730	67,510	(30,794,317)	(3,324,645)	47,767,278
C Accumulation Shares	504,313,985	33,126,797	(168,443,655)	43,088,114	412,085,241
C Income Shares	22,600,786	-	(10,580,490)	(12,019,296)	1,000
J Accumulation Shares	636,227	28,599	(67,090)	-	597,736
J Income Shares	32,935	-	(31,935)	-	1,000
P Accumulation Shares	35,819,961	553,171	(31,186,099)	-	5,187,033

13 Basis of valuation

	2023		2022	
	Assets	Liabilities	Assets	Liabilities
	£'000	£'000	£'000	£'000
Level 1: Quoted prices	234,508	-	343,511	-
Level 2: Observable market data	455,022	(3,464)	708,463	(13,887)
Level 3: Unobservable data	-	-	31,268	-
Total	689,530	(3,464)	1,083,242	(13,887)

14 Credit ratings

Rating Block	2023		2022	
	Market value £'000	Percentage of total Fund	Market value £'000	Percentage of total Fund
Investment Grade	139,144	18.15	110,990	9.38
High Yield	29,069	3.79	60,973	5.15
Unrated	286	0.04	114,989	9.71
Total	168,499	21.98	286,952	24.24
Other	598,044	78.02	896,845	75.76
Net Assets	766,543	100.00	1,183,797	100.00

Notes to the Financial Statements cont.

15 Derivatives and other financial instruments

Currency exposures

A proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

Currency	Net currency assets/(liabilities)			Net currency assets/(liabilities)		
	2023			2022		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Australian dollar	-	(16,779)	(16,779)	-	(51,183)	(51,183)
Brazilian real	-	-	-	-	14,222	14,222
Canadian dollar	1	(3,728)	(3,727)	-	(7,487)	(7,487)
Chinese yuan (Offshore)	-	(30,315)	(30,315)	-	(25,889)	(25,889)
Chinese yuan (Onshore)	-	1,436	1,436	-	5,750	5,750
Colombian peso	-	-	-	-	(20,165)	(20,165)
Danish krone	-	18,436	18,436	-	15,784	15,784
Euro	-	(48,947)	(48,947)	3,029	(105,745)	(102,716)
Hong Kong dollar	-	2,102	2,102	-	9,321	9,321
Indian rupee	1	-	1	1	(12,557)	(12,556)
Japanese yen	(288)	25,466	25,178	-	67,269	67,269
Mexican peso	-	-	-	-	13,115	13,115
New Zealand dollar	-	(16,489)	(16,489)	-	(27,651)	(27,651)
Pakistan rupee	-	-	-	5	-	5
Peruvian nuevo sol	1	-	1	-	6,299	6,299
South African rand	-	-	-	-	18,481	18,481
Swiss franc	-	(30,732)	(30,732)	-	(29,117)	(29,117)
Thai baht	-	-	-	-	26,836	26,836
Turkish lira	-	-	-	-	(8,334)	(8,334)
UK sterling	77,564	782,173	859,737	74,224	1,226,797	1,301,021
US dollar	1,653	3,440	5,093	24,216	(46,391)	(22,175)

Short term debtors and creditors have not been disclosed.

Totals may not sum due to rounding.

Notes to the Financial Statements cont.

15 Derivatives and other financial instruments (continued)

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund was:

Currency	2023				2022			
	Floating Rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000	Floating Rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
Australian dollar	-	25,911	9,112	35,023	-	43,576	16,292	59,868
Brazilian real	-	-	-	-	-	-	14,222	14,222
Canadian dollar	1	26,233	7,087	33,320	-	-	3,229	3,229
Chinese yuan	-	-	1,436	1,436	-	-	5,750	5,750
Colombian peso	-	-	-	-	-	-	-	-
Danish krone	-	-	18,436	18,436	-	-	15,784	15,784
Euro	-	39,232	50,396	89,628	3,029	40,829	115,243	159,101
Hong Kong dollar	-	-	2,102	2,102	-	-	9,321	9,321
Indian rupee	1	-	-	1	1	-	-	1
Japanese yen	187,509	-	24,956	212,464	-	-	67,269	67,269
Mexican peso	-	-	-	-	-	-	13,115	13,115
Pakistan rupee	-	-	-	-	5	-	-	5
Peruvian nuevo sol	1	-	-	1	-	-	6,299	6,299
South African rand	-	-	-	-	-	-	18,481	18,481
Swiss franc	-	-	-	-	-	-	18,631	18,631
Thai baht	-	-	-	-	-	-	26,836	26,836
UK sterling	17,649	187,383	699,164	904,197	89,959	188,984	1,211,185	1,490,128
US dollar	8,571	147,783	105,879	262,233	50,029	331,735	92,030	473,794

Notes to the Financial Statements cont.

15 Derivatives and other financial instruments (continued)

Currency	2023				2022			
	Floating Rate financial liabilities £'000	Fixed Rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000	Floating Rate financial liabilities £'000	Fixed Rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
Australian dollar	-	-	51,801	51,801	-	-	111,050	111,050
Canadian dollar	-	-	37,048	37,048	-	-	10,716	10,716
Chinese yuan	-	-	30,315	30,315	-	-	25,889	25,889
Colombian peso	-	-	-	-	-	-	20,165	20,165
Euro	-	-	138,575	138,575	-	-	261,818	261,818
Indian rupee	-	-	-	-	-	-	12,557	12,557
Japanese yen	406	186,881	-	187,286	-	-	-	-
New Zealand dollar	-	-	16,489	16,489	-	-	27,651	27,651
Swiss franc	-	-	30,732	30,732	-	-	47,749	47,749
Turkish lira	-	-	-	-	-	-	8,334	8,334
UK sterling	20,115	-	24,345	44,459	15,735	-	173,373	189,108
US dollar	-	-	257,139	257,140	-	-	495,969	495,969

The Fund invests in a generally diversified portfolio of assets, including derivatives that are used for efficient portfolio management purposes (including hedging) and for investment purposes. Consequently the ACD considers that a single measure of market sensitivity does not accurately reflect the risks faced by the Fund.

Totals may not sum due to rounding.

Notes to the Financial Statements cont.

16 Derivative exposure

The exposure to derivative counterparties was:

Counterparty	2023					2022				
	Forward currency contracts	Inflation rate swaps	Interest rate swaps	Cash collateral held	Total exposure	Forward currency contracts	Inflation rate swaps	Interest rate swaps	Cash collateral held	Total exposure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Barclays	395	-	783	(820)	358	5,974	-	-	(8,620)	(2,646)
CitiGroup	2,373	-	-	(3,080)	(707)	573	-	-	-	573
Deutsche Bank	33	-	-	-	33	-	-	-	-	-
Goldman Sachs	741	-	-	(915)	(174)	-	-	-	-	-
HSBC	120	-	-	-	120	-	-	-	-	-
JP Morgan Chase	611	-	-	-	611	3,339	-	-	(860)	2,479
Merrill Lynch	484	-	-	-	484	-	-	-	-	-
National Australia Bank	-	-	-	-	-	6,699	-	-	-	6,699
NatWest	1,468	-	-	(1,680)	(212)	-	-	-	(3,680)	(3,680)
Royal Bank of Canada	1,056	-	-	(495)	561	116	-	-	(2,575)	(2,459)
State Street Bank	83	-	-	(140)	(57)	-	-	-	-	-

In addition the Fund trades futures contracts through UBS. Fair value movements are offset by movements in the variation margin account which reduces the derivative counterparty exposure to nil.

Collateral pledged on derivatives was:

Counterparty	2023			2022		
	Cash £'000	Bonds £'000	Total £'000	Cash £'000	Bonds £'000	Total £'000
CitiGroup	-	-	-	1,400	-	1,400
Goldman Sachs	-	-	-	695	-	695
HSBC	-	5,550	5,550	1,390	-	1,390
JP Morgan Chase	450	-	450	-	-	-
Merrill Lynch	-	-	-	1,865	-	1,865
National Australia Bank	1,505	-	1,505	1,335	-	1,335

17 Leverage

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

There have been no changes to the maximum level of leverage that can be employed by the Fund under both the gross and commitment methods during the year. The leverage limits have not been exceeded during the year. The Fund's maximum and actual leverage levels at 31 December 2023 are shown below:

Notes to the Financial Statements cont.

17 Leverage (continued)

Leverage exposure	Gross method	Commitment method
Maximum Limit	1,000%	500%
Actual	219%	131%

Typical types and sources of leverage which the Fund employs include: (i) borrowing cash; (ii) derivatives for efficient portfolio management purposes (including hedging); and (iii) derivatives for investment purposes. For information on the associated risks with these types and sources of leverage please refer to the Prospectus which is available by contacting Client Relations.

Distribution Tables

Interim dividend distribution for the period ended 30 June 2023

Group 1 : shares purchased prior to 1 January 2023

Group 2 : shares purchased 1 January 2023 to 30 June 2023

	Net Revenue (dividend distribution)	Equalisation	Distribution (paid/accumulated 31.08.23)	Distribution (paid/accumulated 31.08.22)
	30.06.23 pence per share	30.06.23 pence per share	30.06.23 pence per share	30.06.22 pence per share
B1 Accumulation				
Group 1	-	-	-	0.30000
Group 2	-	-	-	0.30000
B Income				
Group 1	-	-	-	0.30000
Group 2	-	-	-	0.30000
C Accumulation				
Group 1	0.15000	-	0.15000	0.45000
Group 2	-	0.15000	0.15000	0.45000
C Income				
Group 1	0.15000	-	0.15000	0.45000
Group 2	0.15000	-	0.15000	0.45000
J Accumulation				
Group 1	0.05000	-	0.05000	0.30000
Group 2	0.04910	0.00090	0.05000	0.30000
J Income				
Group 1	0.05000	-	0.05000	0.30000
Group 2	0.05000	-	0.05000	0.30000
P Accumulation				
Group 1	0.05000	-	0.05000	0.30000
Group 2	-	0.05000	0.05000	0.30000

Distribution Tables cont.

Final dividend distribution for the period ended 31 December 2023

Group 1 : shares purchased prior to 1 July 2023

Group 2 : shares purchased 1 July 2023 to 31 December 2023

	Net Revenue (dividend distribution)	Equalisation	Distribution (paid/accumulated 28.02.24)	Distribution (paid/accumulated 28.02.23)
	31.12.23 pence per share	31.12.23 pence per share	31.12.23 pence per share	31.12.22 pence per share
B1 Accumulation				
Group 1	0.31000	-	0.31000	0.51000
Group 2	0.14727	0.16273	0.31000	0.51000
B Income				
Group 1	0.27000	-	0.27000	0.48000
Group 2	0.14138	0.12862	0.27000	0.48000
C Accumulation				
Group 1	0.76000	-	0.76000	0.98000
Group 2	0.30957	0.45043	0.76000	0.98000
C Income				
Group 1	0.66000	-	0.66000	0.84000
Group 2	0.66000	-	0.66000	0.84000
J Accumulation				
Group 1	0.41000	-	0.41000	0.64000
Group 2	0.17421	0.23579	0.41000	0.64000
J Income				
Group 1	0.78000	-	0.78000	0.67000
Group 2	0.78000	-	0.78000	0.67000
P Accumulation				
Group 1	0.47000	-	0.47000	0.64000
Group 2	0.18317	0.28683	0.47000	0.64000

Distribution Tables cont.

Interim Non-Dividend Distribution for the period ended 30 June 2023

Group 1 : shares purchased prior to 1 January 2023

Group 2 : shares purchased 1 January 2023 to 30 June 2023

	Net Revenue (non-dividend distribution)	Equalisation	Distribution (paid/accumulated 31.08.23)	Distribution (paid/accumulated 31.08.22)
	30.06.23 pence per share	30.06.23 pence per share	30.06.23 pence per share	30.06.22 pence per share
B1 Accumulation				
Group 1	0.40000	-	0.40000	0.40000
Group 2	-	0.40000	0.40000	0.40000
B Income				
Group 1	0.40000	-	0.40000	0.40000
Group 2	-	0.40000	0.40000	0.40000
C Accumulation				
Group 1	0.40000	-	0.40000	0.40000
Group 2	0.11067	0.28933	0.40000	0.40000
C Income				
Group 1	0.40000	-	0.40000	0.40000
Group 2	0.40000	-	0.40000	0.40000
J Accumulation				
Group 1	0.30000	-	0.30000	0.20000
Group 2	0.22995	0.07005	0.30000	0.20000
J Income				
Group 1	0.30000	-	0.30000	0.20000
Group 2	0.30000	-	0.30000	0.20000
P Accumulation				
Group 1	0.30000	-	0.30000	0.40000
Group 2	0.04897	0.25103	0.30000	0.40000

Distribution Tables cont.

Final Non-Dividend Distribution for the period ended 31 December 2023

Group 1 : shares purchased prior to 1 July 2023

Group 2 : shares purchased 1 July 2023 to 31 December 2023

	Net Revenue (non-dividend distribution)	Equalisation	Distribution (paid/accumulated 28.02.24)	Distribution (paid/accumulated 28.02.23)
	31.12.23 pence per share	31.12.23 pence per share	31.12.23 pence per share	31.12.22 pence per share
B1 Accumulation				
Group 1	1.69000	-	1.69000	0.71000
Group 2	0.59890	1.09110	1.69000	0.71000
B Income				
Group 1	1.48000	-	1.48000	0.56000
Group 2	0.62213	0.85787	1.48000	0.56000
C Accumulation				
Group 1	1.81000	-	1.81000	0.79000
Group 2	0.72949	1.08051	1.81000	0.79000
C Income				
Group 1	1.50000	-	1.50000	0.65000
Group 2	1.50000	-	1.50000	0.65000
J Accumulation				
Group 1	1.85000	-	1.85000	0.98000
Group 2	0.73417	1.11583	1.85000	0.98000
J Income				
Group 1	1.18000	-	1.18000	0.73000
Group 2	1.18000	-	1.18000	0.73000
P Accumulation				
Group 1	1.87000	-	1.87000	0.78000
Group 2	0.79658	1.07342	1.87000	0.78000

BAILLIE GIFFORD

Baillie Gifford Positive Change Fund

a sub-fund of Baillie Gifford Investment Funds ICVC

*Annual Report and Financial Statements
for the year ended 31 December 2023*



Baillie Gifford Positive Change Fund

Investment Objective

The Fund aims to outperform (after deduction of costs) the MSCI ACWI Index, as stated in sterling, by at least 2% per annum over rolling five-year periods.

The Fund also aims to contribute to a more sustainable and inclusive world through investing in companies whose products and/or services contribute to impact themes addressing critical social and/or environmental challenges, measured over at least a five-year period.

Investment Policy

The Fund will invest at least 90% in shares of companies of any size, any country and in any sector, whose products or behaviour make a positive impact on society and/or the environment in the investment managers' opinion. The Fund will invest in companies addressing critical challenges in areas according to impact themes, such as, social inclusion and education; environment and resource needs; healthcare and quality of life; and base of the pyramid (addressing the needs of the poorest four billion people in the world). Impact themes may evolve over time and are reviewed by the investment manager on a regular basis. All investments, with the exception of cash and cash-like instruments, are subject to analysis of their contribution to society and/or the environment using the investment manager's proprietary qualitative framework that is based on assessing products and/or services, intent and business practices of companies prior to investment. Contributions that companies' products and/or services make to the UN Sustainable Development Goals are also considered. The Fund will be actively managed and will be concentrated.

Risk and Reward Profile

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

shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



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 company shares.

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

Over shorter time periods the Fund's share price can be volatile and returns can be much higher or lower than our five-year average target. There is no guarantee this objective will be achieved over any time period.

The Fund's ESG investment policy limits the type of companies it can hold. The Fund may have different returns from funds with no such restrictions.

There is no universally accepted definition of impact. Furthermore, there is a risk that individual investments fail to make a positive contribution to society and/or the environment, and that overall the Fund fails to meet its objective.

The limitations of third party data, which may be backward looking or estimated, may impact on the Funds ability to achieve any non-financial considerations.

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.

Where possible, charges are taken from income. If insufficient, the rest will be taken from capital, reducing the capital value of the Fund.

Baillie Gifford Positive Change Fund cont.

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

Adoption of Net Zero Asset Managers initiative

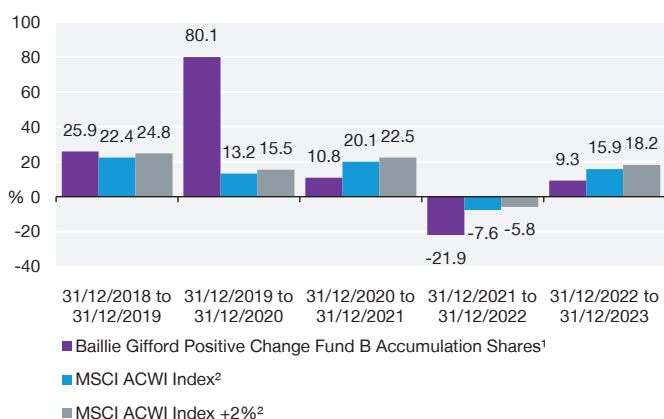
Baillie Gifford & Co, the Fund’s Investment Manager, has joined the Net Zero Asset Managers initiative (NZAM), as part of the Investment Manager’s commitment to support the goal of net zero greenhouse gas emissions by 2050, in line with global efforts to limit warming to 1.5°C.

This commitment includes supporting investing aligned with net zero emissions by 2050 or sooner, and the Fund has been managed in line with and counted towards the Investment Manager’s net zero commitment.

As a long-term investor, the Investment Manager’s investment process takes into account the long-term prospects (including long-term sustainability) of an investment. Consideration of climate-related factors, including NZAM commitments, and the impact of these on a company’s competitive positioning form an integral part of this process.

Investment Report

Past Performance



The Performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the annual management charge of 0.50%. Performance figures for the share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

Past performance

The investment objective of the Fund is to outperform (after deduction of costs) the MSCI ACWI Index (the 'Index') by at least 2% per annum (the 'target return') over rolling five-year periods. For the year to 31 December 2023 the return on B Accumulation Shares was 9.3%¹ compared to the Index of 15.9%² and the target return of 18.2%². We fully appreciate that this is disappointing whether you are a longstanding client or a newer investor in the Fund. While periods of underperformance are inevitable given our style of investment, none of us enjoy these. We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance, a period in line with the Fund's objectives. Over that period, the annualised return on B Accumulation Shares was 16.5%¹ compared to the Index of 12.3%² and the target return of 14.5%².

For the Fund, investment performance is only part of the story. The Fund also aims to contribute to a more sustainable and inclusive world through investing in companies whose products and/or services contribute to

impact themes addressing critical social and/or environmental challenges, measured over at least a five-year period. We believe that every company within the portfolio has the potential to deliver positive impact as well as strong financial returns. Further analysis of the Fund's contribution to driving positive change in areas such as, but not limited to, education, social inclusion, healthcare and the environment is detailed in the Positive Change Impact Report 2022 and Positive Conversations Report 2023, both of which are produced annually and are available on the website www.bailliegifford.com.

Market environment

The 12 months to December 2023 have been challenging for businesses to navigate, as supply chain and labour constraints and interest rates have continued to be influential on operational performance. Growth company share prices have suffered in the new higher interest rate environment as long-duration growth is viewed less favourably against this backdrop.

Despite the much-changed macroeconomic environment, we continue to see technological advancements and innovation as key drivers of

¹Source: FE, 10am dealing prices, income accumulated. ²Source: Revolution and MSCI, total return in sterling terms. 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 213. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

opportunities for companies to make attractive long-term returns. In a more rational interest rate environment, we expect to see operationally strong, cash-generative businesses win out over the long term as weaker companies no longer have access to low-cost capital to drive their customer base growth.

Performance

The Fund delivered positive returns for the year, albeit behind those of the index. Many portfolio companies continued to see strong operational performance, which we believe over the long term will lead to share price appreciation. The three top contributors to performance were Duolingo, MercadoLibre and Shopify.

The education platform Duolingo reached 83 million monthly active users (an increase of 40 million in two years) in 2023, and launched an artificial intelligence (AI) powered higher function subscription tier as well as music and mathematics teaching. As Duolingo has grown, it has stayed true to its core mission of developing the best education in the world and making it universally available.

MercadoLibre (MELI), the Latin American ecommerce and fintech business, saw accelerating revenue growth and expanding margins, even with increased investments in logistics and the relaunch of its MELI+ loyalty program. MercadoLibre's continued investment helped strengthen its competitive advantage, resulting in market share gain and higher profits. MELI has come to be the main source of income for more than 1.8 million families who run businesses on its ecommerce platform.

Shopify, is a platform that makes it easy for merchants of all sizes to sell online. It provides a range of services, including online storefronts, payment processing and financing. Shopify continued to grow at a healthy pace over 2023. The company made several strategic partnerships and launched new products and features throughout the year. Shopify continues removing barriers to entrepreneurship.

Healthcare-related companies suffered a bruising year due to the tougher financing backdrop, combined with a reversal of pandemic spending themes. We remain focused on individual company analysis and stock picking. Our companies are well capitalised with strong cash balance sheets and, we think, compelling technology, so they should withstand a tougher environment and prosper over the long run.

Moderna, the biotech company, was the largest detractor from performance. The company's phenomenal success in developing a vaccine quickly during the Covid-19 pandemic accelerated its progress beyond our most optimistic scenarios when we invested at the time of IPO in 2018. The technology has been validated, and the company's financial characteristics completely transformed from being loss making to generating billions of free cash flow. Although, Covid-19 related revenues have declined we remain excited by a company that is broadening out its clinical pipeline at a remarkable pace.

Illumina, was also a negative contributor to performance. It is the leading provider of next-generation sequencing tools and arrays used to understand, diagnose and treat diseases. Ongoing scrutiny from regulators over its acquisition of Grail (a liquid biopsy company) has weighed on its share price. However, we believe that there is fantastic growth potential for the clinical use of sequencing technology. Illumina enjoys a near monopoly position and is investing heavily in research and development. The company has had a board refresh with a new CEO at the helm. We believe Illumina is providing the infrastructure of the genomics revolution and are willing to allow it some time to recover.

Orsted, the largest offshore wind infrastructure developer in the world, suffered significant operational missteps over the last 24 months. The company incurred significant losses in 2022 due to poor hedging policies and recognised a large impairment this year on its US business. Unfortunately, recent events have reduced our conviction in Orsted's ability to execute. While the growth opportunity remains, we are questioning management's ability to allocate capital effectively and generate long-term shareholder value.

Investment Report cont.

Notable transactions

The team added Wuxi Biologics to the portfolio in 2023. Wuxi is a leading Contract Research, Development and Manufacturing Organisation (CRDMO) that enables innovation and helps accelerate the development of biologics drugs by reducing the cost and time required. Joby Aviation, an early-stage US-based company developing electric vertical take-off and landing (eVTOL) aircraft that it intends to operate as an air taxi service, was also added to the portfolio.

The team chose to sell companies where our forward-looking conviction had diminished, and we had more attractive opportunities to deploy capital. Sustainable energy solutions company, Nibe Industrier and medical services platform provider, M3 are companies which have made strong contributions to returns since the inception of Positive Change but where our forward-looking conviction has lessened. Recruitment firm FDM looks unlikely to meet our growth expectations going forward as it has struggled to continue growing its customer base.

Virtual healthcare and telemedicine company Teladoc and interactive fitness platform provider Peloton are companies which have disappointed. Teladoc struggled with a more competitive landscape recently, and its purchase of chronic care company Livongo led to a \$6 billion impairment charge. Likewise, Peloton, after growing strongly during lockdowns, struggled to adjust post-pandemic and faced increased competition. Management changes were unable to improve the company's prospects, and the team took the decision to sell.

Our most recent sales were Orsted, discussed above and Daikin, the Japanese heating and air conditioning company, which we sold after identifying concerns relating to a small part of their business, which supplies defence-related products to the Japanese government.

Baillie Gifford & Co, 16 January 2024

Principal Holdings as at 31 December 2023

Investment	Percentage of total Fund
ASML	7.11
MercadoLibre	6.77
TSMC	6.56
Shopify 'A'	6.04
Dexcom Inc	5.09
Bank Rakyat Indonesia	5.01
HDFC Bank	4.62
Deere & Co	4.51
Moderna Inc	4.49
Duolingo Inc	4.28

Material Portfolio Changes for the year ended 31 December 2023

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Wuxi Biologics Cayman Inc	64,461	MercadoLibre	79,748
Remitly Global Inc	61,445	Nibe Industrier AB 'B' Shares	61,804
Daikin Industries	52,753	Tesla Inc	61,326
Autodesk	34,490	Daikin Industries	45,720
Moderna Inc	32,890	Orsted	42,767
Coursera Inc	26,762	M3	36,594
Tesla Inc	26,061	Shopify 'A'	35,792
TSMC	20,190	Chr Hansen Holding A/S	33,589
Abcellera Biologics Inc	14,310	Novozymes	33,064
HDFC Bank	13,048	ASML	30,162

Portfolio Statement as at 31 December 2023

Stock description	Holding	Market value £'000	% of total net assets
Belgium - 2.36% (3.49%)			
Umicore	2,593,048	55,903	2.36
Brazil - 10.05% (7.45%)			
MercadoLibre	130,385	160,536	6.77
Nu Holdings Ltd.	11,942,564	77,943	3.28
Canada - 7.12% (4.95%)			
Abcellera Biologics Inc	5,703,517	25,502	1.08
Shopify 'A'	2,346,946	143,361	6.04
China - 1.69% (0.00%)			
Wuxi Biologics Cayman Inc	13,521,500	40,207	1.69
Denmark - 3.76% (9.61%)			
Chr Hansen Holding A/S	529,666	34,786	1.46
Novozymes	919,679	39,587	1.67
Orsted	342,566	14,901	0.63
Germany - 2.34% (2.80%)			
Sartorius Pref.	192,717	55,391	2.34
India - 4.62% (4.12%)			
HDFC Bank	6,798,562	109,543	4.62
Indonesia - 5.01% (4.38%)			
Bank Rakyat Indonesia	409,350,458	118,876	5.01
Japan - 0.00% (2.51%)			
Kenya - 0.23% (0.55%)			
Safaricom Ltd	79,439,400	5,478	0.23

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Netherlands - 7.11% (6.16%)			
ASML	285,514	168,604	7.11
South Africa - 2.19% (2.17%)			
Discovery Ltd	8,440,272	51,964	2.19
Sweden - 0.00% (2.35%)			
Taiwan - 6.56% (4.94%)			
TSMC	10,282,000	155,580	6.56
UK - 0.00% (0.67%)			
United States - 46.81% (41.52%)			
10X Genomics Inc Class A	1,011,031	44,373	1.87
Anylam Pharmaceuticals	658,814	98,915	4.17
Autodesk	486,179	92,858	3.92
Coursera Inc	4,268,790	64,862	2.73
Deere & Co	341,215	107,041	4.51
Dexcom Inc	1,240,941	120,794	5.09
Duolingo Inc	570,581	101,423	4.28
Ecolab	452,141	70,346	2.97
Illumina	454,715	49,659	2.09
Joby Aviation Inc	1,978,756	10,322	0.44
Moderna Inc	1,366,501	106,604	4.49
Remitly Global Inc	4,069,230	61,990	2.61
Tesla Inc	409,651	79,848	3.37
Xylem	1,128,417	101,237	4.27
Portfolio of investments		2,368,434	99.85
Net other assets - 0.15% (2.33%)		3,595	0.15
Net assets		2,372,029	100.00

Portfolio Statement as at 31 December 2023 cont.

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

Figures in brackets refer to 31 December 2022.

Comparative Tables

Comparative Table: B Accumulation Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	294.34	376.09	339.75
Return before operating charges*	27.46	(80.15)	38.36
Operating charges	(1.59)	(1.60)	(2.02)
Return after operating charges*	25.87	(81.75)	36.34
Distributions	(1.10)	(0.68)	0.00
Retained distributions on accumulation shares	1.10	0.68	0.00
Closing net asset value per share	320.21	294.34	376.09
*After direct transaction costs of:	0.09	0.12	0.11
Performance:			
Return after charges	8.79%	(21.74)%	10.70%
Other Information:			
Closing net asset value (£'000)	1,640,707	1,814,102	2,693,069
Closing number of shares	512,380,241	616,330,574	716,070,617
Operating charges	0.52%	0.53%	0.53%
Direct transaction costs ¹	0.03%	0.04%	0.03%
Prices:			
Highest share price (pence)	329.6	380.3	431.7
Lowest share price (pence)	274.7	255.1	324.1

Comparative Tables cont.

Comparative Table: B Income Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	290.28	371.76	335.84
Return before operating charges*	27.09	(79.23)	37.91
Operating charges	(1.57)	(1.58)	(1.99)
Return after operating charges*	25.52	(80.81)	35.92
Distributions on income shares	(1.09)	(0.67)	0.00
Closing net asset value per share	314.71	290.28	371.76
*After direct transaction costs of:	0.09	0.12	0.11
Performance:			
Return after charges	8.79%	(21.74)%	10.70%
Other Information:			
Closing net asset value (£'000)	206,600	217,401	325,566
Closing number of shares	65,647,588	74,893,352	87,574,125
Operating charges	0.52%	0.53%	0.53%
Direct transaction costs ¹	0.03%	0.04%	0.03%
Prices:			
Highest share price (pence)	325.0	375.9	426.7
Lowest share price (pence)	270.9	252.2	320.4

Comparative Tables cont.

Comparative Table: C Accumulation Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Year Ended 31 December 2022 (pence per share)	Financial Year Ended 31 December 2021 (pence per share)
Change in net assets per share:			
Opening net asset value per share	248.15	315.49	284.66
Return before operating charges*	23.21	(67.26)	30.93
Operating charges	(0.05)	(0.08)	(0.10)
Return after operating charges*	23.16	(67.34)	30.83
Distributions	(2.22)	(1.84)	(1.37)
Retained distributions on accumulation shares	2.22	1.84	1.37
Closing net asset value per share	271.31	248.15	315.49
*After direct transaction costs of:	0.08	0.10	0.10
Performance:			
Return after charges	9.33%	(21.34)%	10.83%
Other Information:			
Closing net asset value (£'000)	524,722	405,258	215,353
Closing number of shares	193,403,129	163,312,428	68,259,456
Operating charges	0.02%	0.03%	0.03%
Direct transaction costs ¹	0.03%	0.04%	0.03%
Prices:			
Highest share price (pence)	278.0	319.1	361.6
Lowest share price (pence)	232.5	214.5	271.0

¹The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. 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.

Financial Statements

Statement of Total Return for the year ended 31 December 2023

	Notes	2023		2022	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		195,171		(704,270)
Revenue	3	25,444		21,622	
Expenses	4	(10,429)		(11,589)	
Net revenue before taxation		15,015		10,033	
Taxation	5	(3,668)		(2,781)	
Net revenue after taxation			11,347		7,252
Total return before distributions			206,518		(697,018)
Distributions	6		(11,346)		(7,193)
Change in net assets attributable to shareholders from investment activities			195,172		(704,211)

Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 December 2023

	2023		2022	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		2,436,761		3,233,988
Amounts receivable on issue of shares	157,446		433,415	
Amounts payable on cancellation of shares	(317,938)		(534,601)	
Stocks transferred out on cancellation of shares	(109,840)		-	
		(270,332)		(101,186)
Dilution adjustment		498		974
Change in net assets attributable to shareholders from investment activities		195,172		(704,211)
Retained distributions on accumulation shares		9,930		7,196
Closing net assets attributable to shareholders		2,372,029		2,436,761

Financial Statements cont.

Balance Sheet as at 31 December 2023

	Notes	2023 £'000	2022 £'000
Assets:			
Fixed assets:			
Investments	13	2,368,434	2,379,959
Current assets:			
Debtors	8	15,715	30,891
Cash and bank balances	9	15,494	142,838
Total assets		2,399,643	2,553,688
Liabilities:			
Creditors:			
Distributions payable		(716)	(502)
Other creditors	10	(26,898)	(116,425)
Total liabilities		(27,614)	(116,927)
Net assets attributable to shareholders		2,372,029	2,436,761

Notes to the Financial Statements

1 Net capital gains/(losses)

	2023			2022		
	Realised £'000	Unrealised £'000	Total £'000	Realised £'000	Unrealised £'000	Total £'000
Non-derivative securities	(219,029)	415,102	196,073	(69,904)	(633,377)	(703,281)
Currency gains/(losses)	(915)	24	(891)	(1,004)	29	(975)
Custodian transaction costs			(11)			(14)
Net capital gain/(losses)			195,171			(704,270)

2 Purchases, sales and transaction costs

	2023 £'000	2022 £'000
Purchases and transaction costs		
Gross purchases of equities excluding transaction costs	457,121	612,397
Commissions	221	176
Taxes	127	59
Total transaction costs on equity purchases ¹	348	235
Purchases including transaction costs	457,469	612,632

¹These amounts have been deducted in determining net capital gains/(losses).

	2023 %	2022 %
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.05	0.03
Taxes on equity purchases	0.03	0.01

Notes to the Financial Statements cont.

2 Purchases, sales and transaction costs (continued)

	2023	2022
	£'000	£'000
Sales and transaction costs		
Sales of equity	567,545	724,506
Equities transferred out	98,245	-
Gross sales of equities excluding transaction costs	665,790	724,506
Commissions	(208)	(220)
Taxes	(73)	(360)
Total transaction costs on equity sales ¹	(281)	(580)
Sales net of transaction costs	665,509	723,926

¹These amounts have been deducted in determining net capital gains/(losses).

	2023	2022
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.03)	(0.03)
Taxes on equity sales	(0.01)	(0.05)

	2023		2022	
	£'000	% of average NAV	£'000	% of average NAV
Portfolio transaction costs				
Commissions	429	0.02	396	0.02
Taxes	200	0.01	419	0.02
Total direct transaction costs	629	0.03	815	0.04

	2023	2022
	%	%
Average portfolio dealing spread	0.15	0.08

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying funds. For further details on dilution adjustment charges please see the General Information section.

Notes to the Financial Statements cont.

2 Purchases, sales and transaction costs (continued)

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

3 Revenue

	2023	2022
	£'000	£'000
UK dividends	417	758
Overseas dividends	24,341	20,714
Bank interest	686	150
Total revenue	25,444	21,622

4 Expenses

	2023	2022
	£'000	£'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	9,950	10,962
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	164	164
Bank charges	266	429
	430	593
Other expenses:		
Audit fee	11	8
Non-audit fees paid to auditors	13	19
Professional fees	25	7
	49	34
Total expenses	10,429	11,589

Notes to the Financial Statements cont.

5 Taxation

	2023	2022
	£'000	£'000
Analysis of charge in the year		
Corporation tax	-	-
Overseas tax	3,708	2,781
Tax recoverable on overseas dividends	(40)	-
Total taxation	3,668	2,781

The Fund is subject to corporation tax at 20% (2022: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses substantially exceed the taxable income of the Fund and, as a result, there is no corporation tax charge.

At 31 December 2023, the Fund had excess management expenses of £39,777,000 (2022: £30,033,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing excess expenses.

The tax charge is explained as follows:

	2023	2022
	£'000	£'000
Net revenue before taxation	15,015	10,033
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2022: 20%)	3,003	2,007
Effects of:		
Non-taxable UK dividends	(83)	(152)
Non-taxable overseas dividends	(4,869)	(4,143)
Overseas tax on dividends	3,708	2,781
Excess management expenses	1,949	2,288
Tax recoverable on overseas dividends	(40)	-
Total taxation	3,668	2,781

6 Distributions

	2023	2022
	£'000	£'000
Final to 31 December	10,646	7,698
Amounts deducted on cancellation of shares	1,504	836
Amounts added on issue of shares	(804)	(1,341)
Total distributions	11,346	7,193

The distributions take account of income revenue transactions on the issue and cancellation of shares. Details of the distributions per share are set out in the Distribution Table.

Notes to the Financial Statements cont.

7 Reconciliation of net revenue to net distributions for the year

	2023	2022
	£'000	£'000
Net revenue after taxation for the year	11,347	7,252
Add distributable revenue brought forward	61	2
Less distributable revenue carried forward	(62)	(61)
Net distributions for the year	11,346	7,193

8 Debtors

	2023	2022
	£'000	£'000
Receivable for issue of shares	56	11,046
Sales awaiting settlement	12,110	17,188
Accrued income	1,100	1,087
Overseas tax recoverable	2,425	1,513
VAT recoverable	7	8
Other debtors	17	49
Total debtors	15,715	30,891

9 Cash and bank balances

	2023	2022
	£'000	£'000
Sterling bank accounts	9,356	43,223
Foreign currency bank accounts	6,138	99,615
Total cash and bank balances	15,494	142,838

10 Other creditors

	2023	2022
	£'000	£'000
Payable for cancellation of shares	3,793	-
Purchases awaiting settlement	20,894	114,162
Due to the ACD or associates	719	845
Due to the Depositary or associates	55	77
Capital gains tax provision	1,427	1,334
Other accrued expenses	10	7
Total other creditors	26,898	116,425

Notes to the Financial Statements cont.

11 Related party transactions

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts receivable and payable on the issue and cancellation of shares have been disclosed in notes 8 and 10 respectively.

Amounts paid to Baillie Gifford & Co Limited in respect of ACD fees are disclosed in note 4 with amounts due at the year end given in note 10. During the year Baillie Gifford & Co Limited deemed it appropriate to reimburse expenses to the Fund. The amount of expenses reimbursed is given in note 4 with amounts receivable at the year end given in note 8.

Shares held by the ACD and associates of the ACD

The shares held by the ACD and associates of the ACD as a percentage of the Fund's NAV were:

	2023	2022
	%	%
ACD and associates of the ACD	0.15	0.17

12 Reconciliation of shares in issue

	Shares in issue as at 31.12.22	Shares issued	Shares cancelled	Shares converted	Shares in issue as at 31.12.23
B Accumulation Shares	616,330,574	8,466,425	(112,303,824)	(112,934)	512,380,241
B Income Shares	74,893,352	1,145,125	(10,505,413)	114,524	65,647,588
C Accumulation Shares	163,312,428	50,083,550	(19,992,849)	-	193,403,129

13 Basis of valuation

	2023	2022
	Assets	Assets
	£'000	£'000
Level 1: Quoted prices	2,368,434	2,379,959
Level 2: Observable market data	-	-
Level 3: Unobservable data	-	-
Total	2,368,434	2,379,959

Notes to the Financial Statements cont.

14 Derivatives and other financial instruments

Currency exposures

A proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

Currency	Net currency assets/(liabilities)			Net currency assets/(liabilities)		
	2023			2022		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Danish krone	-	89,274	89,274	-	234,184	234,184
Euro	-	279,899	279,899	-	303,369	303,369
Hong Kong dollar	-	40,207	40,207	-	-	-
Indian rupee	-	109,543	109,543	-	100,339	100,339
Indonesian rupiah	-	118,875	118,875	-	106,647	106,647
Japanese yen	-	-	-	-	61,034	61,034
Kenyan shilling	-	5,477	5,477	-	13,471	13,471
South African rand	-	51,964	51,964	-	52,798	52,798
Swedish krona	-	-	-	-	57,333	57,333
Taiwanese dollar	-	155,580	155,580	-	120,472	120,472
UK sterling	9,356	-	9,356	43,223	16,416	59,639
US dollar	6,138	1,517,614	1,523,752	99,615	1,313,896	1,413,511

Short term debtors and creditors have not been disclosed.

Totals may not sum due to rounding.

The Fund invests in a generally diversified portfolio of assets. Consequently the ACD considers that a single measure of market sensitivity does not accurately reflect the risks faced by the Fund.

Notes to the Financial Statements cont.

15 Leverage

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

There have been no changes to the maximum level of leverage that can be employed by the Fund under both the gross and commitment methods during the year. The leverage limits have not been exceeded during the year. The Fund’s maximum and actual leverage levels at 31 December 2023 are shown below:

Leverage exposure	Gross method	Commitment method
Maximum Limit	120%	110%
Actual	100%	100%

Typical types and sources of leverage which the Fund employs include: (i) borrowing cash; (ii) derivatives for efficient portfolio management purposes (including hedging); and (iii) derivatives for investment purposes. For information on the associated risks with these types and sources of leverage please refer to the Prospectus which is available by contacting Client Relations.

Distribution Table

Final distribution for the year ended 31 December 2023

Group 1 : shares purchased prior to 1 January 2023

Group 2 : shares purchased 1 January 2023 to 31 December 2023

	Net Revenue (dividend distribution)	Equalisation	Distribution (paid/accumulated 28.02.24)	Distribution (paid/accumulated 28.02.23)
	31.12.23 pence per share	31.12.23 pence per share	31.12.23 pence per share	31.12.22 pence per share
B Accumulation				
Group 1	1.10000	-	1.10000	0.68000
Group 2	0.42980	0.67020	1.10000	0.68000
B Income				
Group 1	1.09000	-	1.09000	0.67000
Group 2	0.40015	0.68985	1.09000	0.67000
C Accumulation				
Group 1	2.22000	-	2.22000	1.84000
Group 2	0.69708	1.52292	2.22000	1.84000

BAILLIE GIFFORD

Baillie Gifford Sustainable Multi Asset Fund

a sub-fund of Baillie Gifford Investment Funds ICVC

*Annual Report and Financial Statements
for the year ended 31 December 2023*



Baillie Gifford Sustainable Multi Asset Fund

Investment Objective

The Fund aims to achieve (after deduction of costs): an annualised return over rolling five-year periods that is 3.5% more than UK Base Rate; a positive return over rolling three-year periods; and annualised volatility of returns over rolling five-year periods that is below 10%. The Fund also aims to have a carbon footprint that is lower than that of the Fund's stated carbon budget. The carbon budget is set in absolute terms and will decrease at a steady annual rate of 7% per annum. There is no guarantee that a positive return will be achieved over rolling three-year periods, or any time period, and capital may be at risk.

Investment Policy

The Fund will invest in a wide range of asset classes in any country or sector. At any one time, the Fund may be invested in any of the following: shares, bonds, money market instruments, deposits and cash. This exposure may be achieved directly or indirectly through collective investment schemes. The Fund may also invest indirectly in property, infrastructure, commodities, private equity, loans and insurance-linked securities. Companies the Fund invests in (directly via shares or via corporate bonds) will be selected following a norms-based evaluation. The Fund will comply with the Investment Adviser's policy on assessing breaches of the United Nations Global Compact as outlined in its ESG Principles and Guidelines document. The purpose of the Investment Adviser's sustainable investment process is to ensure that the Fund invests in a way which is, in the Investment Adviser's opinion, in alignment with the Paris Climate Agreement by excluding carbon intensive companies that do not, or will not, play a role in the transition to a low-carbon future. Quantitative and qualitative assessments are applied to all assets. More information is included in the prospectus. 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.

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 a range of assets.

As returns are not available for all of the past five years we've used the Fund's sector in their place to calculate the indicator.

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

The Fund aims to limit losses in any short term period to a lower level than equities. Neither this nor positive returns are guaranteed.

The Fund's ESG investment policy limits the type of companies it can hold. The Fund may have different returns from funds with no such restrictions.

The Fund's measure of weighted average greenhouse gas intensity is at portfolio level. As such, the Fund may invest in single companies that are high emitters. Only those investments that have available data will be included in the calculation. Carbon data uses the methodology of only one provider and some data may be estimated.

The limitations of third party data, which may be backward looking or estimated, may impact on the Funds ability to achieve any non-financial considerations.

Baillie Gifford Sustainable Multi Asset Fund cont.

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.

Investing in China may harm your investment due to difficulties with market volatility, political and economic instability including the risk of market shutdown, trading, liquidity, settlement, corporate governance, regulation, legislation and taxation.

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.

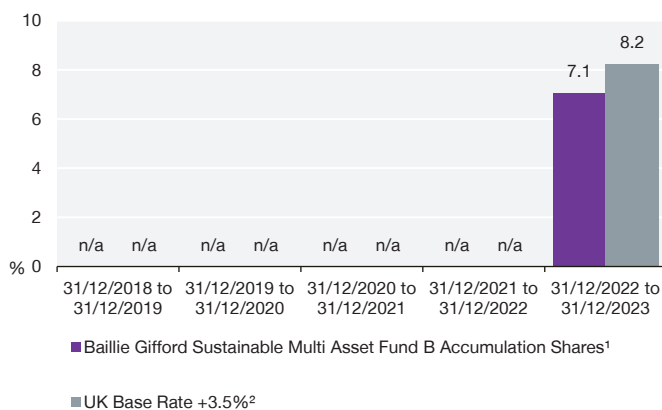
Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.

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.

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

Investment Report

Past Performance



The performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the annual management charge of 0.50%. There are not five full years of performance shown as the Fund was launched on 20 May 2022. 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 achieve (after deduction of costs) an annualised return over rolling five-year periods that is 3.5% more than the UK Base Rate (the 'target return'), with annualised volatility of returns over rolling five-year periods that is below 10%. The Fund also aims to achieve a positive return over rolling three-year periods. The Fund aims to have a weighted average carbon intensity that is lower than that of the Fund's stated carbon budget. For the year to 31 December 2023 the return on B Accumulation Shares was 7.1%¹ compared to the target return of 8.2%². We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance, a period in line with the Fund's objectives. We look forward to reporting to you on more meaningful performance time periods over the years to come. The Fund's carbon footprint at 31 December 2023 was 50.3³ compared to the budget of 76.9³.

Market environment

Markets can be very fickle over the short term, and so it proved towards the end of the year.

The final quarter began with most market indices in retreat. Concerns over the strength of US economic data led traders to worry about how much longer higher policy rates might remain. US bond 10-year yields touched 5%, their highest level in 15 years, pushing bond prices down. Other assets sold off too.

However, by late October, the dominant narrative had begun to swing around. Weaker economic data and trading updates from companies saw traders stop worrying about 'higher for longer' and the guessing game instead became about how much lower policy rates could go, and how soon. With this abrupt change in narrative, US bond yields tumbled to below 4% by December, pushing bond prices sharply higher. Other asset classes were also buoyed by this improvement in expectations, despite the implications for weaker earnings, and most rallied into year-end.

¹Source: FE, 10am dealing prices, income accumulated. ²Source: Revolution and Bank of England. ³Source: MSCI Barra. Tonnes of Carbon Dioxide equivalent per \$ million of Enterprise Value including cash. Please see Disclaimer on page 213. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

Performance

Fund performance was positive over the 12 months, but just short of the objective. The Fund achieved its carbon objective, remaining well within the prescribed limits of its carbon budget.

Throughout 2023, our exposure to the government debt of both developed and emerging economies was positive from a performance perspective, with our emerging markets bond allocation being the largest contributor over the period. Other yield-sensitive asset classes, such as investment grade bonds and property, also benefited from the change in market sentiment.

Throughout the course of 2023, we have generally preferred fixed income assets to equities for the portfolio, judging the asymmetry of returns to be better in the current economic climate. That said, our allocation to listed equities, while relatively modest in a historic strategy context, performed well overall, with the investments in Baillie Gifford's actively managed funds being the main contributors.

Beyond listed equities, we have generally preferred assets we see as good value within asset classes, or offering high yields. For example, our high-yielding structured finance investments performed particularly well, as did our property holdings, which delivered on rental growth and saw their capitalisation rates – the rate at which expected future cash flows are discounted – fall. Investments in industrial distribution and fulfilment property assets, such as Prologis and Segro, were strong contributors.

While our infrastructure and commodity investments ended the year on a more positive footing, over the 12 months, they detracted from performance.

With respect to infrastructure, for example, during the early part of the year, underlying asset values were hit hard by higher financing costs. However, we still believe the competitive advantages available to actively-selected investments in areas such as renewables offer compelling returns enhanced by longer-term, structural tailwinds.

In absolute return, strategies used to provide portfolio protection when markets are volatile partly offset declines in the early part of the year. However, over the full 12 months, they detracted from performance. Finally, our investment in the Japanese yen – held as part of the active currency allocation - struggled as the Bank of Japan maintained low interest rates despite rising inflation.

Positioning

Looking ahead to 2024, our view is that it seems likely that markets have become overconfident about a soft landing. There are still inflationary impulses in the economy that need to be quelled and, so long as those exist, it is always possible that underlying economic strength or another unexpected event could allow pricing pressures to re-emerge.

We have taken the opportunity to reduce some of the portfolio's interest rate-sensitive exposures into the recent market rally. We have completely sold the Swedish government bonds held and substantially reduced our long-dated US Treasury investment. Instead, we prefer property, infrastructure and see good value in structured finance.

Macroeconomic volatility remains likely to persist into 2024 as markets try to second-guess short-term inflation and growth data and what central banks will do next. With this in mind, our portfolio remains well-diversified and somewhat cautiously positioned. However, reviewing our return expectations across asset classes, we see plenty that have the potential to produce above-target returns over the coming years and within our asset class groups are finding plenty of individual opportunities in which to invest. Consequently, we look forward to the year ahead with optimism and excitement about what is possible.

Investment Report cont.

ESG

The Fund has an explicit climate objective, which is to have a carbon footprint that remains within a budget that is declining at 7% per annum. Throughout the period the Fund's carbon footprint has been below the carbon budget.

We continue to refine the strategy and deepen our understanding of sustainable investing. We remain confident about the resilience of the portfolio, and excited about its future prospects for delivering stable and sustainable returns.

Baillie Gifford & Co, 23 January 2024

Principal Holdings as at 31 December 2023

Investment	Percentage of total Fund
Baillie Gifford Worldwide Sustainable Emerging Markets Bond Fund C Acc USD ¹	7.34
Baillie Gifford Emerging Markets Bond Fund C Acc ¹	6.85
Plutus CLO Fund	3.39
Leadenhall UCITS ILS Fund	3.32
Galene Fund	3.01
Baillie Gifford Responsible Global Equity C Acc ¹	2.63
Aegon ABS Opportunity Fund Acc	2.59
UBS Cross Asset Trend Ex FF ETN	2.50
Scottish Mortgage Investment Trust ¹	2.42
WisdomTree Aluminium ETC (c)	2.08

¹Baillie Gifford Investment Funds ICVC related party (please refer to note 11).

Material Portfolio Changes for the year ended 31 December 2023

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Baillie Gifford Emerging Markets Bond Fund C Acc ¹	25,075	Baillie Gifford Strategic Bond Fund C Acc ¹	17,487
Baillie Gifford Worldwide Sustainable Emerging Markets Bond Fund C Acc USD ¹	24,547	Baillie Gifford Emerging Markets Bond Fund C Acc ¹	14,620
Leadenhall UCITS ILS Fund	11,320	Baillie Gifford Global Alpha Paris-Aligned Fund C Acc ¹	9,150
Aegon ABS Opportunity Fund Acc	8,898	Baillie Gifford Positive Change Fund C Acc ²	8,664
Baillie Gifford Responsible Global Equity C Acc ¹	8,203	Baillie Gifford Responsible Global Equity C Acc ¹	8,396
WisdomTree Aluminium ETC (c)	7,977	Fair Oaks Senior CLO Note	7,951
Fair Oaks Senior CLO Note	7,845	Sweden 3.5% 30/03/2039	7,570
GS Modified China index + 2.85% ETN (c)	7,738	GS Modified CSI 500 index + 8% ETN	7,354
Scottish Mortgage Investment Trust ¹	7,698	GS Mod CSI500 index+ 7.4%	7,164
Baillie Gifford Positive Change Fund C Acc ²	7,542	Citigroup US Steepener ETN (c)	5,529

¹Baillie Gifford Investment Funds ICVC related party (please refer to note 11).

²Baillie Gifford Investment Funds ICVC cross-holding (please refer to note 11).

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

Portfolio Statement as at 31 December 2023

Stock description	Holding	Market value £'000	% of total net assets
Absolute Return - 2.50% (4.78%)			
UBS Cross Asset Trend Ex FF ETN	12,631	9,015	2.50
Commodities - 3.72% (0.88%)			
Lynas Corporation	378,448	1,450	0.40
WisdomTree Aluminium ETC (c)	3,039,920	7,507	2.08
WisdomTree Copper ETC (c)	163,377	4,450	1.24
Emerging Market Bonds Hard Currency - 8.36% (3.11%)			
Baillie Gifford Worldwide Sustainable Emerging Markets Bond Fund C Acc USD ¹	3,216,638	26,459	7.34
Ukraine 7.75% 31/05/2041 (USD)	10,490,000	3,676	1.02
Emerging Market Bonds Local Currency - 6.85% (6.58%)			
Baillie Gifford Emerging Markets Bond Fund C Acc ¹	11,877,308	24,705	6.85
Government Bonds - 7.69% (9.66%)			
Australia 1.75% 21/06/2051	19,319,000	6,102	1.69
Australia 3% 21/03/2047	13,994,000	6,045	1.68
Canada Housing Trust No.1 3.65% 15/06/2033	9,600,000	5,779	1.60
Province of Ontario 5.85% 08/03/2033	4,330,000	2,980	0.83
Province of Quebec 3.25% 01/09/2032	4,365,000	2,510	0.70
US Treasury 2.25% 15/02/2052	1,757,000	960	0.27
US Treasury 2.875% 15/05/2052	1,756,100	1,102	0.30
US Treasury 3% 15/08/2052	3,489,700	2,250	0.62
High Yield Credit - 6.86% (7.30%)			
Aegea 9% 2031	400,000	333	0.09
Arcelik 8.5% 2028	400,000	330	0.09
Ares Capital Corp	180,140	2,830	0.78
Baillie Gifford High Yield Bond Fund C Acc ¹	1,699,957	6,887	1.91
Banco Davivienda 6.65% 2031 Perp	200,000	112	0.03
Banco Do Brasil SA 6.25% 2024 Perp	200,000	153	0.04
Banco Do Brasil SA 6.25% 2030	200,000	163	0.04

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Banco GNB Sudameris 7.5% 2031	400,000	262	0.07
Banco Mercantil del Norte 8.375% 2030 Perp	200,000	154	0.04
Bangkok Bank 5% 2025 Perp	200,000	150	0.04
Bharti Airtel 5.65% 2025 Perp	400,000	309	0.09
DP World 6% 01/10/2025 Perp	500,000	391	0.11
Ecobank Transnational 8.75% 2031	200,000	145	0.04
Electricidad Firme de Mexico 4.9% 2026	200,000	141	0.04
Emirates NBD Bank 4.25% 2027 Perp	200,000	141	0.04
Energo - Pro 8.5% 2027	400,000	308	0.09
First Quantum Minerals 6.875% 2027 (144A)	400,000	267	0.07
GEMS Education 7.125% 2026	400,000	309	0.09
Globo Comunicacao E Participacoes 5.5% 2032	600,000	404	0.11
Golub Capital BDC Inc	125,521	1,487	0.41
Greenko Energy 3.85% 2026	600,000	405	0.11
Grupo Aval 4.375% 2030	500,000	333	0.09
HDFC 3.7% Perp	200,000	143	0.04
IHS Hdg 5.625% 2026	400,000	272	0.08
Intl Container Terminal Services 4.75% 2030	500,000	380	0.11
Liberty Costa Rica 10.875% 2031 (Reg S)	400,000	321	0.09
Limak Iskenderun 9.5% 2036	300,000	213	0.06
Liquid Telecommunications Financing 5.5% 2026	200,000	91	0.03
Longfor 3.95% 2029	200,000	71	0.02
MAF Global Securities 6.375% 2026 Perp	400,000	308	0.09
MercadoLibre 2.375% 2026	400,000	293	0.08
OTP Bank Nyrt. 8.75% 2033	400,000	322	0.09
Renew Power 4.5% 2028	600,000	419	0.12
Sequoia Economic Infrastructure Income Fund	3,675,982	3,139	0.87
Shriram Finance 4.4% 2024	400,000	312	0.09
Sixth Street Specialty Lending	87,926	1,488	0.41
Standard Chartered 4.3% 2028 Perp	400,000	255	0.07
Turkcell Iletisim Hizmetleri AS 5.8% 2028	400,000	297	0.08
VTR Comunicaciones 5.125% 2028	200,000	75	0.02
Yapi ve Kredi Bankasi 9.25% 2028	400,000	332	0.09

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Infrastructure - 11.51% (11.89%)			
3i Infrastructure	1,999,466	6,428	1.78
Brookfield Renewable	102,191	2,307	0.64
China Yangtze Power	379,800	980	0.27
EDP Renovaveis	150,142	2,404	0.67
Eversource Energy	47,875	2,317	0.64
Greencoat UK Wind	4,293,546	6,505	1.81
Hydro One	56,773	1,338	0.37
Iberdrola SA	99,340	1,022	0.28
Octopus Renewables Infrastructure	6,801,280	6,108	1.70
Orsted	72,031	3,133	0.87
Renewables Infrastructure Group	5,877,971	6,677	1.85
Terna	287,164	1,874	0.52
Xinyi Energy	2,746,204	395	0.11
Insurance Linked - 6.02% (2.64%)			
Catahoula Re 2022-1 A (144A) ²	1,280,000	1,038	0.29
Catahoula Re 2022-1 B (144A) ²	470,000	371	0.10
First Coast Re 2021 A ²	500,000	378	0.10
Hestia Re 2022-1 A ²	830,000	606	0.17
Leadenhall UCITS ILS Fund	106,191	11,970	3.32
MetroCat 2023-1 Class A ²	1,000,000	791	0.22
Montoya 2022-2 Class A ²	500,000	427	0.12
Mystic Re IV 2023-1 A ²	1,000,000	809	0.22
Sanders Re III 2022-1 B ²	2,085,000	1,308	0.36
Torrey Pines Re 2023 A (144A) ²	1,950,000	1,534	0.43
Ursa Re II 2022 AA (144A) ²	810,000	651	0.18
Ursa Re II 2022 C (144A) ²	1,290,000	1,049	0.29
Vitality Re XIV 2023 B (144A) ²	1,000,000	784	0.22
Investment Grade Credit - 0.00% (7.14%)			
Listed Equities - 12.88% (18.74%)			
Baillie Gifford Global Alpha Paris-Aligned Fund C Acc ¹	5,728,264	5,107	1.42
Baillie Gifford Positive Change Fund C Acc ³	1,320,197	3,584	0.99

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Baillie Gifford Responsible Global Equity C Acc ¹	5,039,435	9,494	2.63
Barclays Modified CSI 500 +5% ETN (c)	7,615	5,483	1.52
Citigroup Volatility Carry ETN	444	3,466	0.96
GS Modified China index + 2.85% ETN (c)	7,575,000	5,332	1.48
GS Strategic Dividend 24 ETN (c)	4,293,870	4,136	1.15
GS Strategic Dividend 25 ETN (c)	1,072,910	1,118	0.31
Scottish Mortgage Investment Trust ¹	1,084,256	8,737	2.42
Property - 9.92% (4.63%)			
American Tower Corp REIT	20,815	3,528	0.98
Assura Group	3,306,473	1,591	0.44
Crown Castle International REIT	18,141	1,639	0.46
Ctp N.V.	267,821	3,546	0.98
Equinix	4,288	2,709	0.75
LondonMetric Property	1,041,356	1,994	0.55
Montea NV	10,565	789	0.22
Prologis Inc REIT	38,221	3,997	1.11
Rexford Industrial Realty REIT	69,516	3,058	0.85
Segro Plc	549,876	4,874	1.35
Sun Communities Inc REIT	10,700	1,121	0.31
Target Healthcare REIT Plc	1,656,958	1,425	0.40
Unite Group	228,949	2,390	0.66
Warehouses De Pauw	126,078	3,111	0.86
Structured Finance - 12.17% (7.98%)			
Accunia European CLO Fund	44,668	4,989	1.38
Aegon ABS Opportunity Fund Acc	1,023,939	9,346	2.59
Galene Fund	62,233	10,836	3.01
HSBC Global Asset Backed High Yield Bond Fund	288,894	3,188	0.88
Plutus CLO Fund	118,794	12,208	3.39
TwentyFour Income Fund	3,145,732	3,309	0.92
Derivatives - 0.72% (0.40%)			
Forward currency contracts (see Table 1)		2,564	0.71
Futures contracts (see Table 2)		-	0.00

Portfolio Statement as at 31 December 2023 cont.

Stock description	Holding	Market value £'000	% of total net assets
Interest rate swap contracts (see Table 3)		23	0.01
Portfolio of investments		321,631	89.20
Cash Equivalents - 10.53% (4.72%)			
UK T Bill 04/03/2024	5,025,000	4,977	1.38
UK T Bill 05/02/2024	6,100,000	6,067	1.68
UK T Bill 29/04/2024	7,145,000	7,021	1.95
UK T Bill 02/04/2024	4,400,000	4,340	1.20
UK T Bill 08/04/2024	3,375,000	3,326	0.92
UK T Bill 19/02/2024	6,200,000	6,154	1.71
UK T Bill 13/05/2024	6,200,000	6,080	1.69
Other Assets - 0.28% (9.55%)		992	0.28
Net assets		360,588	100.00

¹Baillie Gifford Investment Funds ICVC related party (please refer to note 11).

²This stock has been valued using a single broker quote and therefore is categorised as level 3 in note 13.

³Baillie Gifford Investment Funds ICVC cross-holding (please refer to note 11).

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

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

Figures in brackets in the investment category headings refer to 31 December 2022.

Portfolio Statement as at 31 December 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	10/01/24	GBP	7,528,231	EUR	8,615,000	61	0.02
Barclays	10/01/24	GBP	10,697,913	USD	13,069,119	447	0.12
Barclays	24/01/24	GBP	5,597,354	USD	6,943,950	151	0.04
Barclays	14/02/24	GBP	8,017,645	USD	10,000,000	175	0.05
Barclays	28/02/24	GBP	9,346,832	USD	11,840,627	61	0.02
Citigroup	10/01/24	GBP	2,993,018	CHF	3,297,000	(83)	(0.02)
Citigroup	24/01/24	GBP	1,102,444	EUR	1,267,775	3	0.00
Citigroup	14/02/24	GBP	1,440,264	EUR	1,638,688	18	0.00
Citigroup	14/02/24	GBP	8,017,645	USD	10,000,000	175	0.05
Citigroup	28/02/24	GBP	5,268,307	USD	6,673,925	35	0.01
Deutsche Bank	14/02/24	GBP	9,589,662	EUR	10,910,825	120	0.03
Deutsche Bank	14/02/24	GBP	8,017,645	USD	10,000,000	175	0.05
Deutsche Bank	28/02/24	GBP	11,368,017	EUR	13,149,512	(50)	(0.01)
Deutsche Bank	13/03/24	GBP	4,151,505	EUR	4,813,750	(30)	(0.01)
Goldman Sachs	10/01/24	GBP	14,332,839	CNH	129,400,000	68	0.02
Goldman Sachs	10/01/24	GBP	2,623,739	EUR	3,002,500	21	0.01
Goldman Sachs	10/01/24	GBP	1,122,371	NZD	2,300,000	(20)	(0.01)
Goldman Sachs	10/01/24	GBP	10,687,584	USD	13,056,500	446	0.12
Goldman Sachs	28/02/24	GBP	3,789,786	USD	4,800,925	25	0.01
HSBC	24/01/24	GBP	2,295,716	EUR	2,640,000	6	0.00
HSBC	28/02/24	GBP	8,484,564	USD	10,748,300	56	0.02
JP Morgan Chase	10/01/24	GBP	7,425,807	CHF	8,180,000	(206)	(0.06)
JP Morgan Chase	10/01/24	GBP	6,032,818	USD	7,370,000	252	0.07
JP Morgan Chase	10/01/24	JPY	429,250,000	GBP	2,380,966	11	0.00
JP Morgan Chase	24/01/24	GBP	7,791,521	EUR	8,960,000	21	0.01
JP Morgan Chase	24/01/24	JPY	535,187,500	GBP	2,916,970	72	0.02
JP Morgan Chase	14/02/24	JPY	219,187,500	GBP	1,198,481	29	0.01
JP Morgan Chase	28/02/24	JPY	535,187,500	GBP	2,936,062	68	0.02
JP Morgan Chase	13/03/24	JPY	766,937,500	GBP	4,192,194	122	0.03
Merrill Lynch	24/01/24	GBP	28,494,798	USD	35,350,000	769	0.21
National Australia Bank	10/01/24	GBP	21,858,180	AUD	41,670,000	(453)	(0.13)
National Australia Bank	10/01/24	GBP	4,855,476	NZD	9,950,000	(86)	(0.02)
Royal Bank of Canada	10/01/24	GBP	12,582,194	CAD	21,586,000	(260)	(0.07)
Royal Bank of Canada	10/01/24	GBP	4,390,147	USD	5,363,228	183	0.05
Royal Bank of Scotland	24/01/24	GBP	5,723,142	USD	7,100,000	155	0.04

Portfolio Statement as at 31 December 2023 cont.

Counterparty	Settlement	Buy	Buy Amount	Sell	Sell Amount	Unrealised gains/(losses) £'000	% of total net assets
Royal Bank of Scotland	28/02/24	GBP	4,125,670	USD	5,226,425	27	0.01
Unrealised gains/(losses) on open forward currency contracts						2,564	0.71

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

Futures	Maturity	Notional	Unrealised gains/(losses) £'000	% of total net assets
US 10 Year Note Future March 2024	28/03/24	(139)	-	0.00
Unrealised gains/(losses) on futures contracts			-	0.00

Portfolio Statement as at 31 December 2023 cont.

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
Barclays Bank Plc	JPY	20/06/30	5,847,035,348	0.44375%	MUTAN Uncollaterised Overnight Call Rate	263	0.08
Barclays Bank Plc	JPY	01/12/30	2,600,000,000	0.67750%	MUTAN Uncollaterised Overnight Call Rate	(66)	(0.02)
Nomura International Plc	JPY	11/09/30	2,101,000,477	0.62900%	MUTAN Uncollaterised Overnight Call Rate	(29)	(0.01)
Nomura International Plc	JPY	12/09/30	3,148,999,523	0.62200%	MUTAN Uncollaterised Overnight Call Rate	(36)	(0.01)
Nomura International Plc	JPY	15/11/30	1,100,000,000	0.87045%	MUTAN Uncollaterised Overnight Call Rate	(109)	(0.03)
Unrealised gains/(losses) on open interest rate swap contracts						23	0.01

Breakdown of portfolio of investments

	31 December 2023		31 December 2022	
	Market value £'000	Percentage of total Fund	Market value £'000	Percentage of total Fund
Bonds - Direct	50,063	13.88	38,212	20.75
Bonds - Indirect	122,842	30.75	52,387	28.44
Commodities - Indirect	13,407	3.72	1,622	0.88
Derivatives	2,587	0.72	725	0.39
Equities - Direct	50,225	13.93	21,894	11.89
Equities - Indirect	46,735	16.28	34,512	18.74
Property - Indirect	35,772	9.92	8,529	4.63
Portfolio of investments	321,631	89.20	157,881	85.73

Investments are categorised based on underlying asset class.

Comparative Tables

Comparative Table: B Accumulation Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Period Ended 31 December 2022 (pence per share)
Change in net assets per share:		
Opening net asset value per share	92.50	100.00 ¹
Return before operating charges*	7.29	(7.09)
Operating charges	(0.58)	(0.41)
Return after operating charges*	6.71	(7.50)
Distributions	(2.07)	(1.04)
Retained distributions on accumulation shares	2.07	1.04
Closing net asset value per share	99.21	92.50
*After direct transaction costs of:	0.08	0.04
Performance:		
Return after charges	7.25%	(7.50)%
Other Information:		
Closing net asset value (£'000)	107,282	3,599
Closing number of shares	108,134,047	3,890,306
Operating charges	0.61% ²	0.71% ³
Direct transaction costs ⁴	0.08%	0.07%
Prices:		
Highest share price (pence)	99.76	101.2
Lowest share price (pence)	91.07	89.80

Comparative Tables cont.

Comparative Table: B Income Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Period Ended 31 December 2022 (pence per share)
Change in net assets per share:		
Opening net asset value per share	91.49	100.00 ¹
Return before operating charges*	7.20	(7.11)
Operating charges	(0.57)	(0.42)
Return after operating charges*	6.63	(7.53)
Distributions on income shares	(2.05)	(0.98)
Closing net asset value per share	96.07	91.49
*After direct transaction costs of:	0.08	0.04
Performance:		
Return after charges	7.25%	(7.53)%
Other Information:		
Closing net asset value (£'000)	28	1
Closing number of shares	29,441	1,000
Operating charges	0.61% ²	0.71% ³
Direct transaction costs ⁴	0.08%	0.07%
Prices:		
Highest share price (pence)	98.25	101.2
Lowest share price (pence)	89.69	89.79

Comparative Tables cont.

Comparative Table: C Accumulation Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Period Ended 31 December 2022 (pence per share)
Change in net assets per share:		
Opening net asset value per share	92.67	100.00 ¹
Return before operating charges*	7.24	(7.21)
Operating charges	(0.11)	(0.12)
Return after operating charges*	7.13	(7.33)
Distributions	(2.45)	(1.22)
Retained distributions on accumulation shares	2.45	1.22
Closing net asset value per share	99.80	92.67
*After direct transaction costs of:	0.08	0.04
Performance:		
Return after charges	7.69%	(7.33)%
Other Information:		
Closing net asset value (£'000)	253,277	180,569
Closing number of shares	253,787,453	194,860,978
Operating charges	0.12% ²	0.21% ³
Direct transaction costs ⁴	0.08%	0.07%
Prices:		
Highest share price (pence)	100.3	101.2
Lowest share price (pence)	91.52	89.98

Comparative Tables cont.

Comparative Table: C Income Shares

	Financial Year Ended 31 December 2023 (pence per share)	Financial Period Ended 31 December 2022 (pence per share)
Change in net assets per share:		
Opening net asset value per share	91.45	100.00 ¹
Return before operating charges*	7.10	(7.21)
Operating charges	(0.11)	(0.13)
Return after operating charges*	6.99	(7.34)
Distributions on income shares	(2.42)	(1.21)
Closing net asset value per share	96.02	91.45
*After direct transaction costs of:	0.08	0.04
Performance:		
Return after charges	7.64%	(7.34)%
Other Information:		
Closing net asset value (£'000)	1	1
Closing number of shares	1,000	1,000
Operating charges	0.12% ²	0.22% ³
Direct transaction costs ⁴	0.08%	0.07%
Prices:		
Highest share price (pence)	98.46	101.2
Lowest share price (pence)	89.82	89.89

¹The Fund launched on 20 May 2022.

²In November 2023, following the FCA's statement regarding communications related to PRIIPs and UCTIS, the Investment Association amended its Guidance on Disclosure of Fund Charges and Costs, removing the requirement to include indirect costs associated with holding closed-ended investment funds from Ongoing Charges figures. Consequently, these costs are no longer included in the Ongoing Charges figure to 31 December 2023. Had the indirect costs associated with holding closed-ended investment funds been included, the Ongoing Charges figure would have been 0.19% higher.

³In July 2020, the Investment Association issued Guidance on Disclosure of Fund Charges and Costs effective from 30 June 2022 which updated the Ongoing Charges disclosure requirements to include indirect costs associated with funds' holdings of closed-ended investment funds. This resulted in an increase of 0.13% in the Ongoing Charges figures disclosed as at 31 December 2022.

⁴The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions. Commission is also payable to the counterparty on the trading of futures contracts.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

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.

Financial Statements

Statement of Total Return for the year ended 31 December 2023

	Notes	2023		2022	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		13,093		(15,447)
Revenue	3	8,911		2,657	
Expenses	4	(313)		(9)	
Net revenue before taxation		8,598		2,648	
Taxation	5	(1,379)		(400)	
Net revenue after taxation			7,219		2,248
Total return before distributions			20,312		(13,199)
Distributions	6		(7,204)		(2,242)
Change in net assets attributable to shareholders from investment activities			13,108		(15,441)

Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 December 2023

	2023		2022	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		184,170		-
Amounts receivable on issue of shares	160,149		198,425	
Amounts payable on cancellation of shares	(5,613)		(1,310)	
		154,536		197,115
Dilution adjustment		472		101
Change in net assets attributable to shareholders from investment activities		13,108		(15,441)
Retained distributions on accumulation shares		8,302		2,395
Closing net assets attributable to shareholders		360,588		184,170

Financial Statements cont.

Balance Sheet as at 31 December 2023

	Notes	2023 £'000	2022 £'000
Assets:			
Fixed assets:			
Investments	13	323,059	159,618
Current assets:			
Debtors	8	2,078	1,561
Cash and bank balances	9	6,726	18,331
Cash equivalents		37,965	8,693
Total assets		369,828	188,203
Liabilities:			
Investment liabilities	13	(1,428)	(1,737)
Creditors:			
Bank overdrafts	9	(3,131)	(252)
Other creditors	10	(4,681)	(2,044)
Total liabilities		(9,240)	(4,033)
Net assets attributable to shareholders		360,588	184,170

Notes to the Financial Statements

1 Net capital gains/(losses)

	2023			2022		
	Realised £'000	Unrealised £'000	Total £'000	Realised £'000	Unrealised £'000	Total £'000
Non-derivative securities	1,597	10,063	11,660	(881)	(6,133)	(7,014)
Derivative contracts	(2,495)	23	(2,472)	(2,926)	-	(2,926)
Forward currency contracts	1,333	2,564	3,897	(6,754)	725	(6,029)
Currency gains/(losses)	24	(8)	16	500	28	528
Custodian transaction costs			(8)			(6)
Net capital gain/(losses)			13,093			(15,447)

2 Purchases, sales and transaction costs

	2023 £'000	2022 £'000
Purchases and transaction costs		
Gross purchases of bonds excluding transaction costs ¹	61,244	65,206
Gross purchases of equities excluding transaction costs	66,867	71,973
Commissions	19	7
Taxes	95	50
Total transaction costs on equity purchases²	114	57
Gross purchases of funds excluding transaction costs	184,193	77,437
Commissions on purchases of funds	27	5
Taxes on purchases of funds	71	40
Total transaction costs on fund purchases²	98	45
Purchases including transaction costs	312,516	214,718

¹There were no transaction costs on the purchase or sale of bonds.

²These amounts have been deducted in determining net capital gains/(losses).

Notes to the Financial Statements cont.

2 Purchases, sales and transaction costs (continued)

	2023	2022
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.03	0.01
Taxes on equity purchases	0.14	0.07
Commission on fund purchases	0.01	0.01
Taxes on fund purchases	0.04	0.05
	2023	2022
	£'000	£'000
Sales and transaction costs		
Gross sales of bonds excluding transaction costs ¹	42,189	14,909
Gross sales of equities excluding transaction costs	30,733	23,196
Commissions	(5)	(8)
Taxes	-	(1)
Total transaction costs on equity sales²	(5)	(9)
Gross sales of funds excluding transaction costs	92,067	13,223
Commissions on sales of funds	(1)	(5)
Taxes on sales of funds	-	-
Total transaction costs on fund sales²	(1)	(5)
Sales net of transaction costs	164,983	51,314

¹There were no transaction costs on the purchase or sale of bonds.

²These amounts have been deducted in determining net capital gains/(losses).

	2023	2022
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.02)	(0.03)
Taxes on equity sales	0.00	(0.00)
Commission on fund sales	(0.00)	(0.04)
Taxes on fund sales	0.00	0.00

Notes to the Financial Statements cont.

2 Purchases, sales and transaction costs (continued)

	2023		2022	
	£'000	% of average NAV	£'000	% of average NAV
Transaction cost on derivative contracts				
Commission on trading futures contracts	5			7
Portfolio transaction costs				
Commissions	57	0.02	32	0.02
Taxes	166	0.06	91	0.05
Total direct transaction costs	223	0.08	123	0.07
Average portfolio dealing spread				
			0.33	0.51

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions. Commission is also payable to the counterparty on the trading of futures contracts.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying Funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

Notes to the Financial Statements cont.

3 Revenue

	2023	2022
	£'000	£'000
UK dividends ¹	533	162
Overseas dividends ¹	2,196	1,034
Property income distributions ¹	288	62
Interest on debt securities ¹	5,891	1,348
Bank interest	149	49
Swaps interest	(236)	-
Management fee rebates from third party funds	90	2
Total revenue	8,911	2,657

¹Includes income from relevant Collective Investment Schemes.

4 Expenses

	2023	2022
	£'000	£'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	292	3
Expenses rebate	(20)	(30)
	272	(27)
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	22	8
Bank charges	4	7
	26	15
Other expenses:		
Audit fee	10	18
Non-audit fees paid to auditors	1	-
Professional fees	4	3
	15	21
Total expenses	313	9

Notes to the Financial Statements cont.

5 Taxation

	2023	2022
	£'000	£'000
Analysis of charge in the year		
Overseas tax	190	107
Irrecoverable tax on property income distributions	8	-
Corporation tax	1,181	293
Total taxation	1,379	400

The tax charge is explained as follows:

	2023	2022
	£'000	£'000
Net revenue before taxation	8,598	2,648
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2022: 20%)	1,720	530
Effects of:		
Non-taxable UK dividends	(107)	(32)
Non-taxable overseas dividends	(375)	(186)
Overseas tax on dividends	189	106
Irrecoverable tax on property income distributions	8	-
Overseas tax on coupons	1	1
Double taxation relief	(57)	(19)
Total taxation	1,379	400

6 Distributions

	2023	2022
	£'000	£'000
Interim to 30 June	1,547	174
Final to 31 December	6,755	2,221
	8,302	2,395
Amounts deducted on cancellation of shares	55	8
Amounts added on issue of shares	(1,153)	(161)
Total distributions	7,204	2,242

The distributions take account of income revenue transactions on the issue and cancellation of shares. Details of the distributions per share are set out in the Distribution Tables.

Notes to the Financial Statements cont.

7 Reconciliation of net revenue to net distributions for the year

	2023	2022
	£'000	£'000
Net revenue after taxation for the year	7,219	2,248
Add distributable revenue brought forward	6	-
Less distributable revenue carried forward	(21)	(6)
Net distributions for the year	7,204	2,242

8 Debtors

	2023	2022
	£'000	£'000
Receivable for issue of shares	653	50
Sales awaiting settlement	151	331
Accrued income	607	414
Overseas tax recoverable	28	11
Collateral held by counterparties	510	675
Amounts due from clearing brokers	11	-
Amounts due from ACD	43	30
Other debtors	75	50
Total debtors	2,078	1,561

9 Cash and bank balances

	2023	2022
	£'000	£'000
Sterling amounts held at clearing houses and brokers	92	223
Foreign amounts held at clearing houses and brokers	520	988
Sterling bank accounts	5,766	16,649
Foreign currency bank accounts	348	471
	6,726	18,331
Sterling amounts held at clearing houses and brokers overdrawn	(28)	-
Foreign amounts held at clearing houses and brokers overdrawn	(78)	-
Sterling bank accounts overdrawn	(3,025)	-
Foreign currency bank accounts overdrawn	-	(252)
	(3,131)	(252)
Total cash and bank balances	3,595	18,079

Notes to the Financial Statements cont.

10 Other creditors

	2023	2022
	£'000	£'000
Payable for cancellation of shares	99	-
Purchases awaiting settlement	11	77
Due to the ACD or associates	42	1
Due to the Depositary or associates	6	3
Collateral held on behalf of counterparty	3,455	1,650
Corporation tax due on prior periods	1,063	293
Other accrued expenses	5	20
Total other creditors	4,681	2,044

11 Related party transactions

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts receivable and payable on the issue and cancellation of shares have been disclosed in notes 8 and 10 respectively.

Amounts paid to Baillie Gifford & Co Limited in respect of ACD fees are disclosed in note 4 with amounts due at the year end given in note 10.

The Fund invests in other funds for whom Baillie Gifford & Co, the ultimate parent company of the ACD, act as Investment Adviser and these funds are therefore considered to be related parties. Transactions with these related party funds are noted in the table below.

	2023			2022		
	Purchases £'000	Sales £'000	Income £'000	Purchases £'000	Sales £'000	Income £'000
Baillie Gifford Emerging Markets Bond Fund C Acc	25,075	14,620	1,730	11,918	-	495
Baillie Gifford Global Alpha Paris-Aligned Fund C Acc	5,485	9,150	54	9,128	1,700	-
Baillie Gifford High Yield Bond Fund C Acc	7,058	4,013	325	3,338	-	77
Baillie Gifford Positive Change Fund C Acc	7,542	8,664	13	3,942	-	31
Baillie Gifford Responsible Global Equity C Acc	8,203	8,396	171	9,613	1,710	43
Baillie Gifford Strategic Bond Fund C Acc	4,359	17,487	189	13,106	-	139
Baillie Gifford Worldwide Sustainable Emerging Markets Bond Fund C Acc USD	24,547	3,491	-	3,951	-	-
Scottish Mortgage Investment Trust	7,698	-	-	-	-	-

Notes to the Financial Statements cont.

11 Related party transactions (continued)

Shares held by the ACD and associates of the ACD

The shares held by the ACD and associates of the ACD as a percentage of the Fund's NAV were:

	2023	2022
	%	%
ACD and associates of the ACD	0.00	0.00

12 Reconciliation of shares in issue

	Shares in issue as at 31.12.22	Shares issued	Shares cancelled	Shares converted	Shares in issue as at 31.12.23
B Accumulation Shares	3,890,306	104,282,100	(38,359)	-	108,134,047
B Income Shares	1,000	33,684	(5,243)	-	29,441
C Accumulation Shares	194,860,978	64,810,758	(5,884,283)	-	253,787,453
C Income Shares	1,000	1,000	(1,000)	-	1,000

13 Basis of valuation

	2023		2022	
	Assets	Liabilities	Assets	Liabilities
	£'000	£'000	£'000	£'000
Level 1: Quoted prices	104,014	-	47,738	-
Level 2: Observable market data	209,300	(1,428)	107,015	(1,737)
Level 3: Unobservable data ¹	9,745	-	4,866	-
Total	323,059	(1,428)	159,619	(1,737)

¹For further information on the assets included in Level 3, as at 31 December 2023, please refer to the Portfolio Statement.

14 Credit ratings

Rating Block	2023		2022	
	Market value £'000	Percentage of total Fund	Market value £'000	Percentage of total Fund
Investment Grade	66,074	18.32	19,590	10.64
High Yield	12,706	3.52	4,955	2.69
Unrated	9,248	2.56	23,887	12.97
Total	88,028	24.40	48,432	26.30
Other	272,560	75.60	135,738	73.70
Net Assets	360,588	100.00	184,170	100.00

Notes to the Financial Statements cont.

15 Derivatives and other financial instruments

Currency exposures

A proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

Currency	Net currency assets/(liabilities)			Net currency assets/(liabilities)		
	2023			2022		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Australian dollar	-	(8,714)	(8,714)	-	(8,159)	(8,159)
Brazilian real	-	-	-	-	1,622	1,622
Canadian dollar	-	(235)	(235)	-	(544)	(544)
Chinese yuan (offshore)	-	(14,264)	(14,264)	-	(3,865)	(3,865)
Chinese yuan (onshore)	-	980	980	-	632	632
Colombian peso	-	-	-	-	(2,883)	(2,883)
Danish krone	-	8,122	8,122	-	1,426	1,426
Euro	-	(20,375)	(20,375)	473	(13,824)	(13,351)
Hong Kong dollar	-	395	395	-	559	559
Indian rupee	-	-	-	-	(1,874)	(1,874)
Japanese yen	(67)	13,950	13,883	-	10,852	10,852
Mexican peso	-	-	-	-	1,751	1,751
New Zealand dollar	-	(6,084)	(6,084)	-	(3,449)	(3,449)
Peruvian nuevo sol	-	-	-	-	882	882
South African rand	-	-	-	-	2,714	2,714
Swiss franc	-	(10,708)	(10,708)	-	(2,944)	(2,944)
Thai baht	-	-	-	-	3,832	3,832
Turkish lira	-	-	-	-	(794)	(794)
UK sterling	37,825	352,126	389,951	24,590	182,060	206,650
US dollar	868	6,439	7,307	734	(10,115)	(9,381)

Short term debtors and creditors have not been disclosed.

Totals may not sum due to rounding.

Notes to the Financial Statements cont.

15 Derivatives and other financial instruments (continued)

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund was:

Currency	2023				2022			
	Floating Rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000	Floating Rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
Australian dollar	-	12,147	1,450	13,597	-	8,700	924	9,624
Brazilian real	-	-	-	-	-	-	1,622	1,622
Canadian dollar	-	11,270	1,338	12,607	-	-	1,343	1,343
Chinese yuan (onshore)	-	-	980	980	-	-	632	632
Danish krone	-	-	8,122	8,122	-	-	1,426	1,426
Euro	-	14,600	12,747	27,346	473	1,912	11,462	13,847
Hong Kong dollar	-	-	395	395	-	-	559	559
Japanese yen	82,334	-	13,927	96,262	-	-	10,852	10,852
Mexican peso	-	-	-	-	-	-	1,751	1,751
Peruvian nuevo sol	-	-	-	-	-	-	882	882
South African rand	-	-	-	-	-	-	2,714	2,714
Swiss franc	-	-	-	-	-	-	2,732	2,732
Thai baht	-	-	-	-	-	-	3,832	3,832
UK sterling	8,080	92,600	311,116	411,796	17,547	48,796	167,626	233,969
US dollar	14,290	66,170	50,408	130,867	7,257	37,239	14,417	58,913

Notes to the Financial Statements cont.

15 Derivatives and other financial instruments (continued)

Currency	2023				2022			
	Floating Rate financial liabilities £'000	Fixed Rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000	Floating Rate financial liabilities £'000	Fixed Rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
Australian dollar	-	-	22,311	22,311	-	-	17,784	17,784
Canadian dollar	-	-	12,843	12,843	-	-	1,887	1,887
Chinese yuan (offshore)	-	-	14,264	14,264	-	-	3,865	3,865
Colombian peso	-	-	-	-	-	-	2,883	2,883
Euro	-	-	47,722	47,722	-	-	27,198	27,198
Indian rupee	-	-	-	-	-	-	1,874	1,874
Japanese yen	78	82,301	-	82,379	-	-	-	-
New Zealand dollar	-	-	6,084	6,084	-	-	3,449	3,449
Swiss franc	-	-	10,708	10,708	-	-	5,675	5,675
Turkish lira	-	-	-	-	-	-	794	794
UK sterling	8,220	-	13,625	21,845	1,650	-	25,669	27,319
US dollar	-	-	123,560	123,560	252	-	68,042	68,294

The Fund invests in a generally diversified portfolio of assets, including derivatives that are used for efficient portfolio management purposes (including hedging) and for investment purposes. Consequently the ACD considers that a single measure of market sensitivity does not accurately reflect the risks faced by the Fund.

Totals may not sum due to rounding.

16 Derivative exposure

The exposure to derivative counterparties was:

Counterparty	2023					2022				
	Forward currency contracts £'000	Inflation rate swaps £'000	Interest rate swaps £'000	Cash collateral held £'000	Total exposure £'000	Forward currency contracts £'000	Inflation rate swaps £'000	Interest rate swaps £'000	Cash collateral held £'000	Total exposure £'000
Barclays	896	-	263	(980)	179	1,266	-	-	(1,035)	231
CitiGroup	231	-	-	-	231	60	-	-	-	60
Deutsche Bank	295	-	-	(180)	115	-	-	-	-	-
Goldman Sachs	560	-	-	(820)	(260)	32	-	-	-	32
HSBC	62	-	-	-	62	213	-	-	(235)	(22)
JP Morgan Chase	575	-	-	(310)	265	401	-	-	(115)	286
Merrill Lynch	769	-	-	(865)	(96)	77	-	-	-	77
NatWest	181	-	-	(185)	(185)	105	-	-	-	105
Royal Bank of Canada	183	-	-	-	183	308	-	-	(265)	43

Notes to the Financial Statements cont.

16 Derivative exposure (continued)

In addition the Fund trades futures contracts through UBS. Fair value movements are offset by movements in the variation margin account which reduces the derivative counterparty exposure to nil.

Collateral pledged on derivatives was:

Counterparty	2023			2022		
	Cash £'000	Bonds £'000	Total £'000	Cash £'000	Bonds £'000	Total £'000
Citigroup	-	-	-	340	-	340
Goldman Sachs	-	-	-	175	-	175
HSBC	-	2,063	2,063	-	-	-
National Australia Bank	510	-	510	160	-	160

17 Leverage

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

There have been no changes to the maximum level of leverage that can be employed by the Fund under both the gross and commitment methods during the year. The leverage limits have not been exceeded during the year. The Fund's maximum and actual leverage levels at 31 December 2023 are shown below:

Leverage exposure	Gross method	Commitment method
Maximum Limit	1,000%	500%
Actual	202%	130%

Typical types and sources of leverage which the Fund employs include: (i) borrowing cash; (ii) derivatives for efficient portfolio management purposes (including hedging); and (iii) derivatives for investment purposes. For information on the associated risks with these types and sources of leverage please refer to the Prospectus which is available by contacting Client Relations.

Distribution Tables

Interim distribution for the period ended 30 June 2023

Group 1 : shares purchased prior to 1 January 2023

Group 2 : shares purchased 1 January 2023 to 30 June 2023

	Net Revenue (dividend distribution)	Equalisation	Distribution (paid/accumulated 31.08.23)	Distribution (paid/accumulated 31.08.22)
	30.06.23 pence per share	30.06.23 pence per share	30.06.23 pence per share	30.06.22 pence per share
B Accumulation				
Group 1	0.40000	-	0.40000	0.05000
Group 2	-	0.40000	0.40000	0.05000
B Income				
Group 1	0.40000	-	0.40000	0.05000
Group 2	0.13490	0.26510	0.40000	0.05000
C Accumulation				
Group 1	0.50000	-	0.50000	0.10000
Group 2	0.18548	0.31452	0.50000	0.10000
C Income				
Group 1	0.50000	-	0.50000	0.10000
Group 2	0.50000	-	0.50000	0.10000

Distribution Tables cont.

Final distribution for the period ended 31 December 2023

Group 1 : shares purchased prior to 1 July 2023

Group 2 : shares purchased 1 July 2023 to 31 December 2023

	Net Revenue (dividend distribution)	Equalisation	Distribution (paid/accumulated 28.02.24)	Distribution (paid/accumulated 28.02.23)
	31.12.23 pence per share	31.12.23 pence per share	31.12.23 pence per share	31.12.22 pence per share
B Accumulation				
Group 1	1.67000	-	1.67000	0.99000
Group 2	0.44815	1.22185	1.67000	0.99000
B Income				
Group 1	1.65000	-	1.65000	0.93000
Group 2	0.25326	1.39674	1.65000	0.93000
C Accumulation				
Group 1	1.95000	-	1.95000	1.12000
Group 2	0.99865	0.95135	1.95000	1.12000
C Income				
Group 1	1.92000	-	1.92000	1.11000
Group 2	1.92000	-	1.92000	1.11000

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 to SDRT may apply.

Taxation Reporting

In order to fulfil its legal obligations, the ACD is required to collect and report certain information about shareholders (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 per share, and the number of shares in each class are shown in the Comparative Tables sections of the relevant sub-funds. The distributions per share class are shown in the Distribution Tables. In each sub-fund all share classes have the same rights on winding up.

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.

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

Class J Shares are only available to persons who has, or whose agent or associate has, a separate agreement, governing aggregate investment flows and marketing activity, in place with the ACD or one of its associates.

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

The minimum lump sum investment amounts are shown in the table on page 216.

General Information cont.

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 relevant sub-fund that has accrued up to the date of subscription. The amount of equalisation is averaged across all the shareholders of Group 2 shares and is refunded to them as part of their first distribution and is treated as a return of capital for tax purposes. Being capital it is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

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

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 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.

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 interest 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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Taskforce on Climate-related Financial Disclosures

Following the adoption of the Taskforce on Climate-related Financial Disclosures' ('TCFD') recommendations into the FCA's ESG sourcebook, Baillie Gifford & Co Limited is required to publish its 'TCFD entity report' by 30 June each year, detailing how in its role as ACD it takes climate-related matters into account in managing investments on behalf of clients and consumers. The regulations also require the ACD to prepare a TCFD product report for each sub-fund on how climate-related matters are taken into account within the sub-fund, including a core set of climate-related metrics. The reports must be made available on the ACD's website and a clear and prominent signpost to the product report for each authorised sub-fund must be included within each set of annual and interim financial statements. The ACD has chosen a reference period covering 12 months up to 31 December and will publish the reports by the 30 June each year. The latest product

General Information cont.

Taskforce on Climate-related Financial Disclosures cont.

reports covering the period up to 31 December 2022 was available in the website via the link:[Literature/Individual Investors/Baillie Gifford](#)

General Information cont.

Minimum Lump Sum Investment Amounts and Annual Management Fee

	Class A	Class B	Class C	Class J	Class P
Minimum lump sum investments					
Baillie Gifford Climate Optimism Fund	n/a	£100,000	£250,000	n/a	n/a
Baillie Gifford Diversified Growth Fund	£1,000	£100,000	£250,000	n/a	n/a
Baillie Gifford Multi Asset Growth Fund	n/a	£100,000	£250,000	£1,000	£250,000
Baillie Gifford Long Term Global Growth Fund	n/a	£100,000	£250,000	n/a	n/a
Baillie Gifford Positive Change Fund	n/a	£100,000	£250,000	n/a	n/a
Baillie Gifford Sustainable Multi Asset Fund	n/a	£100,000	£250,000	n/a	n/a
ACD's annual charge					
Baillie Gifford Climate Optimism Fund	n/a	0.50%	Nil	n/a	n/a
Baillie Gifford Diversified Growth Fund	1.40%	0.55%	Nil	n/a	n/a
Baillie Gifford Multi Asset Growth Fund	n/a	0.50%	Nil	0.35%	0.35%
Baillie Gifford Long Term Global Growth Investment Fund	n/a	0.62%	Nil	n/a	n/a
Baillie Gifford Positive Change Fund	n/a	0.50%	Nil	n/a	n/a
Baillie Gifford Sustainable Multi Asset Fund	n/a	0.50%	Nil	n/a	n/a

Active Share

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

Sub-fund	Active Share	Comparative Index
Baillie Gifford Climate Optimism Fund	99%	FTSE All-World Index
Baillie Gifford Long Term Global Growth Investment Fund	92%	MSCI ACWI Index
Baillie Gifford Positive Change Fund	97%	MSCI ACWI Index

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

Portfolio Turnover Ratio

Portfolio Turnover Ratio is a measure of portfolio change or trading activity in a Fund. It is calculated as the minimum of purchases and sales in a month, divided by the average market value of the Fund. The annual turnover is then calculated as the sum of the monthly turnover figures for the 12 month period.

General Information cont.

Portfolio Turnover Ratio cont.

Sub-fund	Portfolio Turnover Ratio
Baillie Gifford Climate Optimism Fund	25%
Baillie Gifford Long Term Global Growth Investment Fund	15%
Baillie Gifford Positive Change Fund	18%

Portfolio Turnover Ratio has not been disclosed for Baillie Gifford Diversified Growth Fund, Baillie Gifford Multi Asset Growth Fund and Baillie Gifford Sustainable Multi Asset Fund because the ACD does not consider it an appropriate measure for multi asset funds.

The Group's Funds

Baillie Gifford Bond Funds ICVC

Baillie Gifford Emerging Markets Bond Fund¹
 Baillie Gifford High Yield Bond Fund
 Baillie Gifford Investment Grade Bond Fund
 Baillie Gifford Investment Grade Long Bond Fund²
 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 Fund
 Baillie Gifford Sustainable Income Fund
 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 Fund³
 Baillie Gifford Global Alpha Growth Fund
 Baillie Gifford Global Alpha Paris-Aligned 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 Fund⁴

¹With effect from 22 January 2024 Baillie Gifford Emerging Market Bond Fund is no longer available for subscription.

²With effect from 6 December 2023 Baillie Gifford Investment Grade Long Bond fund is no longer be available for subscription.

³Baillie Gifford British Smaller Companies Fund is no longer available for subscription.

⁴Glenfinlas 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
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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.

