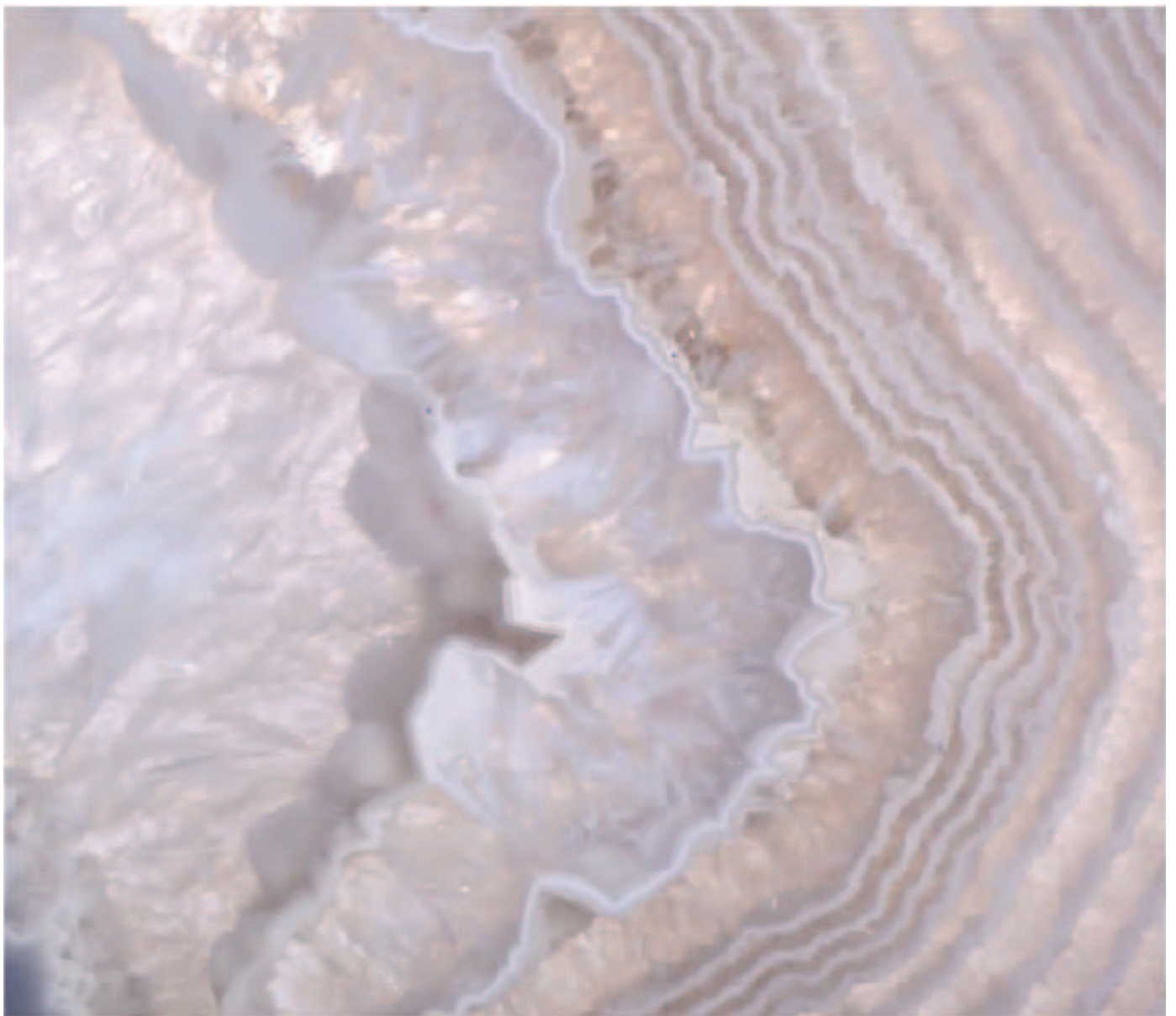


BAILLIE GIFFORD

Baillie Gifford Investment Funds ICVC

Annual Report and Financial Statements

for the year ended 31 December 2021



Contents

About The Company*	1
Statement of Authorised Corporate Director's Responsibilities	5
Statement of Depositary's Responsibilities and Report to Shareholders	6
Report of the Independent Auditor	7
Accounting Policies	10
Risk Disclosures	12
Remuneration Report	14
Baillie Gifford Climate Optimism Fund*	17
Baillie Gifford Diversified Growth Fund*	41
Baillie Gifford Long Term Global Growth Investment Fund*	87
Baillie Gifford Multi Asset Growth Fund*	111
Baillie Gifford Positive Change Fund*	161
General Information	185
The Group's Funds	191

*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 2021 the Company offered five 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 both last revised on 31 December 2021 and 1 November 2021 respectively. 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 nor Baillie Gifford Positive Change Fund and these sub-funds may therefore

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

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

Alternative Investment Fund Managers Directive ('AIFMD')

The Directive, 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 Company, 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.

Amendment to the ACD's Annual Fee

With effect from 1 July 2021, the annual fee rate for Class A Shares of Baillie Gifford Diversified Growth Fund decreased from 1.50% per annum to 1.40% per annum.

With effect from 1 July 2021, the annual fee rate for Class B Shares of Baillie Gifford Diversified Growth Fund decreased from 0.65% per annum to 0.55% per annum.

Baillie Gifford Climate Optimism Fund

Baillie Gifford Climate Optimism Fund was authorised by the FCA on 22 June 2021 and was launched on 14 September 2021.

Conversion of B1 Accumulation and B2 Accumulation Shares Classes

B1 Accumulation shares in the Diversified Growth Fund were converted to B2 Accumulation shares in the same fund following the closing valuation on 31st December 2021.

About the Company cont.

B2 Accumulation shares in the Multi Asset Growth Fund were converted to B1 Accumulation shares in the same fund following the closing valuation on 31st December 2021.

Changes to B Share Classes minimum investment and redemption

Recognising the evolution in the savings marketplace, the ACD recently undertook a review of the minimum investment and redemption levels for the Funds following a noticeable increase in the level of direct investments being made. The ACD has concluded, taking into account the more efficient investment solutions available through platforms, that the long-term interests of individual investors will be best served by the following changes, which it believes will enable the Funds to be managed more efficiently:

- From 1 March 2022 the minimum initial investment and minimum holding amount for Class B Shares will increase to £100,000. This new limit will not apply to current investors or those who invest directly in a fund managed by the ACD prior to that date. The minimum subsequent investment and minimum redemption amounts for Class B Shares will increase to £1,000 from 1 March 2022 and will apply to all investors.

The new limits do not apply to those investing via a platform for which the relevant limits set by the platform will apply.

Assessment of Value for the Sub-Funds

Under COLL 6.6.20R (1), Baillie Gifford & Co Limited, the ACD of the Company, must conduct an assessment at least annually for each UK authorised sub-fund it manages, of whether the payments out of the sub-funds set out in the prospectus are justified in the context of the overall value delivered to shareholders. This assessment of value must, as a minimum, consider seven criteria, namely: quality of service, performance, authorised fund manager costs, economies of scale, comparable market rates, comparable services and classes of shares. The ACD will issue the statement of value in a separate composite report, performing the assessment across their full range of UK authorised sub-funds. The ACD has chosen a reference date of 31 March and will publish a composite report by 31 July each year. The latest report as at 31 July 2021 is available on the website at www.bailliegifford.com.

About the Company cont.

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	15,959,431	230,614

At 31 December 2021 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
A J Telfer

Independent Non-Executive

D R Buckley
K B M Bolsover

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 income and expenditure and of its net gains and losses on the property of the Company for the year. In preparing the financial statements the Authorised Corporate Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with the disclosure requirements of the Statement of Recommended Practice relating to the Financial Statements of UK Authorised Funds issued in 2014;
- follow generally accepted accounting principles and applicable accounting standards, 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
28 February 2022

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 2021

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 are 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
5 January 2022*

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 2021 and of the net revenue/expenses and the net capital gains/losses on the scheme property of the Company and each of the sub-funds for the respective periods then ended ("respective periods" is defined as 1 January 2021 to 31 December 2021 for all sub-funds except Baillie Gifford Climate Optimism Fund with a period of 14 September 2021 to 31 December 2021 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 five 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 2021; the statements of total return, and the statements of change in net assets attributable to shareholders for the respective periods then ended; the distribution tables; the accounting policies; and 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.

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

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 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.

Authorised Corporate Director's Report

In our opinion, the information given in the Authorised Corporate Director's Report for the respective periods 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:

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

- 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;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year 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
28 February 2022*

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 distributes six monthly and pays a dividend distribution. 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 2021, 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 2021. 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, 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.

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 and Baillie Gifford Multi Asset Growth 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 and Baillie Gifford Multi Asset Growth 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.

Credit risk

For Baillie Gifford Diversified Growth Fund and Baillie Gifford Multi Asset Growth 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.

Infectious virus risk

Infectious viruses may pose significant threats to human health and may be highly disruptive to global economies and markets. The economic and market disruptions caused by infectious viruses could impact the value of the investments of a sub-fund and the distributions paid by a sub-fund to shareholders.

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 May 2021, no material changes were made.

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

Baillie Gifford & Co Limited 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 Baillie Gifford & Co Limited principally covers governance and control and support functions.

Baillie Gifford & Co Limited 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 AIFM Remuneration Code

Baillie Gifford & Co Limited 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 that exceeds Baillie Gifford & Co Limited's risk tolerance. It is designed to be in line with the firm's strategy and values and the long-term interests of the firm, its AIFs and other clients. The Policy has been designed to avoid conflicts of interest and is subject to independent internal review by the Compliance and Business 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 & Co, the Management Committee. The Board of Baillie Gifford & Co Limited also oversees adherence to the AIFM Remuneration Code.

Salary/Bonus Review Process

In terms of the Baillie Gifford group salary review process, the level of salary awarded is influenced by individual performance, the profitability and performance of the firm and the movement in salary levels for the relevant job match within independent survey data utilised by Baillie Gifford. This information is collated and analysed by the Human Resources Department, who submit recommendations on salary awards for each individual member of staff to the Remuneration Committee. The Remuneration Committee may adjust salary awards according to the information provided which will include input from the Compliance, Business Risk and Internal Audit functions on any relevant risk and compliance concerns.

The Management Committee then finalises and authorises the annual salary awards for all staff, and specifically the remuneration of senior officers in the risk management and compliance functions.

In terms of variable remuneration, there are currently three separate bonus schemes in operation within the group for specific business areas and within each scheme there are four levels of maximum potential bonus. Maximum levels have been established for each scheme and the levels of maximum potential bonus will vary according to the group's profitability. Within these maximum limits, performance for determining the actual levels of bonus awarded is measured at both an individual and a team level. The Policy is also designed to ensure that fixed and variable components of total remuneration are appropriately balanced.

The amounts available for variable remuneration are subject to an overall risk adjustment and individual awards can be adjusted via the annual appraisal process with input from the Business Risk and Compliance functions.

Remuneration Report cont.

Ratings for individual performance are determined, following discussion with the individual, as part of the firm's annual appraisal process which considers both the completion of annual objectives and the level of competence an individual has demonstrated in the role, including integrity. The methods used to determine team performance vary according to the business area that the scheme covers.

Baillie Gifford defers a proportion of variable pay for all bonus scheme participants including Code Staff. The proportions deferred vary between 20% and 40% of variable remuneration depending upon scheme level. The deferral period will be for three years and will vest on a pro-rata basis with a retention period of six months thereafter. The proportion of variable remuneration which is deferred will be held in shares in a selection of Baillie Gifford collective investment schemes (and for a small number of individuals an element of the cash bonus will also be paid in shares). Deferred amounts of variable remuneration are also subject to malus provisions where Baillie Gifford has the ability to reduce or withdraw the value of unvested awards prior to vesting in exceptional circumstances.

Further information with respect to the Policy is available at www.bailliegifford.com.

	Headcount	Total Remuneration ¹ £'000
Baillie Gifford & Co Limited		
Fixed remuneration	49	1,730
Variable remuneration	49	590
Baillie Gifford & Co Limited Remuneration Code Staff²		
Total remuneration	28	2,180

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 2021. 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 Ltd.

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 period ended 31 December 2021*



Baillie Gifford Climate Optimism Fund

Investment Objective

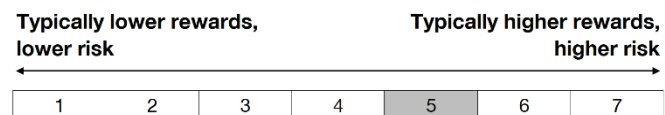
The Fund aims to outperform (after deduction of costs) the FTSE All-World Index, as stated in sterling, by at least 2.5% per annum over rolling five-year periods.

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.



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

The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash. Where no share price history is available for any part of the last five years (and thus no returns), the returns of the Fund’s comparative index are used in its place to calculate the Risk and Reward Indicator. The indicator does not take into account the following relevant material risks:

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

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

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

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

The Fund’s concentrated portfolio relative to similar funds may result in large movements in the share price in the short term.

The Fund restricts its investments to companies that contribute to, or have the potential to contribute to, the reduction or greenhouse gas emissions or which remove greenhouse gases, which means it will not invest in certain companies. The universe of available investments will be more limited than other funds that do not apply such criteria/ exclusions, therefore the Fund may have different returns than a fund which has no such restrictions.

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

Baillie Gifford Climate Optimism Fund cont.

Infectious viruses may pose significant threats to human health and may be highly disruptive to global economies and markets. The economic and market disruptions caused by infectious viruses could impact the value of the investments of the Fund.

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

Investment Report

Past Performance

Performance figures for the past five years are not 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.

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. Performance figures for the period to 31 December 2021 are not shown as the Fund was launched on 14 September 2021. As we firmly believe that short-term performance measurements are of limited relevance in assessing investment ability, we would urge investors to focus on longer timeframes, especially in the case of a new Fund such as this. We look forward to reporting to you on more meaningful performance time periods during the years to come.

The Fund is a bottom-up equity strategy focused on exceptional global growth companies preventing or eliminating emissions at significant scale, directly or indirectly. It invests in businesses that provide meaningful solutions to the climate change crisis while benefiting from and enabling underlying long-term structural changes to the economy. It holds 20-40 companies, drawn from developed and emerging markets.

Investing in companies that provide solutions to the climate change crisis is the foundation of our investment philosophy. We believe that the ability to drive meaningful emissions reduction, and therefore contribute to creating a habitable planet, will confer significant competitive advantages for companies now and in the future. Such companies are creating a philosophical and technological head start for themselves, developing the expertise and know-how that will make it more difficult for existing incumbents to catch up and for new entrants to challenge.

We cannot avert climate change overnight. Similarly, extreme returns do not happen overnight. To truly exploit potential paths to decarbonisation and their associated exceptional returns, we must be able to hold companies

for several years, through good times and the inevitable tumultuous periods. We adopt a five year time horizon because we know that it will take time for companies to, for example, seize large new markets and demonstrate formidable competitive advantages.

The Fund was launched on 14 September 2021. We invest on the basis of our assessments of the very long-term opportunities that companies have to grow their businesses, and the meaningful impact that they may have on tackling climate change. Over periods of less than five years share prices do not reliably follow fundamental business progress, so we strongly encourage investors to focus on that time frame or longer.

The period since the Fund's launch has been characterised by buoyant market enthusiasm for certain themes, namely electric vehicles and battery storage, and extreme pessimism on others, such as alternative protein and Chinese ecommerce in the case of Pinduoduo. What interests us from an investment perspective, though, is not what 'theme' happens to be in vogue, but rather the potential for impact in the coming decades. We believe that the businesses we own are positioned to deliver substantial long-term emissions reduction by creating compelling products, and the degree of impact will be closely linked to the returns they generate over the long term.

The initial portfolio was invested in 26 companies in six sectors and there have been no significant changes to our allocation since then. As the period since the launch of the Fund is not long enough to offer meaningful performance commentary, we have instead highlighted the investment and climate optimism related cases for each of the top three holdings below in order to illustrate our approach.

Investment Report cont.

CATL is China's leading manufacturer of large-format batteries for electric vehicles (EVs). We expect the global drive to significantly reduce carbon emissions over the next decade will result in strong and growing demand for EVs, creating a global battery market worth hundreds of billions of dollars each year, with further upside from non-auto applications such as energy storage systems. This is a market we expect will be dominated by a small number of incumbents, including CATL, which is well placed to succeed given its technological, cost and reputational advantages. Given the orders and recognition that the company has been receiving of late from non-Chinese Original Equipment Manufacturers such as BMW and Tesla, it now looks increasingly likely that CATL will enjoy not just 'national champion' status within the Chinese market, but is also likely to carve out a strong position in the rest of the world.

Tesla's mission is to accelerate the world's transition to sustainable energy through the manufacture of electric vehicles, grid scale storage and domestic solar. The stock can make a significant contribution to climate mitigation in two ways. Firstly, by addressing the complexity, and therefore cost, of lithium-ion cells to make EVs and energy storage more affordable. Secondly and connectedly, by scaling battery production from ~100GWh today to a targeted 3TWh in 2030 (30x growth). At this scale, Tesla would be providing around 15% of the global battery capacity estimated to be needed to transition all road transportation, power generation and heating to renewables.

LONGi Green Energy Technology is the largest solar and storage manufacturer globally. Solar industry demand is sustainable and promising, particularly as price deflation is directly linked to doubling installed capacity, implying that adoption should accelerate over time. As the largest producer, LONGi has a clear cost advantage, and its growing vertical integration brings it closer to end consumers/producers of electricity. This improves its revenue opportunity as well as the impact it could have on decarbonising energy production over the investment time horizon.

We remain optimistic about the future and we look forward to identifying the exceptional companies that will drive the decarbonisation of the global economy.

On an annual basis we will produce a separate report on how the Fund has contributed to resolving the climate change crisis. The first report will be prepared after the Fund's first full financial year, 14 September 2022, and will be made available on our website.

Baillie Gifford & Co, 22 January 2022

Recent volatility in financial markets

The period since the financial accounting period end has been characterised by significant volatility in financial markets.

We fully appreciate that this is tough whether you're a longstanding client or a newer investor with Baillie Gifford although as always, we would urge you to focus on the long term. We believe it is only over periods of three to five years and beyond that the prospects for the holdings in which our Funds invest can be sensibly considered. That said, whilst they are inevitable given our style of investment, none of us enjoy these periods of underperformance.

It is impossible to ascribe a single reason for stock and bond market movements over such a short period, to do so would be to undermine the complexity of financial markets. However, several of the concerns that arose at the end of 2021 (from quantitative tightening to inflation, geopolitical tensions and supply chain disruption) have continued to dominate the minds of many as have recent shocking events in Europe. This has resulted in volatility across major stock and bond markets. Worries about the extent and duration of rapidly rising inflation, and resultant interest rate hikes, have specifically impacted upon sentiment towards the growth companies in which many of the Funds in the ICVC invest. The theory being that interest rate hikes potentially devalue companies with earnings streams which are long into the future. The upshot of this has been that the share prices of many of the Funds' equity holdings have been indiscriminately hit, whether or not the underlying companies are performing well operationally.

Investment Report cont.

We expect performance of the Funds to be very different to indices given our active approach. To deliver a differentiated return over the long-term, our portfolios need to be different. As a result, from time to time, we will underperform, and we understand this means the Funds won't be suitable for everyone. However, our experience, as a firm, of investing through several market cycles, a dotcom boom and bust, and even a Global Financial Crisis has provided us with an institutional knowledge and understanding of how to approach periods of uncertainty, and the challenge and support required during such times. We don't know what direction stock markets will take over the next 12 months nor the path for inflation; what we can do is focus on continually reviewing the case for the holdings in the conviction that share prices will reflect positive fundamentals over time. We believe that while our active approach to long-term growth investing will inevitably result in periods of volatility, it will leave the Funds well-placed to generate superior returns net of fees over the long term.

For further information on our investment approach, please refer to:
<https://www.bailliegifford.com/en/uk/individual-investors/insights/ic-article/2022-q1-neither-heroes-nor-villains-heroes-nor-villains-10006700/>.

Principal Holdings as at 31 December 2021

Investment	Percentage of total Fund
CATL 'A'	8.53
LONGi Green Energy Technology 'A'	8.48
Solaredge Technologies Inc	7.56
Tesla Inc	7.05
Allkem	6.15
Tomra Systems AS	5.73
Prysmian	5.23
Beyond Meat Inc	4.58
Wolfspeed Inc	4.55
NIO Inc ADR	4.43

Material Portfolio Changes for the period ended 31 December 2021

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
CATL 'A'	357	CATL 'A'	86
LONGi Green Energy Technology 'A'	319	Tesla Inc	71
Beyond Meat Inc	291		
Solaredge Technologies Inc	288		
Tesla Inc	238		
Allkem	229		
Prysmian	210		
NIO Inc ADR	208		
Zoom	186		
Tomra Systems AS	176		

Portfolio Statement as at 31 December 2021

Stock description	Holding	Market value £'000	% of total net assets
Australia - 6.15%			
Allkem	44,218	246	6.15
Cayman Islands - 0.78%			
EHang Holdings Ltd ADR	2,855	31	0.78
China - 27.97%			
CATL 'A'	5,000	341	8.53
LONGi Green Energy Technology 'A'	34,000	339	8.48
NIO Inc ADR	7,578	177	4.43
Pinduoduo Inc ADR	2,411	104	2.60
Sungrow Power Supply	9,300	157	3.93
Denmark - 3.10%			
Vestas Wind Systems	5,504	124	3.10
France - 4.00%			
Neoen	4,999	160	4.00
Germany - 0.75%			
Lilium N.V.	5,800	30	0.75
Italy - 5.23%			
Prysmian	7,510	209	5.23
Norway - 6.25%			
Nel	16,882	21	0.52
Tomra Systems AS	4,326	229	5.73
Spain - 2.88%			
Siemens Gamesa Renewable Energy S.A.	6,508	115	2.88
UK - 0.53%			
ITM Power	5,263	21	0.53

Portfolio Statement as at 31 December 2021 cont.

Stock description	Holding	Market value £'000	% of total net assets
United States - 40.86%			
Beyond Meat Inc	3,795	183	4.58
ChargePoint Holdings Inc	6,415	90	2.25
Cloudflare Inc	1,550	150	3.75
Enphase Energy Inc	954	129	3.23
Ginkgo Bioworks Holdings Inc	11,900	73	1.83
Proterra Inc	10,600	69	1.73
QuantumScape Corp	2,914	48	1.20
Solaredge Technologies Inc	1,459	302	7.56
Tesla Inc	362	282	7.05
Wolfspeed Inc	2,200	182	4.55
Zoom	923	125	3.13
Portfolio of investments		3,937	98.50
Net other assets - 1.50%		60	1.50
Net assets		3,997	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.

Comparative Tables

Comparative Table: B Accumulation Shares

		Financial Period Ended 31 December 2021 (pence per share)
Change in net assets per share:		
Opening net asset value per share		100.00 ¹
Return before operating charges*		(0.45)
Operating charges		(0.19)
Return after operating charges*		(0.64)
Distributions		0.00
Retained distributions on accumulation shares		0.00
Closing net asset value per share		99.36
*After direct transaction costs of:		0.01
Performance:		
Return after charges		(0.64)%
Other Information:		
Closing net asset value (£'000)		3,994
Closing number of shares		4,019,455
Operating charges		0.59%
Direct transaction costs ²		0.04%
Prices:		
Highest share price (pence)		119.2
Lowest share price (pence)		94.15

Comparative Tables cont.

Comparative Table: B Income Shares

	Financial Period Ended 31 December 2021 (pence per share)
Change in net assets per share:	
Opening net asset value per share	100.00 ¹
Return before operating charges*	(0.45)
Operating charges	(0.19)
Return after operating charges*	(0.64)
Distributions on income shares	0.00
Closing net asset value per share	99.36
*After direct transaction costs of:	0.01
Performance:	
Return after charges	(0.64)%
Other Information:	
Closing net asset value (£'000)	1
Closing number of shares	1,000
Operating charges	0.59%
Direct transaction costs ²	0.04%
Prices:	
Highest share price (pence)	119.2
Lowest share price (pence)	94.15

Comparative Tables cont.

Comparative Table: C Accumulation Shares

		Financial Period Ended 31 December 2021 (pence per share)
Change in net assets per share:		
Opening net asset value per share		100.00 ¹
Return before operating charges*		(0.46)
Operating charges		(0.03)
Return after operating charges*		(0.49)
Distributions		0.00
Retained distributions on accumulation shares		0.00
Closing net asset value per share		99.51
*After direct transaction costs of:		0.01
Performance:		
Return after charges		(0.49)%
Other Information:		
Closing net asset value (£'000)		1
Closing number of shares		1,000
Operating charges		0.10%
Direct transaction costs ²		0.04%
Prices:		
Highest share price (pence)		119.3
Lowest share price (pence)		94.18

Comparative Tables cont.

Comparative Table: C Income Shares

	Financial Period Ended 31 December 2021 (pence per share)
Change in net assets per share:	
Opening net asset value per share	100.00 ¹
Return before operating charges*	(0.46)
Operating charges	(0.03)
Return after operating charges*	(0.49)
Distributions on income shares	0.00
Closing net asset value per share	99.51
 *After direct transaction costs of:	 0.01
Performance:	
Return after charges	(0.49)%
Other Information:	
Closing net asset value (£'000)	1
Closing number of shares	1,000
Operating charges	0.10%
Direct transaction costs ²	0.04%
Prices:	
Highest share price (pence)	119.3
Lowest share price (pence)	94.18

¹The Fund launched on 14 September 2021.

²The 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.

Financial Statements

Statement of Total Return for the period ended 31 December 2021

		14 September 2021 to 31 December 2021	
	Notes	£'000	£'000
Income			
Net capital gains/(losses)	1		(20)
Revenue	3	-	
Expenses	4	(7)	
Net expense before taxation		(7)	
Taxation	5	-	
Net expense after taxation			(7)
Total return before distributions			(27)
Distributions	6		-
Change in net assets attributable to shareholders from investment activities			(27)

Statement of Change in Net Assets Attributable to Shareholders for the period ended 31 December 2021

	14 September 2021 to 31 December 2021	
	£'000	£'000
Opening net assets attributable to shareholders		-
Amounts receivable on issue of shares	4,023	
Amounts payable on cancellation of shares	-	
		4,023
Dilution adjustment		1
Change in net assets attributable to shareholders from investment activities		(27)
Retained distributions on accumulation shares		-
Closing net assets attributable to shareholders		3,997

Financial Statements cont.

Balance Sheet as at 31 December 2021

	Notes	2021 £'000
Assets		
Fixed assets:		
Investments	13	3,937
Current assets:		
Debtors	8	6
Cash and bank balances	9	67
Total Assets		4,010
Liabilities		
Creditors:		
Bank overdrafts	9	(5)
Other creditors	10	(8)
Total Liabilities		(13)
Net assets attributable to shareholders		3,997

Notes to the Financial Statements

1 Net capital gains/(losses)

		14 September 2021 to 31 December 2021	
	Realised £'000	Unrealised £'000	Total £'000
Non-derivative securities	52	(63)	(11)
Currency gains/(losses)	(8)	-	(8)
Custodian transaction costs			(1)
Net capital gain/(losses)			(20)

2 Purchases, sales and transaction costs

	14 September 2021 to 31 December 2021	
	£'000	
Purchases and transaction costs		
Gross purchases of equities excluding transaction costs		4,104
Commissions		1
Taxes		1
Total transaction costs on equity purchases¹		2
Purchases including transaction costs		4,106

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

	14 September 2021 to 31 December 2021	
	%	
Transaction costs as a percentage of principal amount		
Commission on equity purchases		0.02
Taxes on equity purchases		0.02

	14 September 2021 to 31 December 2021	
	£'000	
Sales and transaction costs		
Gross sales of equities excluding transaction costs		158
Sales net of transaction costs		158

Notes to the Financial Statements cont.

2 Purchases, sales and transaction costs (continued)

	14 September 2021 to 31 December 2021	
	%	
Transaction costs as a percentage of principal amount		
	14 September 2021 to 31 December 2021	
	£'000	% of average NAV
Portfolio transaction costs		
Commissions	1	0.02
Taxes	1	0.02
Total direct transaction costs	2	0.04
	14 September 2021 to 31 December 2021	
	%	
Average portfolio dealing spread	0.07	

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.

3 Revenue

	14 September 2021 to 31 December 2021
	£'000
UK dividends	-
Total revenue	-

Notes to the Financial Statements cont.

4 Expenses

	14 September 2021 to 31 December 2021
	£'000
ACD's periodic charge	6
Expenses rebate	(6)
Payable to the Depositary, associates of the Depositary and agents of either of them:	
Depositary's fee	-
Other expenses:	
Audit fee	7
Total expenses	7

5 Taxation

	14 September 2021 to 31 December 2021
	£'000
Analysis of charge in the period	
Corporation tax	-
Total taxation	-

The Fund is subject to corporation tax at 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 2021, the Fund had excess management expenses of £7,000 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:

	14 September 2021 to 31 December 2021
	£'000
Net expense before taxation	(7)
Net revenue/(expense) before taxation multiplied by the standard rate of corporation tax of 20%	(1)
Effects of:	
UK dividends	-
Excess management expenses	1
Total taxation	-

Notes to the Financial Statements cont.

6 Distributions

	14 September 2021 to 31 December 2021
	£'000
Final	-
Amounts deducted on cancellation of shares	-
Amounts added on issue of shares	-
Total distributions	-

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 period

	14 September 2021 to 31 December 2021
	£'000
Net expense after taxation for the period	(7)
Add capital transfers for deficits of income	7
Net distributions for the period	-

8 Debtors

	2021
	£'000
Amounts due from ACD	6
Total debtors	6

9 Cash and bank balances

	2021
	£'000
Sterling bank accounts	67
	67
Sterling bank accounts overdrawn	(5)
Total cash and bank balances	62

Notes to the Financial Statements cont.

10 Other creditors

	2021 £'000
Due to the ACD or associates	2
Other accrued expenses	6
Total other creditors	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 period 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:

	2021 %
ACD and associates of the ACD	0.07

12 Reconciliation of shares in issue

	Shares in issue as at 31.12.20	Shares issued	Shares cancelled	Shares converted	Shares in issue as at 31.12.21
B Accumulation Shares	-	4,019,455	-	-	4,019,455
B Income Shares	-	1,000	-	-	1,000
C Accumulation Shares	-	1,000	-	-	1,000
C Income Shares	-	1,000	-	-	1,000

Notes to the Financial Statements cont.

13 Basis of valuation

	2021
	Assets
	£'000
Level 1: Quoted prices	3,937
Level 2: Observable market data	-
Level 3: Unobservable data	-
Total	3,937

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 foreign currency assets		
	2021		
	Monetary exposures	Non-monetary exposures	Total
	£'000	£'000	£'000
Australian dollar	-	246	246
Chinese yuan	-	837	837
Danish krone	-	124	124
Euro	-	483	483
Norwegian krona	-	250	250
UK sterling	62	21	83
US dollar	-	1,975	1,975

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 period. The leverage limits have not been exceeded during the period. The Fund’s maximum and actual leverage levels at 31 December 2021 are shown below:

Leverage exposure	Gross method	Commitment method
Maximum Limit	120%	110%
Actual	98%	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.

16 Post Balance Sheet Events

The extreme market volatility of recent weeks has impacted the Fund’s performance since the year end. From the year end to 25 February 2022 the return on Class B Accumulation Shares was -17.7%¹. The Fund’s net asset value as at 10am on this day was £3,327,000.

¹Source: Baillie Gifford & Co Limited, 10am dealing prices, income accumulated. Performance figures for the other share classes in issue are in line with the return on Class B Accumulation Shares and can be obtained by contacting Client Relations.

Distribution Table

Final distribution for the period ended 31 December 2021

Group 1 : shares issued at launch of Fund on 14 September 2021

Group 2 : shares purchased 15 September 2021 to 31 December 2021

	Net Revenue	Equalisation	Distribution (paid/accumulated 28.02.22)
	31.12.21 pence per share	31.12.21 pence per share	31.12.21 pence per share
B Accumulation			
Group 1	-	-	-
Group 2	-	-	-
B Income			
Group 1	-	-	-
Group 2	-	-	-
C Accumulation			
Group 1	-	-	-
Group 2	-	-	-
C Income			
Group 1	-	-	-
Group 2	-	-	-

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 2021*



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.

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

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

The Fund does not guarantee positive returns. It aims to limit the extent of loss in any short term period to a lower level than shares. Markets can go down and up and conditions can change rapidly. The value of an investment in the Fund, and any income from it, can fall as well as rise.

Changes in exchange rates of foreign currencies will cause investments, and income, to fall as well as rise. The Fund invests in emerging markets where difficulties in trading could arise, impacting your investment. Custody of assets, particularly in emerging markets, involves a risk of loss if a custodian becomes insolvent or breaches duties of care.

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

In certain circumstances it can be difficult to buy or sell the Fund's holdings and even small purchases or sales can cause their prices to move significantly. Market values for illiquid securities which are difficult to trade, or value less frequently than the Fund, such as holdings in weekly or monthly dealt funds, may not be readily

Baillie Gifford Diversified Growth Fund cont.

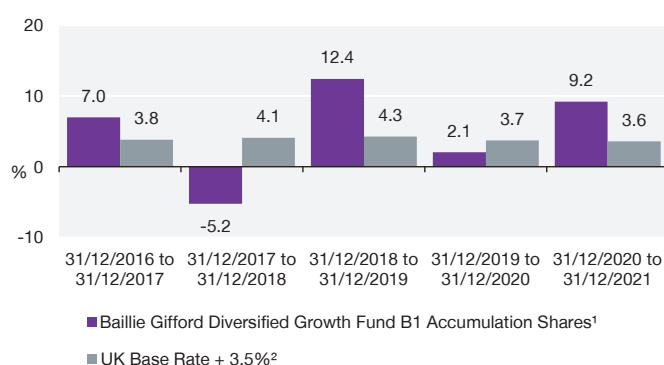
available. There can be no assurance that any value assigned to them will reflect the price the Fund might receive upon their sale.

Infectious viruses may pose significant threats to human health and may be highly disruptive to global economies and markets. The economic and market disruptions caused by infectious viruses could impact the value of the investments of a Fund.

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

Investment Report

Past Performance



The performance figures shown in this graph are for Class B1 Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.55% (until 30 June 2021, the ACD's annual fee on Class B Shares was 0.65%), but exclude any initial charge paid. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

The investment objective of the Fund is to outperform (after deduction of costs) the UK Base Rate by at least 3.5% per annum (the 'comparator') over rolling five-year periods, with annualised volatility of returns over rolling five-year periods that is below 10%. For the year to 31 December 2021, the return on B1 Accumulation Shares was 9.2%³ compared to the comparator of 3.6%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 B1 Accumulation Shares was 4.9%³ compared to the return on the comparator of 3.9%². The annualised volatility over this period was 6.8%⁴. The Fund also aims to achieve a positive return over three-year periods. The annualised three-year return on B1 Accumulation Shares was 7.6%³.

With respect to performance over the last year, the opportunities that have really shone have been in equities, real estate and infrastructure.

While the return from our active global equity funds was good, it was more muted than in 2020. However, our investment in a basket of companies we have defined as a

Cyclical Recovery Equity portfolio, alongside a series of European dividend funds and a set of Chinese equity outperformance notes, all performed strongly. Within the context of the broader portfolio, it remains a point of encouragement that different assets are generating positive returns at different times – diversification within asset classes, as well as between asset classes, being one of the central investment characteristics of our multi asset portfolios.

Within property, returns were driven in large part by exposure to US and continental European companies, specifically those which own, operate and develop industrial and logistics assets. Such investments are beneficiaries of one of our longer-term investment themes, based around technological innovation and adoption, and form the majority of the underlying investments within our actively managed real estate allocation.

For infrastructure, climate policy is clearly in the political foreground, with emissions reductions being a huge challenge for both countries and companies alike. Against that backdrop, regulated transition and distribution utilities, alongside selected renewable developers, delivered particularly good returns. During

¹Source: FE, 10am dealing prices, income accumulated. ²Source: StatPro and Bank of England, total return. Please see Disclaimer on page 189. ³Source: Baillie Gifford & Co Limited, closing net asset value, income accumulated. ⁴Source: StatPro, annualised volatility, calculated over five years to 31 December 2021. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

the latter part of 2021, we continued to focus the allocation of the underlying infrastructure portfolio towards a slightly more concentrated list of underlying holdings, owning more of those companies in which we have the greatest conviction, and in this context, transition and utility companies remain an important component part of the allocation.

Towards the end of the period, active currency was a notable contributor to overall portfolio returns, having been a detractor in the last couple of years, particularly as some of our portfolio hedging positions (e.g. long Japanese yen) underperformed. However, in recent months, successful investments included short positions in Turkish lira and South African rand and a long position in the Israeli shekel. These both added return and helped hedge the portfolio in the greater volatility of the second half of the year, particularly around the initial discovery of the Covid-19 Omicron variant.

As we enter 2022, both inflation and the pandemic continue to present risks of near-term central bank policy surprises that are worth maintaining some portfolio protection against (and we do), but this is very much in the context of long-term optimism on both fronts. We prefer instead to focus on many of the new opportunities that have continued to emerge across asset classes.

In the portfolio, we have taken advantage of valuation opportunities in credit markets; fundamental opportunities in commodity markets; and technical opportunities in the absolute return space, whilst also concentrating both infrastructure and real estate exposures on the most attractive investments.

Within credit, we have added to both structured finance and high yield. The latter of these includes a notable new investment in Asian high yield bond markets. This has been achieved by investing in two externally managed, specialist Asian high yield bond funds. The opportunity here has arisen as investors have become concerned about a number of prominent Chinese property companies, most obviously Evergrande, with a reasonable degree of contagion spreading across the wider Chinese and Asian high yield bond markets. The extent of the recent sell-off means that as of 31 December 2021 these markets were yielding 22% and

14% respectively. To put this in context, the US high yield market yielded 19% at the end of 2008 in the depths of the Global Financial Crisis.

Our continuing work on the Green Revolution prompted us to make an investment into certain rare earth metals, through stakes in one Australian miner and one American miner. “Rare earths” is a term used to describe a set of seventeen heavy metals near the bottom of the periodic table. The two mining companies in which we have invested have high quality reserves in two of these metals, neodymium and praseodymium, that are key components of permanent magnets. The main sources of use for these magnets are in wind turbines, electric vehicles and precision motors, areas we expect will see substantial growth through the world’s efforts to decarbonise. These metals are also important for various defence technologies. As these two companies are the only substantial producers of such rare earths outside of China and Chinese control, that makes them important strategic assets, giving us a higher degree of confidence in the overall investment opportunity.

Absolute return and infrastructure have been the asset classes to which we have made the biggest increases in allocation over 2021, and we continue to be greatly enthused by the role that both play within the portfolio. The additions to infrastructure have largely been to those assets we see as being the beneficiaries of the long-term decarbonisation opportunity (in-line with the Green Revolution theme, as noted above) while the investments that we classify under absolute return are more about taking advantage of rising volatility while providing the portfolio with a bit of additional protection. The short-term news cycle around inflation and the pandemic is helpful for these investments. We have supplemented this protection by introducing a short US equity index future (specifically in the NASDAQ index) to offset some of our regular equity holding exposure and provide protection against higher inflation expectations hurting US technology company share prices.

Investment Report cont.

Despite that note of caution, we continue to look to the future with optimism and, in summary, are confident that the portfolio is well set to build on this return in the future and capitalise on the many opportunities we have identified.

Baillie Gifford & Co, 14 January 2022

Recent volatility in financial markets

The period since the financial accounting period end has been characterised by significant volatility in financial markets.

We fully appreciate that this is tough whether you're a longstanding client or a newer investor with Baillie Gifford although as always, we would urge you to focus on the long term. We believe it is only over periods of three to five years and beyond that the prospects for the holdings in which our Funds invest can be sensibly considered. That said, whilst they are inevitable given our style of investment, none of us enjoy these periods of underperformance.

It is impossible to ascribe a single reason for stock and bond market movements over such a short period, to do so would be to undermine the complexity of financial markets. However, several of the concerns that arose at the end of 2021 (from quantitative tightening to inflation, geopolitical tensions and supply chain disruption) have continued to dominate the minds of many as have recent shocking events in Europe. This has resulted in volatility across major stock and bond markets. Worries about the extent and duration of rapidly rising inflation, and resultant interest rate hikes, have specifically impacted upon sentiment towards the growth companies in which many of the Funds in the ICVC invest. The theory being that interest rate hikes potentially devalue companies with earnings streams which are long into the future. The upshot of this has been that the share prices of many of the Funds' equity holdings have been indiscriminately hit, whether or not the underlying companies are performing well operationally.

We expect performance of the Funds to be very different to indices given our active approach. To deliver a differentiated return over the long-term, our portfolios need to be different. As a result, from time to time, we will underperform, and we understand this means the Funds won't be suitable for everyone. However, our experience, as a firm, of investing through several market cycles, a dotcom boom and bust, and even a Global Financial Crisis has provided us with an institutional knowledge and understanding of how to approach periods of uncertainty, and the challenge and support required during such times. We don't know what direction stock markets will take over the next 12 months nor the path for inflation; what we can do is focus on continually reviewing the case for the holdings in the conviction that share prices will reflect positive fundamentals over time. We believe that while our active approach to long-term growth investing will inevitably result in periods of volatility, it will leave the Funds well-placed to generate superior returns net of fees over the long term.

For further information on our investment approach, please refer to:
<https://www.bailliegifford.com/en/uk/individual-investors/insights/ic-article/2022-q1-neither-heroes-nor-villains-heroes-nor-villains-10006700/>.

Principal Holdings as at 31 December 2021

Investment	Percentage of total Fund
Baillie Gifford Global Income Growth Fund C Acc ¹	4.25
Baillie Gifford Global Alpha Growth Fund C Acc ¹	3.97
Baillie Gifford Long Term Global Growth Investment Fund C Acc ²	3.72
Citigroup Volatility Carry ETN	2.69
Baillie Gifford Emerging Markets Bond Fund C Acc ¹	2.69
UBS CSI 500 NTR index + 9.8% ETN	2.59
Plutus CLO Fund	2.47
BAML Commodity Carry ETN	2.07
Ashmore Asian High Yield Bond Fund	1.94
Blackrock Asian High Yield Bond Fund	1.93

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 2021

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Citigroup Volatility Carry ETN	194,014	Baillie Gifford Worldwide Japanese Fund C Acc GBP ¹	175,471
UBS CSI 500 NTR index + 9.8% ETN	151,615	UBS CSI 500 NTR index + 8.25%	151,846
Ashmore Asian High Yield Bond Fund	128,403	WisdomTree Nickel	142,975
BAML Commodity Carry ETN	125,009	CS CSI 500 NTR index + 9.5% ETN	133,059
Blackrock Asian High Yield Bond Fund	124,411	BNP Paribas Nickel ETN	119,094
CS CSI 500 NTR index + 9.5% ETN	119,968	GS CSI 500 NTR index + 10.5%	111,388
CS CSI 500 NTR index + 9.5% ETN December 2021	109,489	CS CSI 500 NTR index + 10.5%	109,607
UBS WTI Curve Strategy ETN	109,069	Deutsche Wohnen	107,408
Citigroup Interest Rate Volatility ETN	95,804	Brazil 0% 01/01/2024	92,767
Fair Oaks Senior CLO Note	95,321	John Laing Group	80,197

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 2021

Stock description	Holding	Market value £'000	% of total net assets
Absolute Return - 14.38% (5.13%)			
Aspect Core UCITS Fund C GBP	297,678	31,108	0.50
BAML Commodity Carry ETN ¹	155,742,000	128,053	2.07
BAML Interest Rate Volatility ETN ¹	90,000,000	59,057	0.96
Citigroup Equity Skew ETN ¹	4,474	34,234	0.55
Citigroup Interest Rate Volatility ETN ¹	12,290	90,307	1.46
Citigroup Intraday Trend	12,048	78,466	1.27
Citigroup Volatility Carry ETN ¹	23,735	166,673	2.69
GS Volatility Curve Series 1 TR ETN ¹	75,910	61,746	1.00
GS WTI Curve Strategy ETN ¹	66,400	45,938	0.74
SG Intraday Trend Strategy ETN ¹	67,100	46,646	0.75
UBS Intraday Trend Strategy	792,600	47,244	0.76
UBS WTI Curve Strategy ETN ¹	1,482,865	101,139	1.63
Commodities - 3.53% (7.98%)			
iShares Physical Silver ETC	1,547,256	25,309	0.41
Lynas Corporation	8,800,000	48,040	0.78
MP Materials	1,352,800	45,344	0.73
WisdomTree Physical Silver	6,303,138	99,914	1.61
Emerging Market Bonds Hard Currency - 1.95% (2.18%)			
Angola 8.25% 09/05/2028 (USD)	310,000	230	0.00
Angola 9.375% 08/05/2048 (USD)	2,460,000	1,775	0.03
Brazil 4.5% 30/05/2029 (USD)	1,110,000	839	0.01
Colombia 5.625% 26/02/2044 (USD)	2,500,000	1,790	0.03
Costa Rica 7% 04/04/2044 (USD)	1,100,000	795	0.01
Dar Al Arkan Real Estate Development 6.875% 2027	1,130,000	861	0.01
Dominican Republic 5.875% 30/01/2060 (USD)	969,000	690	0.01
Dominican Republic 6% 19/07/2028 (USD)	2,531,000	2,086	0.03
Dominican Republic 7.45% 30/04/2044 (USD)	640,000	559	0.01
Ecobank Transnational 8.75% 2031	600,000	437	0.01
Ecobank Transnational 9.5% 2024	1,000,000	800	0.01
Egypt 6.375% 11/04/2031 (EUR)	2,556,000	1,971	0.03
Egypt 8.875% 29/05/2050 (USD)	2,870,000	1,918	0.03

Portfolio Statement as at 31 December 2021 cont.

Stock description	Holding	Market value £'000	% of total net assets
El Salvador 6.375% 18/01/2027 (USD)	1,100,000	486	0.01
El Salvador 7.125% 20/01/2050 (USD)	1,500,000	601	0.01
ENN Energy 3.375% 2026	1,440,000	1,057	0.02
Georgia 2.75% 22/04/2026 (USD)	850,000	624	0.01
Greenko Energy 3.85% 2026	1,200,000	883	0.01
Hungary 3.125% 21/09/2051 (USD)	1,600,000	1,162	0.02
Hungary 7.625% 29/03/2041 (USD)	1,420,000	1,712	0.03
IHS Hdg 5.625% 2026	1,000,000	745	0.01
Indonesia 5.25% 17/01/2042 (USD)	4,650,000	4,299	0.07
Instituto Costarricense de Electricidad 6.375% 2043	1,800,000	1,133	0.02
Ivory Coast 5.25% 2030 (EUR)	1,770,000	1,516	0.02
Ivory Coast 6.625% 2048 (EUR)	1,560,000	1,299	0.02
Mexico 5.75% 12/10/2110 (USD)	1,180,000	1,004	0.02
North Macedonia 3.675% 03/06/2026 (EUR)	1,590,000	1,413	0.02
OCP Morocco 6.875% 25/04/44 (USD)	2,261,000	1,938	0.03
Oman 6.5% 08/03/2047 (USD)	1,700,000	1,254	0.02
Oman 7.375% 28/10/2032 (USD)	2,900,000	2,492	0.04
Pakistan 8.25% 15/04/2024 (USD)	3,200,000	2,513	0.04
Panama 3.362% 30/06/2031 (USD)	600,000	445	0.01
Panama 4.5% 16/04/2050 (USD)	1,700,000	1,383	0.02
Peru 3.23% 28/07/2121 (USD)	660,000	418	0.01
Peru 5.625% 18/11/2050 (USD)	1,200,000	1,245	0.02
Peru 8.75% 21/11/2033 (USD)	2,000,000	2,300	0.04
Petkim Petrokimya 5.875% 2023 (USD)	5,450,000	4,031	0.07
Republic Of Albania 3.5% 16/06/2027 (EUR)	1,690,000	1,475	0.02
Republic Of Albania 3.5% 23/11/2031 (EUR)	2,070,000	1,704	0.03
Romania 1.75% 13/07/2030 (EUR)	1,900,000	1,487	0.02
Romania 2% 28/01/2032 (EUR)	2,822,000	2,197	0.04
Sunac China Holdings 8.35% 2023	800,000	388	0.01
Tajikistan 7.125% 14/09/2027 (USD)	2,075,000	1,358	0.02
Total Play Telecom 7.5% 2025	1,105,000	832	0.01
Ukraine 1.258% 31/05/2040 (USD)	76,380,000	51,260	0.83
Ukraine 6.75% 20/06/2026 (EUR)	1,300,000	1,036	0.02
Uruguay 4.375% 23/01/2031 (USD)	1,900,000	1,615	0.03
Uruguay 4.975% 20/04/2055 (USD)	2,270,000	2,203	0.04

Portfolio Statement as at 31 December 2021 cont.

Stock description	Holding	Market value £'000	% of total net assets
Uzbek Industrial And Con 5.75% 2024	2,400,000	1,805	0.03
Uzbekistan 5.375% 20/02/2029 (USD)	3,140,000	2,466	0.04
Emerging Market Bonds Local Currency - 6.60% (8.68%)			
Baillie Gifford Emerging Markets Bond Fund C Acc ²	86,866,361	166,610	2.69
China 2.68% 21/05/2030	685,600,000	78,242	1.26
China 3.39% 16/03/2050	641,000,000	73,718	1.19
Indonesia 7.5% 15/04/2040	445,000,000,000	24,073	0.39
Indonesia 7.5% 15/06/2035	369,100,000,000	20,028	0.32
Peru 5.4% 12/08/2034	128,432	21,629	0.35
Peru 6.35% 12/08/2028	126,000	24,546	0.40
Government Bonds - 0.00% (1.92%)			
High Yield Credit - 7.91% (4.19%)			
Ares Capital Corp	3,372,800	52,742	0.85
Ashmore Asian High Yield Bond Fund	2,488,264	120,385	1.94
Baillie Gifford High Yield Bond Fund C Acc ²	14,979,441	62,344	1.01
Blackrock Asian High Yield Bond Fund	19,799,000	119,865	1.93
Golub Capital BDC Inc	2,750,000	31,308	0.50
MercadoLibre 3.125% 2031	1,966,000	1,372	0.02
NB Distressed Debt Investment Fund EL	7,903,186	3,443	0.06
NB Global Monthly Income Fund	5,991,634	5,321	0.09
Sequoia Economic Infrastructure Income Fund	54,950,000	59,236	0.96
Sixth Street Specialty Lending	1,930,000	33,329	0.54
ZhongAn 3.5% 2026	1,100,000	789	0.01
Infrastructure - 22.59% (17.62%)			
3i Infrastructure	6,636,095	23,525	0.38
Aquila European Renewables Income	36,832,024	31,233	0.50
Avangrid	1,777,800	65,431	1.06
BBGI	12,782,047	22,445	0.36
Brookfield Renewable	1,308,205	35,544	0.57
China Longyuan Power Group 'H'	26,908,000	46,326	0.75
China Yangtze Power	14,275,000	37,488	0.60

Portfolio Statement as at 31 December 2021 cont.

Stock description	Holding	Market value £'000	% of total net assets
Consolidated Edison	1,111,400	70,002	1.13
EDP Renovaveis	3,338,099	61,266	0.99
Eversource Energy	1,037,600	69,712	1.13
Foresight Solar Fund	10,008,252	10,148	0.16
Greencoat UK Wind	64,958,029	91,201	1.47
HICL Infrastructure Plc	30,877,716	54,530	0.88
Hydro One	1,494,664	28,628	0.46
Iberdrola SA	9,629,417	84,123	1.36
International Public Partnerships	31,718,402	53,794	0.87
Italgas S.p.A	8,158,689	41,401	0.67
John Laing Environmental Assets Group	4,046,497	4,249	0.07
Nexans	341,261	24,598	0.40
NextEnergy Solar Fund	33,370,306	33,838	0.55
NextEra Energy	575,500	39,668	0.64
NKT Holding AS	503,810	17,938	0.29
Octopus Renewables Infrastructure	23,259,250	25,725	0.41
Orsted	652,300	61,515	0.99
Prysmian	1,460,900	40,612	0.66
Red Eléctrica Corporación	4,591,600	73,285	1.18
Renewables Infrastructure Group	53,810,435	72,214	1.17
RWE	881,000	26,340	0.42
Siemens Gamesa Renewable Energy S.A.	2,018,300	35,704	0.58
Terna	13,748,286	82,117	1.33
US Solar Fund	26,046,253	18,307	0.30
Xinyi Energy	39,270,000	15,880	0.26
Insurance Linked - 0.59% (0.72%)			
Blue Capital Global Reinsurance Fund ³	10,010,000	37	0.00
Blue Capital Reinsurance Holdings Fund	615,658	37	0.00
Caelus Re V Limited 2018-1 C ¹	9,000,000	1	0.00
CatCo Reinsurance Opportunities Fund C Shares 2017	3,350,370	1,360	0.02
CatCo Reinsurance Opportunity Fund	16,265,267	3,483	0.06
Operational Re III 2020 A ¹	5,183,000	3,602	0.06
Operational Re III 2020 B ¹	10,366,000	7,184	0.11
Operational Re III 2020 C ¹	11,403,000	7,865	0.13

Portfolio Statement as at 31 December 2021 cont.

Stock description	Holding	Market value £'000	% of total net assets
Operational Re III 2020 D ¹	11,403,000	7,869	0.13
Sanders Re 2018-1 A ¹	8,750,000	5,168	0.08
Sanders Re 2019-1 B ¹	14,000,000	1	0.00
Investment Grade Credit - 0.97% (2.89%)			
Baillie Gifford Worldwide Global Strategic Bond Fund C USD Acc ²	4,380,000	58,085	0.94
Prosus 3.68% 2030	1,600,000	1,218	0.02
Prosus 3.832% 2051	1,100,000	760	0.01
Listed Equities - 21.91% (26.84%)			
Ashtead	73,707	4,380	0.07
Baillie Gifford Global Alpha Growth Fund C Acc ²	47,960,224	245,988	3.97
Baillie Gifford Global Income Growth Fund C Acc ²	11,163,043	263,336	4.25
Baillie Gifford Long Term Global Growth Investment Fund C Acc ⁴	15,959,431	230,614	3.72
BHP Group Plc	305,167	6,711	0.11
Booking Holdings Inc	4,227	7,488	0.12
CBRE Group Inc	173,969	13,940	0.23
CRH	218,257	8,512	0.14
CS CSI 500 NTR index + 9.5% ETN ¹	158,448	118,755	1.92
Dufry	157,062	5,744	0.09
FirstCash Holdings Inc	139,581	7,702	0.12
Fraport (Flughaven)	230,929	11,490	0.19
Galaxy Entertainment Group	1,092,000	4,173	0.07
Greggs	191,445	6,389	0.10
GS S&P China A Midcap 500 NTR Index + 9.00% ETN ¹	51,136	39,692	0.64
GS Strategic Dividend Fund - I-22	5,083	53,014	0.86
GS Strategic Dividend Fund - I-23	4,520	47,492	0.77
GS Strategic Dividend Fund - I-24	2,195	22,406	0.36
Hays	4,950,110	7,232	0.12
Howard Hughes	124,730	9,365	0.15
JC Decaux	369,248	6,820	0.11
Lyft Inc	86,261	2,720	0.04
Martin Marietta Materials	26,736	8,692	0.14

Portfolio Statement as at 31 December 2021 cont.

Stock description	Holding	Market value £'000	% of total net assets
Pershing Square Holdings	289,198	8,719	0.14
Rio Tinto	138,045	6,753	0.11
Royal Caribbean Cruises	122,183	6,936	0.11
Ryanair	411,623	5,270	0.09
Ryanair ADR	12,210	922	0.02
Sands China	1,966,000	3,374	0.05
Six Flags Entertainment Corp	250,887	7,887	0.13
SSP	4,465,426	10,722	0.17
UBS CSI 500 NTR index + 9.8% ETN ¹	1,980,772	160,208	2.59
Whitbread	235,348	7,046	0.11
Wizz Air Holdings Plc	149,668	6,262	0.10
Private Equity - 0.00% (0.00%)			
Eurovestech ¹	1,356,949	54	0.00
Property - 8.84% (9.59%)			
Ctp N.V.	1,423,330	21,749	0.35
Duke Realty Corporation REIT	850,450	41,221	0.67
Ediston Property Investment Company	9,725,035	8,286	0.13
First Industrial REIT	767,070	37,480	0.61
Impact Healthcare REIT	9,733,059	11,602	0.19
LEG Immobilien	446,406	45,838	0.74
Life Science Reit Plc	16,000,000	16,160	0.26
LondonMetric Property	7,324,717	20,758	0.34
LXi REIT	17,165,452	24,856	0.40
Prologis Inc REIT	344,140	42,782	0.69
Rexford Industrial Realty REIT	702,890	42,087	0.68
Segro Plc	3,954,892	56,772	0.92
TAG Immobilien AG	1,176,710	24,284	0.39
Target Healthcare Reit Plc	11,439,559	13,476	0.22
Terra Catalyst Fund ³	1,462,970	384	0.01
Tritax Big Box REIT	20,993,169	52,189	0.84
UK Commercial Property Trust	41,861,707	31,271	0.50
Vonovia SE	1,378,245	56,007	0.90

Portfolio Statement as at 31 December 2021 cont.

Stock description	Holding	Market value £'000	% of total net assets
Special Opportunities - 0.15% (0.18%)			
Amedeo Air Four Plus Limited	16,383,351	4,587	0.08
Amedeo Air Four Plus Limited - Redemption Line	4,095,837	1,415	0.02
Doric Nimrod Air Two	4,997,381	3,348	0.05
DP Aircraft I	16,167,000	120	0.00
Structured Finance - 5.95% (5.04%)			
Fair Oaks Senior CLO Note ¹	1,127,025	94,511	1.53
Galene Fund	390,300	63,475	1.02
HSBC Global Asset Backed High Yield Bond Fund	3,680,000	35,049	0.57
Plutus CLO Fund	1,396,515	153,128	2.47
TwentyFour Income Fund	19,553,024	22,290	0.36
Derivatives - 0.74% (1.31%)			
Forward currency contracts (see Table 1)		45,663	0.74
Futures contracts (see Table 2)		-	0.00
Portfolio of investments		5,951,781	96.11
Other Assets - 3.89% (5.73%)		240,982	3.89
Net assets		6,192,763	100.00

¹This stock has been valued using a single broker quote and therefore is categorised as level 3 in note 13.

²Baillie Gifford Investment Funds ICVC related party (please refer to note 11).

³This stock was delisted at the year end and has been valued at the Investment Adviser's valuation and therefore is categorised as level 3 in note 13.

⁴Baillie 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 2020.

Portfolio Statement as at 31 December 2021 cont.

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

Counterparty	Settlement	Buy	Buy Amount	Sell	Sell Amount	Unrealised gains/(losses) £'000	% of total net assets
Barclays Bank	12/01/22	GBP	290,127,984	EUR	341,500,000	3,329	0.05
Barclays Bank	12/01/22	GBP	1,410,239	ZAR	30,000,000	25	0.00
Barclays Bank	12/01/22	JPY	47,650,000,000	GBP	311,457,858	(5,917)	(0.10)
Barclays Bank	13/01/22	GBP	22,047,130	EUR	26,000,000	211	0.00
Barclays Bank	26/01/22	GBP	225,709,930	EUR	267,000,000	1,407	0.02
Barclays Bank	27/01/22	GBP	77,707,389	USD	104,000,000	919	0.02
Barclays Bank	27/01/22	KRW	152,900,000,000	GBP	97,052,333	(2,275)	(0.04)
Barclays Bank	09/02/22	GBP	235,145,185	EUR	275,000,000	4,031	0.07
Barclays Bank	09/02/22	GBP	146,730,212	USD	200,000,000	(957)	(0.02)
Barclays Bank	23/02/22	GBP	270,087,047	EUR	320,400,000	725	0.01
Barclays Bank	23/02/22	GBP	80,335,966	USD	108,000,000	580	0.01
Barclays Bank	09/03/22	GBP	220,159,586	USD	298,000,000	75	0.00
Barclays Bank	10/03/22	GBP	98,894,807	ZAR	2,050,000,000	4,945	0.08
Barclays Bank	23/03/22	GBP	224,496,294	USD	302,000,000	1,444	0.02
Barclays Bank	14/04/22	GBP	19,274,301	TRY	270,000,000	5,493	0.09
Citigroup	12/01/22	GBP	123,160,949	ZAR	2,620,000,000	2,164	0.04
Citigroup	13/01/22	JPY	4,640,000,000	GBP	29,591,515	161	0.00
Citigroup	27/01/22	GBP	95,397,980	COP	523,000,000,000	828	0.01
Citigroup	27/01/22	RUB	12,950,000,000	GBP	124,219,427	2,852	0.05
Citigroup	10/02/22	CHF	40,000,000	GBP	32,449,411	2	0.00
Deutsche Bank	13/01/22	GBP	180,023,293	EUR	212,300,000	1,725	0.03
Deutsche Bank	27/01/22	CZK	800,000,000	GBP	26,861,284	103	0.00
Deutsche Bank	27/01/22	GBP	811,502	EUR	960,000	5	0.00
Goldman Sachs	23/02/22	GBP	71,416,274	EUR	84,720,000	192	0.00
HSBC	27/01/22	CZK	3,860,000,000	GBP	129,605,694	496	0.01
HSBC	09/02/22	GBP	118,684,186	EUR	138,800,000	2,034	0.03
HSBC	23/02/22	GBP	17,702,334	EUR	21,000,000	48	0.00
HSBC	10/03/22	ILS	561,134,500	GBP	127,284,677	5,962	0.10
JP Morgan Chase	12/01/22	GBP	321,288,336	CHF	391,690,000	3,793	0.06
JP Morgan Chase	13/01/22	JPY	4,800,000,000	GBP	30,611,913	167	0.00
JP Morgan Chase	26/01/22	GBP	165,229,926	USD	227,000,000	(2,376)	(0.04)
JP Morgan Chase	09/02/22	JPY	27,620,000,000	GBP	184,108,295	(6,940)	(0.11)
JP Morgan Chase	23/02/22	GBP	154,869,891	USD	208,200,000	1,118	0.02
JP Morgan Chase	23/03/22	GBP	84,000,268	USD	113,000,000	540	0.01
Merrill Lynch	23/02/22	GBP	39,424,132	USD	53,000,000	285	0.01

Portfolio Statement as at 31 December 2021 cont.

Counterparty	Settlement	Buy	Buy Amount	Sell	Sell Amount	Unrealised gains/(losses) £'000	% of total net assets
National Australia Bank	12/01/22	GBP	163,759,811	AUD	302,720,000	1,254	0.02
National Australia Bank	12/01/22	GBP	155,683,739	NZD	303,500,000	2,288	0.04
National Australia Bank	13/01/22	GBP	30,611,592	EUR	36,100,000	293	0.01
National Australia Bank	20/01/22	GBP	98,387,645	AUD	180,000,000	1,756	0.03
National Australia Bank	27/01/22	GBP	121,417,796	USD	162,500,000	1,436	0.02
National Australia Bank	23/02/22	GBP	60,995,827	USD	82,000,000	440	0.01
NatWest	12/01/22	GBP	185,021,589	NOK	2,197,000,000	1,114	0.02
NatWest	12/01/22	GBP	334,843,397	USD	462,700,000	(6,781)	(0.11)
NatWest	26/01/22	GBP	153,802,128	USD	211,300,000	(2,211)	(0.04)
NatWest	27/01/22	USD	897,000	GBP	649,776	13	0.00
NatWest	09/02/22	GBP	215,253,219	USD	293,400,000	(1,404)	(0.02)
NatWest	09/03/22	GBP	107,124,631	USD	145,000,000	37	0.00
NatWest	23/03/22	GBP	47,575,373	USD	64,000,000	306	0.01
NatWest	13/04/22	GBP	356,627,710	USD	471,000,000	8,654	0.14
NatWest	27/04/22	GBP	61,997,889	USD	83,600,000	229	0.00
NatWest	16/06/22	GBP	23,110,245	EUR	27,000,000	324	0.01
Royal Bank of Canada	12/01/22	GBP	334,502,843	CAD	561,800,000	6,130	0.10
Royal Bank of Canada	13/01/22	GBP	63,597,489	EUR	75,000,000	609	0.01
Royal Bank of Canada	26/01/22	GBP	64,280,835	EUR	76,040,000	401	0.01
Royal Bank of Canada	27/01/22	CAD	321,000,000	GBP	184,274,453	3,355	0.05
Royal Bank of Canada	27/01/22	GBP	13,756,993	EUR	16,274,400	85	0.00
Royal Bank of Canada	27/01/22	USD	19,255,000	GBP	13,948,099	269	0.00
Standard Chartered Bank	10/02/22	CNH	292,000,000	GBP	33,945,227	(128)	0.00
Unrealised gains/(losses) on open forward currency contracts						45,663	0.74

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

Futures	Maturity	Notional	Unrealised gains/(losses) £'000	% of total net assets
Euro Buxl 30yr Bund March 2022	10/03/22	(171)	-	0.00
Euro-Bobl Future March 2022	10/03/22	(532)	-	0.00
NASDAQ 100 E-Mini March 2022	18/03/22	(566)	-	0.00
US 10yr Note Future March 2022	31/03/22	(2,400)	-	0.00
Unrealised gains/(losses) on futures contracts			-	0.00

Portfolio Statement as at 31 December 2021 cont.

Breakdown of portfolio of investments

	31 December 2021		31 December 2020	
	Market value £'000	Percentage of total Fund	Market value £'000	Percentage of total Fund
Bonds - Direct	1,671,265	26.99	1,545,059	24.41
Bonds - Indirect	832,339	13.44	706,338	11.16
Commodities - Indirect	218,607	3.53	505,173	7.98
Derivatives	45,663	0.74	82,741	1.31
Equities - Direct	1,565,316	25.28	1,114,942	17.62
Equities - Indirect	1,071,389	17.30	1,404,674	22.20
Property - Indirect	547,202	8.84	606,769	9.59
Portfolio of investments	5,951,781	96.12	5,965,696	94.27

Comparative Tables

Comparative Table: A Accumulation Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	208.48	205.94	185.65
Return before operating charges*	20.55	5.68	23.48
Operating charges	(3.35)	(3.14)	(3.19)
Return after operating charges*	17.20	2.54	20.29
Distributions	(1.60)	(0.98)	(2.78)
Retained distributions on accumulation shares	1.60	0.98	2.78
Closing net asset value per share	225.68	208.48	205.94
*After direct transaction costs of:	0.06	0.16	0.06
Performance:			
Return after charges	8.25%	1.23%	10.93%
Other Information:			
Closing net asset value (£'000)	741	538	514
Closing number of shares	328,425	258,074	249,700
Operating charges	1.55% ¹	1.60%	1.61%
Direct transaction costs ²	0.03%	0.08%	0.03%
Prices:			
Highest share price (pence)	226.5	209.7	207.1
Lowest share price (pence)	204.1	169.8	184.8

Comparative Tables cont.

Comparative Table: A Income Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	178.27	176.96	161.74
Return before operating charges*	17.55	4.82	20.40
Operating charges	(2.86)	(2.67)	(2.77)
Return after operating charges*	14.69	2.15	17.63
Distributions on income shares	(1.36)	(0.84)	(2.41)
Closing net asset value per share	191.60	178.27	176.96
 *After direct transaction costs of:	 0.06	 0.13	 0.05
Performance:			
Return after charges	8.24%	1.21%	10.90%
Other Information:			
Closing net asset value (£'000)	92	29	11
Closing number of shares	47,979	16,422	6,420
Operating charges	1.54% ¹	1.59%	1.61%
Direct transaction costs ²	0.03%	0.08%	0.03%
Prices:			
Highest share price (pence)	193.4	179.7	179.4
Lowest share price (pence)	174.5	145.9	161.0

Comparative Tables cont.

Comparative Table: B1 Accumulation Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	226.54	221.87	198.33
Return before operating charges*	22.45	6.26	25.16
Operating charges	(1.67)	(1.59)	(1.62)
Return after operating charges*	20.78	4.67	23.54
Distributions	(3.77)	(2.88)	(4.79)
Retained distributions on accumulation shares	3.77	2.88	4.79
Closing net asset value per share	247.32	226.54	221.87
*After direct transaction costs of:	0.07	0.17	0.06
Performance:			
Return after charges	9.17%	2.10%	11.87%
Other Information:			
Closing net asset value (£'000)	341,099	453,375	599,143
Closing number of shares	137,917,069	200,128,836	270,038,417
Operating charges	0.71% ³	0.75%	0.76%
Direct transaction costs ²	0.03%	0.08%	0.03%
Prices:			
Highest share price (pence)	248.2	227.9	223.2
Lowest share price (pence)	222.1	183.3	197.5

Comparative Tables cont.

Comparative Table: B2 Accumulation Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	227.21	222.54	198.92
Return before operating charges*	22.53	6.27	25.24
Operating charges	(1.68)	(1.60)	(1.62)
Return after operating charges*	20.85	4.67	23.62
Distributions	(3.77)	(2.88)	(4.81)
Retained distributions on accumulation shares	3.77	2.88	4.81
Closing net asset value per share	248.06	227.21	222.54
*After direct transaction costs of:	0.07	0.17	0.06
Performance:			
Return after charges	9.18%	2.10%	11.87%
Other Information:			
Closing net asset value (£'000)	1,928,202	2,206,315	2,505,244
Closing number of shares	777,325,972	971,029,674	1,125,774,639
Operating charges	0.71% ³	0.75%	0.76%
Direct transaction costs ²	0.03%	0.08%	0.03%
Prices:			
Highest share price (pence)	248.9	228.6	223.8
Lowest share price (pence)	222.7	183.8	198.1

Comparative Tables cont.

Comparative Table: B Income Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	178.36	177.02	161.76
Return before operating charges*	17.62	4.89	20.48
Operating charges	(1.31)	(1.27)	(1.32)
Return after operating charges*	16.31	3.62	19.16
Distributions on income shares	(2.95)	(2.28)	(3.90)
Closing net asset value per share	191.72	178.36	177.02
 *After direct transaction costs of:	 0.06	 0.14	 0.05
Performance:			
Return after charges	9.14%	2.04%	11.84%
Other Information:			
Closing net asset value (£'000)	438,283	442,285	374,760
Closing number of shares	228,603,138	247,972,514	211,708,799
Operating charges	0.71% ³	0.75%	0.76%
Direct transaction costs ²	0.03%	0.08%	0.03%
Prices:			
Highest share price (pence)	194.3	180.7	180.6
Lowest share price (pence)	174.8	146.2	161.1

Comparative Tables cont.

Comparative Table: C Accumulation Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	257.56	250.62	222.57
Return before operating charges*	25.61	7.18	28.31
Operating charges	(0.30)	(0.24)	(0.26)
Return after operating charges*	25.31	6.94	28.05
Distributions	(5.90)	(4.82)	(6.96)
Retained distributions on accumulation shares	5.90	4.82	6.96
Closing net asset value per share	282.87	257.56	250.62
*After direct transaction costs of:	0.08	0.19	0.07
Performance:			
Return after charges	9.83%	2.77%	12.60%
Other Information:			
Closing net asset value (£'000)	3,404,493	3,151,201	3,301,509
Closing number of shares	1,203,554,105	1,223,500,366	1,317,340,424
Operating charges	0.11%	0.10%	0.11%
Direct transaction costs ²	0.03%	0.08%	0.03%
Prices:			
Highest share price (pence)	283.8	259.1	252.1
Lowest share price (pence)	252.8	207.3	221.6

Comparative Tables cont.

Comparative Table: C Income Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	247.98	246.07	242.60 ⁴
Return before operating charges*	24.57	6.85	4.17
Operating charges	(0.28)	(0.23)	(0.03)
Return after operating charges*	24.29	6.62	4.14
Distributions on income shares	(5.65)	(4.71)	(0.67)
Closing net asset value per share	266.62	247.98	246.07
 *After direct transaction costs of:	 0.08	 0.19	 0.01
Performance:			
Return after charges	9.80%	2.69%	1.71%
Other Information:			
Closing net asset value (£'000)	79,853	74,607	412,184
Closing number of shares	29,950,750	30,085,535	167,506,148
Operating charges	0.11%	0.10%	0.11%
Direct transaction costs ²	0.03%	0.08%	0.03%
Prices:			
Highest share price (pence)	271.3	252.3	248.2
Lowest share price (pence)	243.4	203.6	241.8

¹With effect from 1 July 2021, the ACD's annual fee for Class A Shares was reduced from 1.50% to 1.40%. As at 31 December 2021 the ACD considered 1.51% to be a more indicative rate for the ongoing charges figure.

²The 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.

³With 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 0.66% to be a more indicative rate for the ongoing charges figure.

⁴Class C Income Shares were launched on 18 November 2019.

Financial Statements

Statement of Total Return for the year ended 31 December 2021

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		457,793		138
Revenue	3	145,325		133,255	
Expenses	4	(18,752)		(21,104)	
Net revenue before taxation		126,573		112,151	
Taxation	5	(7,056)		(3,448)	
Net revenue after taxation			119,517		108,703
Total return before distributions			577,310		108,841
Distributions	6		(119,592)		(108,734)
Change in net assets attributable to shareholders from investment activities			457,718		107

Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 December 2021

	2021		2020	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		6,328,350		7,193,365
Amounts receivable on issue of shares	438,148		226,475	
Amounts payable on cancellation of shares	(1,143,286)		(1,190,637)	
		(705,138)		(964,162)
Dilution adjustment		3,859		5,173
Change in net assets attributable to shareholders from investment activities		457,718		107
Retained distributions on accumulation shares		107,974		93,867
Closing net assets attributable to shareholders		6,192,763		6,328,350

Financial Statements cont.

Balance Sheet as at 31 December 2021

	Notes	2021 £'000	2020 £'000
Assets:			
Fixed assets:			
Investments	13	5,980,770	5,999,090
Current assets:			
Debtors	8	50,108	93,096
Cash and bank balances	9	263,957	405,419
Total assets		6,294,835	6,497,605
Liabilities:			
Investment liabilities	13	(28,989)	(33,394)
Creditors:			
Bank overdrafts	9	(220)	-
Distributions payable		(5,482)	(3,896)
Other creditors	10	(67,381)	(131,965)
Total liabilities		(102,072)	(169,255)
Net assets attributable to shareholders		6,192,763	6,328,350

Notes to the Financial Statements

1 Net capital gains/(losses)

	2021			2020		
	Realised	Unrealised	Total	Realised	Unrealised	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Non-derivative securities	494,034	(117,755)	376,279	283,271	45,677	328,948
Derivative contracts	(2,902)	-	(2,902)	(145,444)	-	(145,444)
Forward currency contracts	40,406	45,663	86,069	(280,257)	82,741	(197,516)
Currency gains/(losses)	(2,638)	1,013	(1,625)	15,479	(1,285)	14,194
Custodian transaction costs			(28)			(44)
Net capital gain/(losses)			457,793			138

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

	2021	2020
	£'000	£'000
Purchases and transaction costs		
Gross purchases of bonds excluding transaction costs ¹	1,616,528	1,751,115
Gross purchases of equities excluding transaction costs	977,731	1,019,319
Commissions	403	458
Taxes	497	1,951
Total transaction costs on equity purchases²	900	2,409
Gross purchases of funds excluding transaction costs	717,687	1,143,618
Commissions on purchases of funds	56	244
Taxes on purchases of funds	160	340
Total transaction costs on fund purchases²	216	584
Purchases including transaction costs	3,313,062	3,917,045

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)

	2021	2020
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.04	0.04
Taxes on equity purchases	0.05	0.19
Commission on fund purchases	0.01	0.02
Taxes on fund purchases	0.02	0.03
	2021	2020
	£'000	£'000
Sales and transaction costs		
Gross sales of bonds excluding transaction costs ¹	1,588,096	1,953,907
Gross sales of equities excluding transaction costs	897,487	272,551
Commissions	(332)	(168)
Taxes	(53)	(6)
Total transaction costs on equity sales²	(385)	(174)
Gross sales of funds excluding transaction costs	1,215,603	2,652,721
Commissions on sales of funds	(178)	(395)
Taxes on sales of funds	(112)	(599)
Total transaction costs on fund sales²	(290)	(994)
Sales net of transaction costs	3,700,511	4,878,011

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

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

	2021	2020
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.04)	(0.06)
Taxes on equity sales	(0.01)	(0.00)
Commission on fund sales	(0.01)	(0.01)
Taxes on fund sales	(0.01)	(0.02)

Notes to the Financial Statements cont.

2 Purchases, sales and transaction costs (continued)

	2021		2020	
	£'000		£'000	
Transaction cost on derivative contracts				
Commission on trading futures contracts	28		366	
	2021		2020	
	£'000	% of average NAV	£'000	% of average NAV
Portfolio transaction costs				
Commissions	997	0.02	1,631	0.03
Taxes	822	0.01	2,896	0.05
Total direct transaction costs	1,819	0.03	4,527	0.08
	2021		2020	
	%		%	
Average portfolio dealing spread	0.29		0.36	

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

	2021	2020
	£'000	£'000
UK dividends ¹	22,570	23,415
Overseas dividends ¹	69,551	43,140
Property income distributions ¹	7,603	7,472
Interest on debt securities ¹	44,980	57,899
Management fee rebates from third party funds	621	1,329
Total revenue	145,325	133,255

¹Includes income from relevant Collective Investment Schemes.

4 Expenses

	2021	2020
	£'000	£'000
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	17,829	19,992
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	433	522
Bank charges	412	417
Bank overdraft interest	43	154
	888	1,093
Other expenses:		
Audit fee	18	13
Non-audit fees paid to auditor	7	5
Professional fees	10	1
	35	19
Total expenses	18,752	21,104

Notes to the Financial Statements cont.

5 Taxation

	2021	2020
	£'000	£'000
Analysis of charge in the year		
Corporation tax	-	-
Overseas tax	5,478	1,908
Irrecoverable tax on property income distributions	1,521	1,540
Prior year tax reclaims written off	57	-
Total taxation	7,056	3,448

The Fund is subject to corporation tax at 20% (2020: 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:

	2021	2020
	£'000	£'000
Net revenue/(expense) before taxation	126,573	112,151
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2020: 20%)	25,315	22,430
Effects of:		
Non-taxable UK dividends	(4,514)	(4,683)
Non-taxable overseas dividends	(12,894)	(8,508)
Non-taxable property income distributions	(1,521)	(1,494)
Non-dividend distributions	(6,327)	(7,745)
Overseas tax on dividends	4,893	1,876
Irrecoverable tax on property income distributions	1,521	1,540
Overseas tax on coupons	585	32
Prior year tax reclaims written off	57	-
Expense relief claimed on overseas tax	(59)	-
Total taxation	7,056	3,448

Notes to the Financial Statements cont.

6 Distributions

	2021	2020
	£'000	£'000
Interim to 30 June	38,822	43,951
Final to 31 December	77,607	59,884
	116,429	103,835
Amounts deducted on cancellation of shares	6,913	10,942
Amounts added on issue of shares	(3,750)	(6,043)
Total distributions	119,592	108,734

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

	2021	2020
	£'000	£'000
Net revenue after taxation for the year	119,517	108,703
Add expenses allocated to capital	5	1
Add distributable revenue brought forward	244	274
Less distributable revenue carried forward	(174)	(244)
Net distributions for the year	119,592	108,734

8 Debtors

	2021	2020
	£'000	£'000
Receivable for issue of shares	2,933	24,852
Sales awaiting settlement	19,908	46,539
Accrued income	10,186	9,381
Overseas tax recoverable	1,426	1,970
VAT recoverable	14	5
Collateral held by counterparties	15,640	9,875
Other debtors	1	474
Total debtors	50,108	93,096

Notes to the Financial Statements cont.

9 Cash and bank balances

	2021	2020
	£'000	£'000
Sterling amounts held at clearing houses and brokers	-	424
Foreign amounts held at clearing houses and brokers	13,185	7,589
Sterling bank accounts	249,607	385,432
Foreign currency bank accounts	1,165	11,974
	263,957	405,419
Sterling amounts held at clearing houses and brokers overdrawn	(220)	-
Total cash and bank balances	263,737	405,419

10 Other creditors

	2021	2020
	£'000	£'000
Payable for cancellation of shares	115	174
Purchases awaiting settlement	1,485	84,940
Due to the ACD or associates	1,276	1,698
Due to the Depositary or associates	37	232
Collateral held on behalf of counterparty	64,310	44,900
Capital gains tax provision	40	-
Other accrued expenses	118	21
Total other creditors	67,381	131,965

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.

	2021			2020		
	Purchases	Sales	Income	Purchases	Sales	Income
	£'000	£'000	£'000	£'000	£'000	£'000
Baillie Gifford Emerging Markets Bond Fund C Acc	38,073	35,723	9,991	-	297,638	10,886
Baillie Gifford Global Alpha Growth Fund C Acc	-	43,795	2,062	-	215,468	3,995
Baillie Gifford Global Income Growth Fund C Acc	-	76,144	6,393	-	138,826	8,842
Baillie Gifford High Yield Bond Fund C Acc	-	40,902	3,219	-	1,625	4,055
Baillie Gifford Long Term Global Growth Investment Fund C Acc	12,661	63,032	197	-	227,684	309
Baillie Gifford Pacific Fund C Acc	-	-	-	-	125,677	1,335
Baillie Gifford Worldwide Global Strategic Bond Fund C Acc USD	-	61,656	-	60,727	105,099	-
Baillie Gifford Worldwide Japanese Fund C Acc GBP	-	175,471	9,457	-	65,679	-

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:

	2021	2020
	%	%
ACD and associates of the ACD	0.76	0.69

Notes to the Financial Statements cont.

12 Reconciliation of shares in issue

	Shares in issue as at 31.12.20	Shares issued	Shares cancelled	Shares converted	Shares in issue as at 31.12.21
A Accumulation Shares	258,074	127,568	(56,140)	(1,077)	328,425
A Income Shares	16,422	40,578	(8,916)	(105)	47,979
B1 Accumulation Shares	200,128,836	25,039,239	(87,223,432)	(27,574)	137,917,069
B2 Accumulation Shares	971,029,674	37,820,556	(201,121,631)	(30,402,627)	777,325,972
B Income Shares	247,972,514	12,171,051	(67,591,944)	36,051,517	228,603,138
C Accumulation Shares	1,223,500,366	100,299,248	(122,265,280)	2,019,771	1,203,554,105
C Income Shares	30,085,535	-	(134,785)	-	29,950,750

13 Basis of valuation

	2021		2020	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1: Quoted prices	2,715,553	-	2,624,118	-
Level 2: Observable market data	2,086,146	(28,989)	3,063,300	(33,394)
Level 3: Unobservable data ¹	1,179,071	-	311,672	-
Total	5,980,770	(28,989)	5,999,090	(33,394)

¹For further information on the assets included in Level 3, as at 31 December 2021, please refer to the Portfolio Statement.

14 Credit ratings

	2021		2020	
Rating Block	Market value £'000	Percentage of total Fund	Market value £'000	Percentage of total Fund
Investment Grade	268,265	4.33	511,902	8.09
High Yield	98,203	1.59	357,677	5.65
Unrated	1,304,797	21.07	675,480	10.67
Total Bonds - Direct	1,671,265	26.99	1,545,059	24.41
Other	4,521,498	73.01	4,783,291	75.59
Net Assets	6,192,763	100.00	6,328,350	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)		
	2021			2020		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Australian dollar	-	(211,098)	(211,098)	-	24,401	24,401
Brazilian real	-	-	-	-	(56,165)	(56,165)
Canadian dollar	-	(112,114)	(112,114)	-	(726,112)	(726,112)
Chinese yuan	-	257,084	257,084	-	179,173	179,173
Colombian peso	-	(94,570)	(94,570)	-	-	-
Czech koruna	-	157,065	157,065	-	-	-
Danish krone	-	79,453	79,453	-	36,933	36,933
Euro	1,471	(708,033)	(706,562)	2,254	(760,433)	(758,179)
Hong Kong dollar	-	69,752	69,752	-	18,453	18,453
Hungarian forint	-	-	-	-	(60,692)	(60,692)
Indian rupee	43	-	43	43	-	43
Indonesian rupiah	-	44,101	44,101	-	125,943	125,943
Israeli new shekel	-	133,247	133,247	-	93,963	93,963
Japanese yen	-	543,241	543,241	-	625,401	625,401
Mexican peso	-	-	-	-	62,624	62,624
New Zealand dollar	-	(153,395)	(153,395)	-	(159,066)	(159,066)
Norwegian krona	-	(183,908)	(183,908)	-	125,680	125,680
Pakistan rupee	12	-	12	-	-	-
Peruvian nuevo sol	-	46,175	46,175	-	-	-
Polish zloty	-	-	-	-	60,270	60,270
Russian ruble	-	127,071	127,071	-	62,079	62,079
Singapore dollar	-	-	-	-	11,239	11,239
South African rand	-	(216,332)	(216,332)	-	(103,611)	(103,611)
South Korean won	-	94,777	94,777	-	118,248	118,248
Swiss franc	-	(279,300)	(279,300)	-	(332,728)	(332,728)
Thai baht	-	-	-	-	96,323	96,323
Turkish lira	-	(13,781)	(13,781)	-	-	-
UK sterling	200,716	6,563,427	6,764,144	350,831	6,621,629	6,972,460
US dollar	12,825	(157,265)	(144,441)	17,266	(97,856)	(80,590)

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	2021				2020			
	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	-	-	48,040	48,040	-	-	128,274	128,274
Brazilian real	-	-	-	-	-	97,045	-	97,045
Canadian dollar	-	-	216,258	216,258	-	-	28,839	28,839
Chinese yuan	-	151,960	105,124	257,084	-	179,173	-	179,173
Czech koruna	-	-	157,065	157,065	-	-	-	-
Danish krone	-	-	79,453	79,453	-	-	36,933	36,933
Euro	1,471	108,610	795,050	905,131	65,127	91,016	736,979	893,122
Hong Kong dollar	-	-	69,752	69,752	-	-	18,453	18,453
Indian rupee	43	-	-	43	43	-	-	43
Indonesian rupiah	-	44,101	-	44,101	-	63,800	62,143	125,943
Israeli new shekel	-	-	133,247	133,247	-	-	93,963	93,963
Japanese yen	-	-	543,241	543,241	-	-	625,401	625,401
Mexican peso	-	-	-	-	-	-	62,624	62,624
Norwegian krona	-	-	-	-	-	-	125,680	125,680
Pakistan rupee	12	-	-	12	-	-	-	-
Peruvian nuevo sol	-	46,175	-	46,175	-	-	-	-
Polish zloty	-	-	-	-	-	-	60,270	60,270
Russian ruble	-	-	127,071	127,071	-	-	62,079	62,079
Singapore dollar	-	-	-	-	-	-	11,239	11,239
South Korean won	-	-	94,777	94,777	-	-	118,248	118,248
Swiss franc	-	-	38,196	38,196	-	-	111,154	111,154
Thai baht	-	-	-	-	-	34,571	61,752	96,323
UK sterling	265,247	-	7,889,487	8,154,734	670,336	-	7,870,821	8,541,157
US dollar	223,827	1,109,416	1,172,575	2,505,819	179,853	1,005,270	925,037	2,110,160

Notes to the Financial Statements cont.

15 Derivatives and other financial instruments (continued)

Currency	2021				2020			
	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	-	-	259,138	259,138	-	-	103,873	103,873
Brazilian real	-	-	-	-	-	-	153,210	153,210
Canadian dollar	-	-	328,372	328,372	-	-	754,951	754,951
Colombian peso	-	-	94,570	94,570	-	-	-	-
Euro	-	-	1,611,693	1,611,693	-	-	1,651,300	1,651,300
Hungarian forint	-	-	-	-	-	-	60,692	60,692
New Zealand dollar	-	-	153,395	153,395	-	-	159,066	159,066
Norwegian krona	-	-	183,908	183,908	-	-	-	-
South African rand	-	-	216,332	216,332	-	-	103,611	103,611
Swiss franc	-	-	317,495	317,495	-	-	443,882	443,882
Turkish lira	-	-	13,781	13,781	-	-	-	-
UK sterling	64,530	-	1,326,060	1,390,590	44,900	-	1,523,797	1,568,697
US dollar	-	-	2,650,260	2,650,260	-	-	2,190,749	2,190,749

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	2021					2020				
	Forward	Inflation	Interest	Cash	Total	Forward	Inflation	Interest	Cash	Total
	currency contracts £'000	rate swaps £'000	rate swaps £'000	collateral held £'000	exposure £'000	currency contracts £'000	rate swaps £'000	rate swaps £'000	collateral held £'000	exposure £'000
Barclays	23,184	-	-	(28,835)	(5,651)	26,210	-	-	-	26,210
CitiGroup	6,007	-	-	(5,385)	622	7,760	-	-	(1,275)	6,485
Deutsche Bank	1,833	-	-	(1,380)	453	3,050	-	-	-	3,050
Goldman Sachs	192	-	-	-	192	-	-	-	-	-
HSBC	8,540	-	-	(8,740)	(200)	1,918	-	-	-	1,918
JP Morgan Chase	5,618	-	-	-	5,618	20,052	-	-	(13,615)	6,437
Merrill Lynch	285	-	-	(735)	(450)	-	-	-	-	-
National Australia Bank	7,467	-	-	(7,005)	462	8,010	-	-	(1,340)	6,670
NatWest	10,677	-	-	-	10,677	42,158	-	-	(28,670)	13,488
Royal Bank of Canada	10,849	-	-	(12,230)	(1,381)	6,977	-	-	-	6,977

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:

	2021	2020
	£'000	£'000
Cash collateral pledged on derivatives		
Barclays	-	7,240
Deutsche Bank	-	1,720
JP Morgan Chase	8,435	-
NatWest	7,205	-
Royal Bank of Canada	-	230
Standard Chartered Bank	-	685

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 2021 are shown below:

Leverage exposure	Gross method	Commitment method
Maximum Limit	1,000%	300%
Actual	242%	167%

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.

18 Post Balance Sheet Events

The extreme market volatility of recent weeks has impacted the Fund’s performance since the year end. From the year end to 25 February 2022 the return on Class B2 Accumulation Shares was -6.0%¹. The Fund’s net asset value as at 10am on this day was £5,400,453,000.

¹Source: Baillie Gifford & Co Limited, 10am dealing prices, income accumulated. Performance figures for the other share classes in issue are in line with the return on Class B2 Accumulation Shares and can be obtained by contacting Client Relations.

Distribution Tables

Interim dividend distribution for the period ended 30 June 2021

Group 1 : shares purchased prior to 1 January 2021

Group 2 : shares purchased 1 January 2021 to 30 June 2021

	Net Revenue (dividend distribution)	Equalisation	Distribution (paid/accumulated 31.08.21)	Distribution (paid/accumulated 31.08.20)
	30.06.21 pence per share	30.06.21 pence per share	30.06.21 pence per share	30.06.20 pence per share
A Accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
A Income				
Group 1	-	-	-	-
Group 2	-	-	-	-
B1 Accumulation				
Group 1	0.50000	-	0.50000	0.50000
Group 2	-	0.50000	0.50000	0.50000
B2 Accumulation				
Group 1	0.50000	-	0.50000	0.50000
Group 2	-	0.50000	0.50000	0.50000
B Income				
Group 1	0.40000	-	0.40000	0.40000
Group 2	0.07927	0.32073	0.40000	0.40000
C Accumulation				
Group 1	1.00000	-	1.00000	1.00000
Group 2	0.35529	0.64471	1.00000	1.00000
C Income				
Group 1	1.00000	-	1.00000	1.00000
Group 2	1.00000	-	1.00000	1.00000

Distribution Tables cont.

Final dividend distribution for the period ended 31 December 2021

Group 1 : shares purchased prior to 1 July 2021

Group 2 : shares purchased 1 July 2021 to 31 December 2021

	Net Revenue (dividend distribution)	Equalisation	Distribution (paid/accumulated 28.02.22)	Distribution (paid/accumulated 28.02.21)
	31.12.21 pence per share	31.12.21 pence per share	31.12.21 pence per share	31.12.20 pence per share
A Accumulation				
Group 1	0.14000	-	0.14000	-
Group 2	-	0.14000	0.14000	-
A Income				
Group 1	0.19000	-	0.19000	-
Group 2	0.19000	-	0.19000	-
B1 Accumulation				
Group 1	1.29000	-	1.29000	0.20000
Group 2	0.79232	0.49768	1.29000	0.20000
B2 Accumulation				
Group 1	1.53000	-	1.53000	0.34000
Group 2	0.60367	0.92633	1.53000	0.34000
B Income				
Group 1	1.21000	-	1.21000	0.37000
Group 2	0.54307	0.66693	1.21000	0.37000
C Accumulation				
Group 1	2.97000	-	2.97000	1.60000
Group 2	1.25888	1.71112	2.97000	1.60000
C Income				
Group 1	2.80000	-	2.80000	1.54000
Group 2	2.80000	-	2.80000	1.54000

Distribution Tables cont.

Interim Non-Dividend Distribution for the period ended 30 June 2021

Group 1 : shares purchased prior to 1 January 2021

Group 2 : shares purchased 1 January 2021 to 30 June 2021

	Net Revenue (non-dividend distribution)	Equalisation	Distribution (paid/accumulated 31.08.21)	Distribution (paid/accumulated 31.08.20)
	30.06.21 pence per share	30.06.21 pence per share	30.06.21 pence per share	30.06.20 pence per share
A Accumulation				
Group 1	0.45000	-	0.45000	0.45000
Group 2	0.45000	-	0.45000	0.45000
A Income				
Group 1	0.25000	-	0.25000	0.45000
Group 2	0.25000	-	0.25000	0.45000
B1 Accumulation				
Group 1	0.65000	-	0.65000	0.65000
Group 2	0.65000	-	0.65000	0.65000
B2 Accumulation				
Group 1	0.65000	-	0.65000	0.65000
Group 2	0.65000	-	0.65000	0.65000
B Income				
Group 1	0.65000	-	0.65000	0.65000
Group 2	0.65000	-	0.65000	0.65000
C Accumulation				
Group 1	0.90000	-	0.90000	0.90000
Group 2	0.56407	0.33593	0.90000	0.90000
C Income				
Group 1	0.85000	-	0.85000	0.90000
Group 2	0.85000	-	0.85000	0.90000

Distribution Tables cont.

Final Non-Dividend Distribution for the period ended 31 December 2021

Group 1 : shares purchased prior to 1 July 2021

Group 2 : shares purchased 1 July 2021 to 31 December 2021

	Net Revenue (non-dividend distribution)	Equalisation	Distribution (paid/accumulated 28.02.22)	Distribution (paid/accumulated 28.02.21)
	31.12.21 pence per share	31.12.21 pence per share	31.12.21 pence per share	31.12.20 pence per share
A Accumulation				
Group 1	1.01000	-	1.01000	0.53000
Group 2	1.01000	-	1.01000	0.53000
A Income				
Group 1	0.92000	-	0.92000	0.39000
Group 2	0.07052	0.84948	0.92000	0.39000
B1 Accumulation				
Group 1	1.33000	-	1.33000	1.53000
Group 2	0.33473	0.99527	1.33000	1.53000
B2 Accumulation				
Group 1	1.09000	-	1.09000	1.39000
Group 2	0.43264	0.65736	1.09000	1.39000
B Income				
Group 1	0.69000	-	0.69000	0.86000
Group 2	0.31128	0.37872	0.69000	0.86000
C Accumulation				
Group 1	1.03000	-	1.03000	1.32000
Group 2	0.23857	0.79143	1.03000	1.32000
C Income				
Group 1	1.00000	-	1.00000	1.27000
Group 2	1.00000	-	1.00000	1.27000

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 2021*



Baillie Gifford Long Term Global Growth Investment 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 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\$2 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.

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

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

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

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

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

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

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

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

The Fund's concentrated portfolio relative to similar funds may result in large movements in the share price in the short term.

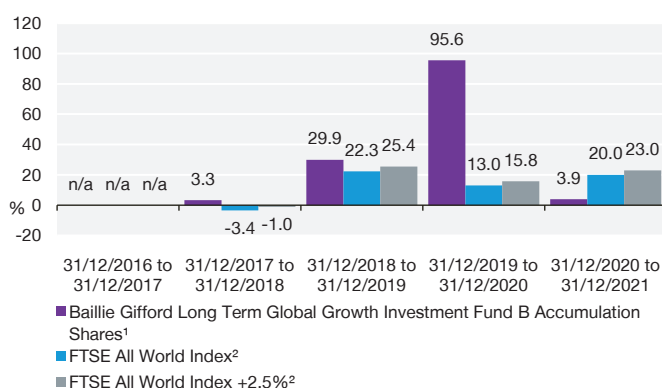
Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund.

Infectious viruses may pose significant threats to human health and may be highly disruptive to global economies and markets. The economic and market disruptions caused by infectious viruses could impact the value of the investments of a Fund.

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

Investment Report

Past Performance



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

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 2021, the return on B Accumulation Shares was 3.4%³ compared to the Index of 20.0%² and the target return of 23.0%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.

During 2021 several companies experienced share price weakness following a very strong run in 2020. This could be driven by a mix of profit-taking, fears over inflation and the potential for rising interest rates. In addition, several of our Chinese holdings have experienced share price weakness, as uncertainty surrounding the regulatory environment has weighed on market confidence.

The top contributors to performance over the past year were NVIDIA, the Graphic Processing Unit designer and Tesla, the electric vehicle maker.

2021 was a strong year for NVIDIA in terms of operational performance. The most recent third quarterly results reported record revenue of \$7 billion, an increase of 50% from the previous year, driven by its Data Centre and Gaming segments. The pandemic has accelerated the demand for computing requirements and gaming has become an increasingly important part of modern culture. As virtual reality continues to move into the mainstream, NVIDIA has created its own 'omniverse' platform that has been built for virtual collaboration and real-time physically accurate simulation, potentially transforming industries such as architecture, engineering, construction and manufacturing.

Tesla's operational progress remains impressive. Production continued to ramp up, delivering over 930,000 vehicles for the year, which is almost double the number in 2020; this is despite a backdrop of global semiconductor shortages. Thanks to Tesla's largely vertically-integrated supply chain, the company was able to source alternative semiconductors and re-write its software to integrate them within a matter of weeks. This highlights the company's adaptability and the advantage it has over industry incumbents.

¹Source: FE, 10am dealing prices, income accumulated. ²Source: StatPro and FTSE, total return in sterling terms. Please see Disclaimer on page 189. ³Source: Baillie Gifford & Co Limited, closing net asset value, income accumulated. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

The top detractors from performance were Pinduoduo, the Chinese ecommerce platform and Peloton, the home fitness equipment company.

Pinduoduo's share price was weak over the course of 2021 in the context of the Chinese regulatory backdrop. Our focus is on operational progress and this has been strong; during the year Pinduoduo achieved its first profitable quarter, with an operating profit of RMB 2 billion, and revenue growing at a healthy 50% year-on-year. The company has also announced that it will launch a "RMB 10 Billion Agriculture Initiative" to help address critical needs in agriculture and rural areas; we expect future profits to be allocated to this initiative. We are reflecting on what this may imply for long-term earnings growth, though we believe the initiative sensibly aligns with the government's priorities to support sustainable growth of agriculture, thereby improving the livelihood of Chinese farmers.

Peloton experienced some operational challenges during 2021 as demand began to normalise following the extreme growth experienced throughout the pandemic. This resulted in the most recent results coming in below expectations and near-term forecasts being reduced. The company continues to invest for future growth to improve production and its supply chain. Connected Fitness Subscriptions growth remains strong, up 114% year-over-year in the fourth quarter, and the company is expanding geographically, most recently into Australia. However, given the recent challenges, we're currently reviewing the investment case.

During the past 12-months we made six new purchases and three complete sales. We purchased Affirm, Bilibili, BioNTech, CATL, Coupang and The Trade Desk.

Affirm is a financial technology company offering point of sale credit to consumers via online merchants. We are attracted to its mission to offer simple, honest and transparent products.

Bilibili is a Chinese video sharing website and has become the 'must have app' for China's Generation Z. With over 200 million users, it is creating a large community with powerful network effects.

BioNTech is a biotech company that has gained prominence for its Covid-19 vaccine. Despite this success, we are attracted to its broader expertise in immunology and its ambition of making personalised cancer care a reality.

CATL is a Chinese manufacturer of lithium-ion battery cells which are used in electric vehicles and energy storage. China is the world's largest EV and electricity generation market. We like the long duration of this growth opportunity combined with CATL's market leadership.

Coupang is an ecommerce company, known as the Amazon of South Korea. It has the largest consumer logistics network in the country, with end-to-end integration and this serves a dense South Korean population very well.

The Trade Desk operates a cloud-based platform used to buy digital advertising inventory across multiple format and devices. The advertising market is full of long-standing inefficiencies and The Trade Desk is a company that offers a better way of doing things.

These purchases were funded by the sales of Alphabet, Google's parent company, NetEase, the Chinese gaming platform, and TAL Education, the Chinese education company. These companies no longer met the high hurdle for growth that we look for in Long Term Global Growth.

Though this commentary pertains to the year 2021, as ever our focus is on the much longer-term prospects for companies in the portfolio over five to ten years and beyond. Our role as stock-pickers 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 2022

Investment Report cont.

Recent volatility in financial markets

The period since the financial accounting period end has been characterised by significant volatility in financial markets.

We fully appreciate that this is tough whether you're a longstanding client or a newer investor with Baillie Gifford although as always, we would urge you to focus on the long term. We believe it is only over periods of three to five years and beyond that the prospects for the holdings in which our Funds invest can be sensibly considered. That said, whilst they are inevitable given our style of investment, none of us enjoy these periods of underperformance.

It is impossible to ascribe a single reason for stock and bond market movements over such a short period, to do so would be to undermine the complexity of financial markets. However, several of the concerns that arose at the end of 2021 (from quantitative tightening to inflation, geopolitical tensions and supply chain disruption) have continued to dominate the minds of many as have recent shocking events in Europe. This has resulted in volatility across major stock and bond markets. Worries about the extent and duration of rapidly rising inflation, and resultant interest rate hikes, have specifically impacted upon sentiment towards the growth companies in which many of the Funds in the ICVC invest. The theory being that interest rate hikes potentially devalue companies with earnings streams which are long into the future. The upshot of this has been that the share prices of many of the Funds' equity holdings have been indiscriminately hit, whether or not the underlying companies are performing well operationally.

We expect performance of the Funds to be very different to indices given our active approach. To deliver a differentiated return over the long-term, our portfolios need to be different. As a result, from time to time, we will underperform, and we understand this means the Funds won't be suitable for everyone. However, our experience, as a firm, of investing through several market cycles, a dotcom boom and bust, and even a Global Financial Crisis has provided us with an institutional knowledge and understanding of how to approach periods of uncertainty, and the challenge and support

required during such times. We don't know what direction stock markets will take over the next 12 months nor the path for inflation; what we can do is focus on continually reviewing the case for the holdings in the conviction that share prices will reflect positive fundamentals over time. We believe that while our active approach to long-term growth investing will inevitably result in periods of volatility, it will leave the Funds well-placed to generate superior returns net of fees over the long term.

For further information on our investment approach, please refer to:
<https://www.bailliegifford.com/en/uk/individual-investors/insights/ic-article/2022-q1-neither-heroes-nor-villains-heroes-nor-villains-10006700/>.

Principal Holdings as at 31 December 2021

Investment	Percentage of total Fund
Amazon.com	5.53
NVIDIA	5.52
Tesla Inc	5.18
ASML	4.60
Moderna Inc	4.24
Illumina	4.01
Meituan	3.99
Kering	3.98
Tencent	3.78
Netflix Inc	3.71

Material Portfolio Changes for the year ended 31 December 2021

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Coupang	104,384	Tesla Inc	356,356
CATL 'A'	82,679	Alphabet Inc Class C	93,456
The Trade Desk	72,660	NIO Inc ADR	71,039
Affirm Holdings Inc Class A	54,046	Meta Platforms Inc	60,242
BioNTech ADR	49,897	NVIDIA	53,525
Bilibili Inc ADR	44,217	NetEase.com ADR	52,759
Moderna Inc	43,693	Dexcom Inc	48,160
Carvana	36,780	Tencent	44,133
Peloton Interactive Inc	34,002	Meituan	35,339
Alibaba	32,468	Amazon.com	35,274

Portfolio Statement as at 31 December 2021

Stock description	Holding	Market value £'000	% of total net assets
Canada - 3.33% (2.85%)			
Shopify 'A'	130,690	132,911	3.33
China - 18.02% (28.61%)			
Alibaba Group Holding	8,988,240	101,121	2.53
Beigene Ltd	294,869	58,797	1.47
Bilibili Inc HK Line	764,658	25,967	0.65
CATL 'A'	1,262,000	85,962	2.15
KE Holdings ADR	947,391	14,059	0.35
Meituan	7,471,300	159,477	3.99
NIO Inc ADR	2,053,215	48,039	1.20
Pinduoduo Inc ADR	1,765,145	75,926	1.90
Tencent	3,497,000	151,210	3.78
France - 6.04% (5.06%)			
Hermes International	63,709	82,080	2.06
Kering	268,554	159,164	3.98
Germany - 4.12% (2.33%)			
BioNTech ADR	538,399	102,377	2.56
Delivery Hero AG	760,797	62,484	1.56
India - 1.60% (1.60%)			
HDFC Corp	2,490,406	63,976	1.60
Netherlands - 7.32% (5.47%)			
Adyen N.V.	56,069	108,815	2.72
ASML	309,967	183,916	4.60
South Korea - 1.92% (0.00%)			
Coupang	3,537,038	76,723	1.92
Sweden - 1.69% (2.38%)			
Spotify Technology SA	391,599	67,671	1.69

Portfolio Statement as at 31 December 2021 cont.

Stock description	Holding	Market value £'000	% of total net assets
United States - 55.24% (50.80%)			
Affirm Holdings Inc Class A	479,702	35,615	0.89
Amazon.com	89,782	221,012	5.53
Atlassian Corp Plc	492,371	138,603	3.47
Beyond Meat Inc	608,966	29,283	0.73
Carvana	423,131	72,418	1.81
Cloudflare Inc	1,203,324	116,827	2.92
Dexcom Inc	303,180	120,191	3.01
Illumina	571,097	160,411	4.01
Intuitive Surgical	384,227	101,846	2.55
Meta Platforms Inc	420,153	104,327	2.61
Moderna Inc	903,472	169,428	4.24
Netflix Inc	333,755	148,449	3.71
NVIDIA	1,015,480	220,505	5.52
Peloton Interactive Inc	1,780,462	47,007	1.18
Salesforce.com	325,178	60,995	1.53
Tesla Inc	265,438	207,124	5.18
The Trade Desk	1,515,763	102,498	2.56
Workday Inc	542,266	109,306	2.73
Zoom	311,738	42,315	1.06
Portfolio of investments		3,968,835	99.28
Net other assets - 0.72% (0.90%)		28,968	0.72
Net assets		3,997,803	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 2020.

Comparative Tables

Comparative Table: B Accumulation Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	1,251.69	640.37	496.73
Return before operating charges*	51.37	617.40	147.39
Operating charges	(8.54)	(6.08)	(3.75)
Return after operating charges*	42.83	611.32	143.64
Distributions	0.00	0.00	0.00
Retained distributions on accumulation shares	0.00	0.00	0.00
Closing net asset value per share	1,294.52	1,251.69	640.37
*After direct transaction costs of:	0.13	0.28	0.06
Performance:			
Return after charges	3.42%	95.46%	28.92%
Other Information:			
Closing net asset value (£'000)	1,239,131	1,459,604	611,289
Closing number of shares	95,721,300	116,611,091	95,458,492
Operating charges	0.64%	0.64%	0.65%
Direct transaction costs ²	0.01%	0.03%	0.01%
Prices:			
Highest share price (pence)	1,506	1,270	655.3
Lowest share price (pence)	1,132	573.8	487.5

Comparative Tables cont.

Comparative Table: B Income Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Period Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	1,252.55	640.84	584.00 ¹
Return before operating charges*	51.41	617.71	59.40
Operating charges	(8.55)	(6.00)	(2.56)
Return after operating charges*	42.86	611.71	56.84
Distributions on income shares	0.00	0.00	0.00
Closing net asset value per share	1,295.41	1,252.55	640.84
*After direct transaction costs of:	0.13	0.28	0.03
Performance:			
Return after charges	3.42%	95.45%	9.73%
Other Information:			
Closing net asset value (£'000)	48,977	52,801	30,337
Closing number of shares	3,780,811	4,215,516	4,733,742
Operating charges	0.64%	0.65%	0.93% ¹
Direct transaction costs ²	0.01%	0.03%	0.01%
Prices:			
Highest share price (pence)	1,507	1,270	655.7
Lowest share price (pence)	1,133	574.2	533.5

Comparative Tables cont.

Comparative Table: C Accumulation Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	1,387.74	705.62	543.97
Return before operating charges*	56.72	682.42	161.84
Operating charges	(0.30)	(0.30)	(0.19)
Return after operating charges*	56.42	682.12	161.65
Distributions	(1.25)	(1.61)	(2.31)
Retained distributions on accumulation shares	1.25	1.61	2.31
Closing net asset value per share	1,444.16	1,387.74	705.62
*After direct transaction costs of:	0.15	0.30	0.06
Performance:			
Return after charges	4.07%	96.67%	29.72%
Other Information:			
Closing net asset value (£'000)	2,665,779	2,837,768	2,267,191
Closing number of shares	184,590,539	204,487,907	321,303,706
Operating charges	0.02%	0.03%	0.03%
Direct transaction costs ²	0.01%	0.03%	0.01%
Prices:			
Highest share price (pence)	1,679	1,407	722.0
Lowest share price (pence)	1,258	633.1	533.9

Comparative Tables cont.

Comparative Table: C Income Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	1,275.90	649.50	502.35
Return before operating charges*	52.15	628.16	149.44
Operating charges	(0.27)	(0.27)	(0.17)
Return after operating charges*	51.88	627.89	149.27
Distributions on income shares	(1.15)	(1.49)	(2.12)
Closing net asset value per share	1,326.63	1,275.90	649.50
 *After direct transaction costs of:	 0.14	 0.27	 0.06
Performance:			
Return after charges	4.07%	96.67%	29.71%
Other Information:			
Closing net asset value (£'000)	43,916	55,702	43,775
Closing number of shares	3,310,324	4,365,674	6,739,843
Operating charges	0.02%	0.03%	0.03%
Direct transaction costs ²	0.01%	0.03%	0.01%
Prices:			
Highest share price (pence)	1,543	1,295	666.7
Lowest share price (pence)	1,156	582.7	493.0

¹Class B Income Shares were launched on 1 May 2019. As at 31 December 2019 the ACD considered 0.65% to be a more indicative rate for the ongoing charges figure.

²The 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.

Financial Statements

Statement of Total Return for the year ended 31 December 2021

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		180,217		2,558,067
Revenue	3	4,721		6,628	
Expenses	4	(9,449)		(7,038)	
Net expense before taxation		(4,728)		(410)	
Taxation	5	(350)		468	
Net revenue/(expense) after taxation			(5,078)		58
Total return before distributions			175,139		2,558,125
Distributions	6		(2,032)		(5,245)
Change in net assets attributable to shareholders from investment activities			173,107		2,552,880

Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 December 2021

	2021		2020	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		4,405,875		2,952,592
Amounts receivable on issue of shares	401,032		617,334	
Amounts payable on cancellation of shares	(845,312)		(1,723,502)	
Stocks transferred out on cancellation of shares	(140,245)		-	
		(584,525)		(1,106,168)
Dilution adjustment		1,039		3,279
Change in net assets attributable to shareholders from investment activities		173,107		2,552,880
Retained distributions on accumulation shares		2,307		3,292
Closing net assets attributable to shareholders		3,997,803		4,405,875

Financial Statements cont.

Balance Sheet as at 31 December 2021

	Notes	2021 £'000	2020 £'000
Assets:			
Fixed assets:			
Investments	13	3,968,835	4,366,114
Current assets:			
Debtors	8	459	7,887
Cash and bank balances	9	37,956	35,350
Total assets		4,007,250	4,409,351
Liabilities:			
Creditors:			
Bank overdrafts	9	(4,217)	(1,364)
Distributions payable		(38)	(65)
Other creditors	10	(5,192)	(2,047)
Total liabilities		(9,447)	(3,476)
Net assets attributable to shareholders		3,997,803	4,405,875

Notes to the Financial Statements

1 Net capital gains/(losses)

	2021			2020		
	Realised	Unrealised	Total	Realised	Unrealised	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Non-derivative securities	819,002	(640,357)	178,645	925,185	1,634,148	2,559,333
Currency gains/(losses)	2,116	(539)	1,577	(396)	(862)	(1,258)
Custodian transaction costs			(5)			(8)
Net capital gain/(losses)			180,217			2,558,067

2 Purchases, sales and transaction costs

	2021	2020
	£'000	£'000
Purchases and transaction costs		
Gross purchases of equities excluding transaction costs	741,899	757,818
Commissions	295	337
Taxes	67	236
Total transaction costs on equity purchases	362	573
Purchases including transaction costs	742,261	758,391
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.04	0.04
Taxes on equity purchases	0.01	0.03

Notes to the Financial Statements cont.

2 Purchases, sales and transaction costs (continued)

	2021	2020
	£'000	£'000
Sales and transaction costs		
Sales of equity	1,183,479	1,868,799
Equity transferred out	134,972	-
Gross sales of equities excluding transaction costs	1,318,451	1,868,799
Commissions	(152)	(372)
Taxes	(95)	(258)
Total transaction costs on equity sales ¹	(247)	(630)
Sales net of transaction costs	1,318,204	1,868,169

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

	2021	2020
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.01)	(0.02)
Taxes on equity sales	(0.01)	(0.01)

	2021		2020	
	£'000	% of average NAV	£'000	% of average NAV
Portfolio transaction costs				
Commissions	447	0.01	709	0.02
Taxes	162	0.00	494	0.01
Total direct transaction costs	609	0.01	1,203	0.03

	2021	2020
	%	%
Average portfolio dealing spread	0.06	0.06

Notes to the Financial Statements cont.

2 Purchases, sales and transaction costs (continued)

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.

3 Revenue

	2021	2020
	£'000	£'000
Overseas dividends	4,717	6,592
Bank interest	4	36
Total revenue	4,721	6,628

4 Expenses

	2021	2020
	£'000	£'000
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	8,713	6,203
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	288	268
Bank charges	438	557
	726	825
Other expenses:		
Audit fee	7	5
Non-audit fees paid to auditor	2	3
Professional fees	1	2
	10	10
Total expenses	9,449	7,038

Notes to the Financial Statements cont.

5 Taxation

	2021	2020
	£'000	£'000
Analysis of charge in the year		
Corporation tax	-	-
Overseas tax	339	217
Tax recoverable on overseas dividends	11	(685)
Total taxation	350	(468)

The Fund is subject to corporation tax at 20% (2020: 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 2021, the Fund had excess management expenses of £25,432,000 (2020: £15,988,000) 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:

	2021	2020
	£'000	£'000
Net revenue/(expense) before taxation	(4,728)	(410)
Net expense before taxation multiplied by the standard rate of corporation tax of 20% (2020: 20%)	(946)	(82)
Effects of:		
Non-taxable overseas dividends	(943)	(1,318)
Overseas tax on dividends	339	217
Excess management expenses	1,889	1,400
Tax recoverable on overseas dividends	11	(685)
Total taxation	350	(468)

6 Distributions

	2021	2020
	£'000	£'000
Final to 31 December	2,345	3,357
Amounts deducted on cancellation of shares	(843)	729
Amounts added on issue of shares	530	1,159
Total distributions	2,032	5,245

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

	2021	2020
	£'000	£'000
Net revenue/(expense) after taxation for the year	(5,078)	58
Add capital transfers for deficits of income	7,105	5,189
Add distributable revenue brought forward	11	9
Less distributable revenue carried forward	(6)	(11)
Net distributions for the year	2,032	5,245

8 Debtors

	2021	2020
	£'000	£'000
Receivable for issue of shares	194	7,519
Overseas tax recoverable	251	343
VAT recoverable	14	14
Other debtors	-	11
Total debtors	459	7,887

9 Cash and bank balances

	2021	2020
	£'000	£'000
Sterling bank accounts	7,193	2,427
Foreign currency bank accounts	30,763	32,923
	37,956	35,350
Sterling bank accounts overdrawn	(4,217)	(1,364)
Total cash and bank balances	33,739	33,986

10 Other creditors

	2021	2020
	£'000	£'000
Payable for cancellation of shares	3,288	-
Due to the ACD or associates	707	783
Due to the Depositary or associates	80	35
Capital gains tax provision	1,104	1,219
Other accrued expenses	13	10
Total other creditors	5,192	2,047

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.

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:

	2021	2020
	%	%
ACD and associates of the ACD	5.91	6.22

12 Reconciliation of shares in issue

	Shares in issue as at 31.12.20	Shares issued	Shares cancelled	Shares converted	Shares in issue as at 31.12.21
B Accumulation Shares	116,611,091	23,602,473	(39,960,900)	(4,531,364)	95,721,300
B Income Shares	4,215,516	562,172	(996,877)	-	3,780,811
C Accumulation Shares	204,487,907	5,030,400	(29,001,479)	4,073,711	184,590,539
C Income Shares	4,365,674	24,000	(1,079,350)	-	3,310,324

13 Basis of valuation

	2021	2020
	Assets	Assets
	£'000	£'000
Level 1: Quoted prices	3,968,835	4,366,114
Level 2: Observable market data	-	-
Level 3: Unobservable data	-	-
Total	3,968,835	4,366,114

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)		
	2021			2020		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Chinese yuan	-	85,962	85,962	-	-	-
Euro	-	596,459	596,459	-	566,378	566,378
Hong Kong dollar	-	437,775	437,775	-	446,727	446,727
Indian rupee	-	63,976	63,976	-	70,650	70,650
UK sterling	2,976	-	2,976	1,063	-	1,063
US dollar	30,763	2,784,664	2,815,428	32,923	3,282,359	3,315,282

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 2021 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.

Notes to the Financial Statements cont.

16 Post Balance Sheet Events

The extreme market volatility of recent weeks has impacted the Fund's performance since the year end. From the year end to 25 February 2022 the return on Class B Accumulation Shares was -23.5%¹. The Fund's net asset value as at 10am on this day was £2,975,115,000.

¹Source: Baillie Gifford & Co Limited, 10am dealing prices, income accumulated. Performance figures for the other share classes in issue are in line with the return on Class B Accumulation Shares and can be obtained by contacting Client Relations.

Distribution Table

Final distribution for the year ended 31 December 2021

Group 1 : shares purchased prior to 1 January 2021

Group 2 : shares purchased 1 January 2021 to 31 December 2021

	Net Revenue (dividend distribution)	Equalisation	Distribution (paid/accumulated 28.02.22)	Distribution (paid/accumulated 28.02.21)
	31.12.21 pence per share	31.12.21 pence per share	31.12.21 pence per share	31.12.20 pence per share
B Accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
B Income				
Group 1	-	-	-	-
Group 2	-	-	-	-
C Accumulation				
Group 1	1.25000	-	1.25000	1.61000
Group 2	0.56981	0.68019	1.25000	1.61000
C Income				
Group 1	1.15000	-	1.15000	1.49000
Group 2	1.15000	-	1.15000	1.49000

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 2021*



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.

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

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

is classified in the category above because it invests in a variety of asset classes, including shares in companies, bonds, property, infrastructure, commodities, and currencies, which generally provide higher rewards and higher risks than other investments such as investment solely in bonds or cash. The indicator does not take into account the following relevant material risks:

The Fund does not guarantee positive returns. It aims to limit the extent of loss in any short term period to a lower level than shares. Markets can go down and up and conditions can change rapidly. The value of an investment in the Fund, and any income from it, can fall as well as rise.

Changes in exchange rates of foreign currencies will cause investments, and income, to fall as well as rise.

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

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

Bonds may be affected by changes in interest rates, expectations of inflation and a decline in the creditworthiness of the bond issuer. Issuers of bonds, particularly in emerging markets, may not be able to pay the promised income or could fail to repay the capital amount.

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

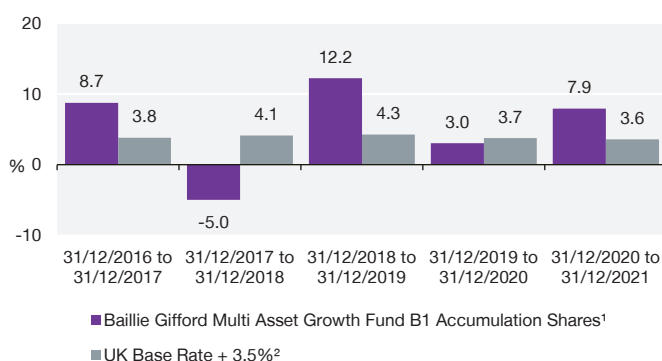
Baillie Gifford Multi Asset Growth Fund cont.

Infectious viruses may pose significant threats to human health and may be highly disruptive to global economies and markets. The economic and market disruptions caused by infectious viruses could impact the value of the investments of a Fund.

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

Investment Report

Past Performance



The performance figures shown in this graph are for Class B1 Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.50%, but exclude any initial charge paid. 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.

The investment objective of the Fund is to outperform (after deduction of costs) the UK Base Rate by at least 3.5% (the 'comparator') over rolling five-year periods, with annualised volatility of returns over rolling five-year periods that is below 10%. For the year to 31 December 2021, the return on B1 Accumulation Shares was 7.9%³ compared to the comparator of 3.6%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 B1 Accumulation Shares was 5.2%³ compared to the return on the comparator of 3.9%². The annualised volatility over this period was 6.8%⁴. The Fund also aims to achieve a positive return over rolling three-year periods. The annualised three-year return on B1 Accumulation Shares was 7.7%³.

With respect to performance over the last year, the opportunities that have really shone have been in equities, real estate and infrastructure.

While the return from our active global equity funds was good, it was more muted than in 2020. However, our investment in a basket of companies we have defined as a

Cyclical Recovery Equity portfolio, alongside a series of European dividend funds and a set of Chinese equity outperformance notes, all performed strongly. Within the context of the broader portfolio, it remains a point of encouragement that different assets are generating positive returns at different times – diversification within asset classes, as well as between asset classes, being one of the central investment characteristics of our multi asset portfolios.

Within property, returns were driven in large part by exposure to US and continental European companies, specifically those which own, operate and develop industrial and logistics assets. Such investments are beneficiaries of one of our longer-term investment themes, based around technological innovation and adoption, and form the majority of the underlying investments within our actively managed real estate allocation.

For infrastructure, climate policy is clearly in the political foreground, with emissions reductions being a huge challenge for both countries and companies alike. Against that backdrop, regulated transition and distribution utilities, alongside selected renewable developers, delivered particularly good returns. During

¹Source: FE, 10am dealing prices, income accumulated. ²Source: StatPro and Bank of England, total return. Please see disclaimer on page 189. ³Source: Baillie Gifford & Co Limited, closing net asset value, income accumulated. ⁴Source: StatPro, annualised volatility, calculated over five years to 31 December 2021. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

the latter part of 2021, we continued to focus the allocation of the underlying infrastructure portfolio towards a slightly more concentrated list of underlying holdings, owning more of those companies in which we have the greatest conviction, and in this context, transition and utility companies remain an important component part of the allocation.

Towards the end of the period, active currency was a notable contributor to overall portfolio returns, having been a detractor in the last couple of years, particularly as some of our portfolio hedging positions (e.g. long Japanese yen) underperformed. However, in recent months, successful investments included short positions in Turkish lira and South African rand and a long position in the Israeli shekel. These both added return and helped hedge the portfolio in the greater volatility of the second half of the year, particularly around the initial discovery of the Covid-19 Omicron variant.

As we enter 2022, both inflation and the pandemic continue to present risks of near-term central bank policy surprises that are worth maintaining some portfolio protection against (and we do), but this is very much in the context of long-term optimism on both fronts. We prefer instead to focus on many of the new opportunities that have continued to emerge across asset classes.

In the portfolio, we have taken advantage of valuation opportunities in credit markets; fundamental opportunities in commodity markets; and technical opportunities in the absolute return space, whilst also concentrating both infrastructure and real estate exposures on the most attractive investments.

Within credit, we have added to both structured finance and high yield. The latter of these includes a notable new investment in Asian high yield bond markets. This has been achieved by investing in two externally managed, specialist Asian high yield bond funds. The opportunity here has arisen as investors have become concerned about a number of prominent Chinese property companies, most obviously Evergrande, with a reasonable degree of contagion spreading across the wider Chinese and Asian high yield bond markets. The extent of the recent sell-off means that as of 31 December 2021 these markets were yielding 22% and

14% respectively. To put this in context, the US high yield market yielded 19% at the end of 2008 in the depths of the Global Financial Crisis.

Our continuing work on the Green Revolution prompted us to make an investment into certain rare earth metals, through stakes in one Australian miner and one American miner. “Rare earths” is a term used to describe a set of seventeen heavy metals near the bottom of the periodic table. The two mining companies in which we have invested have high quality reserves in two of these metals, neodymium and praseodymium, that are key components of permanent magnets. The main sources of use for these magnets are in wind turbines, electric vehicles and precision motors, areas we expect will see substantial growth through the world’s efforts to decarbonise. These metals are also important for various defence technologies. As these two companies are the only substantial producers of such rare earths outside of China and Chinese control, that makes them important strategic assets, giving us a higher degree of confidence in the overall investment opportunity.

Absolute return and infrastructure have been the asset classes to which we have made the biggest increases in allocation over 2021, and we continue to be greatly enthused by the role that both play within the portfolio. The additions to infrastructure have largely been to those assets we see as being the beneficiaries of the long-term decarbonisation opportunity (in-line with the Green Revolution theme, as noted above) while the investments that we classify under absolute return are more about taking advantage of rising volatility while providing the portfolio with a bit of additional protection. The short-term news cycle around inflation and the pandemic is helpful for these investments. We have supplemented this protection by introducing a short US equity index future (specifically in the NASDAQ index) to offset some of our regular equity holding exposure and provide protection against higher inflation expectations hurting US technology company share prices.

Investment Report cont.

Despite that note of caution, we continue to look to the future with optimism and, in summary, are confident that the portfolio is well set to build on this return in the future and capitalise on the many opportunities we have identified.

Baillie Gifford & Co, 14 January 2022

Recent volatility in financial markets

The period since the financial accounting period end has been characterised by significant volatility in financial markets.

We fully appreciate that this is tough whether you're a longstanding client or a newer investor with Baillie Gifford although as always, we would urge you to focus on the long term. We believe it is only over periods of three to five years and beyond that the prospects for the holdings in which our Funds invest can be sensibly considered. That said, whilst they are inevitable given our style of investment, none of us enjoy these periods of underperformance.

It is impossible to ascribe a single reason for stock and bond market movements over such a short period, to do so would be to undermine the complexity of financial markets. However, several of the concerns that arose at the end of 2021 (from quantitative tightening to inflation, geopolitical tensions and supply chain disruption) have continued to dominate the minds of many as have recent shocking events in Europe. This has resulted in volatility across major stock and bond markets. Worries about the extent and duration of rapidly rising inflation, and resultant interest rate hikes, have specifically impacted upon sentiment towards the growth companies in which many of the Funds in the ICVC invest. The theory being that interest rate hikes potentially devalue companies with earnings streams which are long into the future. The upshot of this has been that the share prices of many of the Funds' equity holdings have been indiscriminately hit, whether or not the underlying companies are performing well operationally.

We expect performance of the Funds to be very different to indices given our active approach. To deliver a differentiated return over the long-term, our portfolios need to be different. As a result, from time to time, we will underperform, and we understand this means the Funds won't be suitable for everyone. However, our experience, as a firm, of investing through several market cycles, a dotcom boom and bust, and even a Global Financial Crisis has provided us with an institutional knowledge and understanding of how to approach periods of uncertainty, and the challenge and support required during such times. We don't know what direction stock markets will take over the next 12 months nor the path for inflation; what we can do is focus on continually reviewing the case for the holdings in the conviction that share prices will reflect positive fundamentals over time. We believe that while our active approach to long-term growth investing will inevitably result in periods of volatility, it will leave the Funds well-placed to generate superior returns net of fees over the long term.

For further information on our investment approach, please refer to:
<https://www.bailliegifford.com/en/uk/individual-investors/insights/ic-article/2022-q1-neither-heroes-nor-villains-heroes-nor-villains-10006700/>.

Principal Holdings as at 31 December 2021

Investment	Percentage of total Fund
Baillie Gifford Emerging Markets Bond Fund C Acc ¹	3.37
Citigroup Volatility Carry ETN	2.92
Baillie Gifford European Fund C Acc ¹	2.90
Baillie Gifford Emerging Markets Leading Companies Fund C Acc ¹	2.90
UBS CSI 500 NTR index + 9.8% ETN	2.78
Baillie Gifford American Fund C Acc ¹	2.77
Plutus CLO Fund	2.63
BAML Commodity Carry ETN	2.58
Baillie Gifford Worldwide Japanese Fund C Acc GBP ¹	2.23
Baillie Gifford UK Equity Alpha Fund C Acc ¹	2.04

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

Material Portfolio Changes for the year ended 31 December 2021

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Citigroup Volatility Carry ETN	77,080	Baillie Gifford Emerging Markets Leading Companies Fund C Acc ¹	58,722
UBS CSI 500 NTR index + 9.8% ETN	62,808	UBS CSI 500 NTR index + 8.25%	52,852
BAML Commodity Carry ETN	58,149	WisdomTree Nickel	50,297
Ashmore Asian High Yield Bond Fund	50,562	CS CSI 500 NTR index + 9.5% ETN December 2021	41,416
UBS WTI Curve Strategy ETN	50,424	BNP Paribas Nickel ETN	41,156
Blackrock Asian High Yield Bond Fund	49,470	Deutsche Wohnen	38,775
Citigroup Interest Rate Volatility ETN	41,584	Baillie Gifford High Yield Bond Fund C Acc ¹	35,403
CS CSI 500 NTR index + 9.5% ETN	41,415	GS CSI 500 NTR index + 10.5%	34,438
Fair Oaks Senior CLO Note	34,879	CS CSI 500 NTR index + 10.5%	33,610
CS CSI 500 NTR index + 9.5% ETN December 2021	33,573	Brazil 0% 01/01/2024	33,419

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 2021

Stock description	Holding	Market value £'000	% of total net assets
Absolute Return - 15.33% (4.89%)			
BAML Commodity Carry ETN ¹	77,993,000	64,126	2.58
BAML Interest Rate Volatility ETN ¹	33,750,000	22,146	0.89
Citigroup Equity Skew ETN ¹	1,655	12,664	0.51
Citigroup Interest Rate Volatility ETN ¹	5,660	41,590	1.67
Citigroup Intraday Trend	6,159	40,112	1.61
Citigroup Volatility Carry ETN ¹	10,325	72,505	2.92
GS Volatility Curve Series 1 TR ETN ¹	30,390	24,720	1.00
GS WTI Curve Strategy ETN ¹	24,200	16,742	0.67
SG Intraday Trend Strategy ETN ¹	27,800	19,326	0.78
UBS Intraday Trend Strategy	285,200	17,000	0.69
UBS WTI Curve Strategy ETN ¹	732,700	49,974	2.01
Commodities - 3.46% (7.94%)			
iShares Physical Silver ETC	693,500	11,344	0.46
Lynas Corporation	3,200,000	17,469	0.70
MP Materials	557,200	18,677	0.75
WisdomTree Physical Silver	2,430,789	38,531	1.55
Emerging Market Bonds Hard Currency - 2.65% (2.69%)			
Angola 8.25% 09/05/2028 (USD)	230,000	170	0.01
Angola 9.375% 08/05/2048 (USD)	1,720,000	1,241	0.05
Brazil 4.5% 30/05/2029 (USD)	830,000	627	0.02
Colombia 5.625% 26/02/2044 (USD)	1,680,000	1,203	0.05
Costa Rica 7% 04/04/2044 (USD)	900,000	650	0.03
Dar Al Arkan Real Estate Development 6.875% 2027	840,000	640	0.03
Dominican Republic 5.875% 30/01/2060 (USD)	681,000	485	0.02
Dominican Republic 6% 19/07/2028 (USD)	1,600,000	1,319	0.05
Dominican Republic 7.45% 30/04/2044 (USD)	500,000	437	0.02
Ecobank Transnational 8.75% 2031	600,000	437	0.02
Ecobank Transnational 9.5% 2024	600,000	480	0.02
Egypt 6.375% 11/04/2031 (EUR)	1,800,000	1,388	0.06
Egypt 8.875% 29/05/2050 (USD)	1,800,000	1,203	0.05
El Salvador 6.375% 18/01/2027 (USD)	600,000	265	0.01

Portfolio Statement as at 31 December 2021 cont.

Stock description	Holding	Market value £'000	% of total net assets
El Salvador 7.125% 20/01/2050 (USD)	1,200,000	481	0.02
ENN Energy 3.375% 2026	910,000	668	0.03
Georgia 2.75% 22/04/2026 (USD)	550,000	404	0.02
Greenko Energy 3.85% 2026	800,000	588	0.02
Hungary 3.125% 21/09/2051 (USD)	1,070,000	777	0.03
Hungary 7.625% 29/03/2041 (USD)	940,000	1,133	0.05
IHS Hdg 5.625% 2026	600,000	447	0.02
Indonesia 5.25% 17/01/2042 (USD)	3,150,000	2,912	0.12
Instituto Costarricense de Electricidad 6.375% 2043	1,040,000	655	0.03
Ivory Coast 5.25% 2030 (EUR)	1,200,000	1,028	0.04
Ivory Coast 6.625% 2048 (EUR)	1,000,000	833	0.03
Mexico 5.75% 12/10/2110 (USD)	798,000	679	0.03
North Macedonia 3.675% 03/06/2026 (EUR)	1,100,000	978	0.04
OCP Morocco 6.875% 25/04/44 (USD)	1,705,000	1,461	0.06
Oman 6.5% 08/03/2047 (USD)	1,000,000	737	0.03
Oman 7.375% 28/10/2032 (USD)	2,100,000	1,804	0.07
Pakistan 8.25% 15/04/2024 (USD)	2,150,000	1,689	0.07
Panama 3.362% 30/06/2031 (USD)	450,000	334	0.01
Panama 4.5% 16/04/2050 (USD)	1,200,000	976	0.04
Peru 3.23% 28/07/2121 (USD)	580,000	367	0.01
Peru 5.625% 18/11/2050 (USD)	730,000	757	0.03
Peru 8.75% 21/11/2033 (USD)	1,410,000	1,621	0.06
Petkim Petrokimya 5.875% 2023 (USD)	3,113,000	2,302	0.09
Republic Of Albania 3.5% 16/06/2027 (EUR)	1,010,000	882	0.04
Republic Of Albania 3.5% 23/11/2031 (EUR)	1,530,000	1,260	0.05
Romania 1.75% 13/07/2030 (EUR)	1,590,000	1,245	0.05
Romania 2% 28/01/2032 (EUR)	1,627,000	1,267	0.05
Sunac China Holdings 8.35% 2023	500,000	243	0.01
Tajikistan 7.125% 14/09/2027 (USD)	1,400,000	917	0.04
Total Play Telecom 7.5% 2025	1,165,000	877	0.03
Ukraine 1.258% 31/05/2040 (USD)	28,250,000	18,959	0.76
Ukraine 6.75% 20/06/2026 (EUR)	740,000	590	0.02
Uruguay 4.375% 23/01/2031 (USD)	1,510,000	1,283	0.05
Uruguay 4.975% 20/04/2055 (USD)	1,320,000	1,281	0.05
Uzbek Industrial And Con 5.75% 2024	1,570,000	1,181	0.05

Portfolio Statement as at 31 December 2021 cont.

Stock description	Holding	Market value £'000	% of total net assets
Uzbekistan 5.375% 20/02/2029 (USD)	2,070,000	1,626	0.06
Emerging Market Bonds Local Currency - 7.38% (8.81%)			
Baillie Gifford Emerging Markets Bond Fund C Acc ²	43,713,480	83,842	3.37
China 2.68% 21/05/2030	253,740,000	28,957	1.17
China 3.39% 16/03/2050	277,200,000	31,879	1.28
Indonesia 7.5% 15/04/2040	163,000,000,000	8,791	0.35
Indonesia 7.5% 15/06/2035	155,000,000,000	8,411	0.34
Peru 5.4% 12/08/2034	73,968	12,457	0.50
Peru 6.35% 12/08/2028	47,100	9,176	0.37
Government Bonds - 0.00% (1.97%)			
High Yield Credit - 6.98% (4.45%)			
Ahlstrom Muksjo 4.875% 2028 (144A)	519,000	377	0.02
AMS 0.875% 2022 Convertible	400,000	290	0.01
ANGI Homeservices 3.875% 2028 (144A)	778,000	563	0.02
APX Gp Holdings 5.75% 2029 (144A)	384,000	281	0.01
APX Gp Holdings 6.75% 2027 (144A)	472,000	369	0.02
Ares Capital Corp	811,200	12,685	0.51
Ashmore Asian High Yield Bond Fund	990,000	47,897	1.93
At Home Group 4.875% 2028 (144A)	509,000	370	0.02
At Home Group 7.125% 2029 (144A)	254,000	184	0.01
Avantor 4.625% 2028 (144A)	956,000	736	0.03
Bharti Airtel 5.65% 2025 Perp	731,000	567	0.02
Blackrock Asian High Yield Bond Fund	7,870,000	47,646	1.92
Burford Capital 6.25% 2028 (144a)	793,000	622	0.03
Cano Health 6.25% 2028 (144A)	368,000	272	0.01
Carvana 5.875% 2028 (144A)	240,000	177	0.01
CCO Holdings 4.5% 2030 (144A)	605,000	457	0.02
Centene 4.625% 2029	710,000	565	0.02
Centurylink 7.6% 2039	444,000	352	0.01
Cheniere Energy 4.625% 2028	965,000	756	0.03
Cogent Communications Holdings 3.5% 2026 (144A)	753,000	565	0.02

Portfolio Statement as at 31 December 2021 cont.

Stock description	Holding	Market value £'000	% of total net assets
Compass Minerals International 6.75% 2027 (144A)	920,000	720	0.03
CrowdStrike 3% 2029	739,000	539	0.02
Dana 4.25% 2030	613,000	459	0.02
Darling Ingredients 5.25% 2027 (144A)	681,000	519	0.02
Elastic 4.125% 2029 (144A)	766,000	559	0.02
First Cash 4.625% 2028 (144A)	815,000	602	0.02
First Quantum Minerals 6.875% 2027 (144A)	681,000	541	0.02
FMG Resources 4.5% 2027 (144A)	707,000	556	0.02
Frontier Communications 5.875% 2027 (144A)	342,000	267	0.01
Frontier Communications 5.875% 2029	238,000	176	0.01
Gartner Inc 4.5% 2028 (144A)	707,000	545	0.02
Golub Capital BDC Inc	468,975	5,339	0.22
Graham Holdings 5.75% 2026 (144A)	655,000	502	0.02
Grifols 4.75% 2028 (144A)	870,000	655	0.03
Herbalife 4.875% 2029 (144A)	774,000	561	0.02
Hilcorp Energy 6.25% 2028 (144A)	405,000	318	0.01
Hilton Grand Vacations 5% 2029 (144A)	757,000	573	0.02
Iliad 6.5% 2026 (144A)	238,000	185	0.01
Iliad 7% 2028 (144A)	500,000	388	0.02
James Hardie 5% 2028 (144A)	706,000	543	0.02
Jefferies Finance Group 5% 2028 (144A)	515,000	390	0.02
LABL 6.75% 2026 (144A)	443,000	335	0.01
Land O'Lakes 7.25% Perp (144A)	496,000	396	0.02
Laredo Petroleum 10.125% 2028	464,000	359	0.01
LendingTree 0.5% 2025 Convertible	868,000	531	0.02
Liberty Interactive 8.25% 2030	248,000	201	0.01
Liberty Puerto Rico 6.75% 2027 (144A)	389,000	304	0.01
Live Nation 4.75% 2027 (144A)	759,000	576	0.02
Marks and Spencer 7.125% 2037 (144A)	755,000	652	0.03
Match.com 5% 2027 144A	529,000	408	0.02
Match.com 5.625% 2029 144A	509,000	402	0.02
MercadoLibre 3.125% 2031	1,701,000	1,187	0.05
Meritor 4.5% 2028 (144A)	579,000	429	0.02
Midcap Financial 6.5% 2028 (144A)	645,000	496	0.02
Mueller Water Products 4% 2029 (144A)	481,000	359	0.01

Portfolio Statement as at 31 December 2021 cont.

Stock description	Holding	Market value £'000	% of total net assets
Nemak 3.625% 2031	200,000	144	0.01
Neptune 6.625% 2025	416,000	314	0.01
Nielsen 5.625% 2028 (144A)	823,000	627	0.03
Nordstrom 4.375% 2030	499,000	371	0.02
OCI 4.625% 2025 (144A)	610,000	467	0.02
Ozon Hdgs 1.875% 2026 Convertible	400,000	242	0.01
Paysafe Finance 4% 2029 (144A)	781,000	537	0.02
Phoenix Life 5.625% 2025 PERP	504,000	391	0.02
Popular 6.125% 2023	931,000	730	0.03
PTC 3.625% 15/02/2025 (144A)	454,000	340	0.01
QVC 5.45% 2034	838,000	613	0.02
Sally 5.625% 2025	482,000	364	0.01
Sally 8.75% 2025 (144A)	444,000	349	0.01
Santander 7.5% 2024 Perp AT1	600,000	476	0.02
Sensata Technologies 5% 2025 (144A)	565,000	453	0.02
Sequoia Economic Infrastructure Income Fund	21,285,000	22,945	0.92
Sirius XM Radio 4.125% 2030 (144A)	804,000	594	0.02
Six Flags 7% 2025 (144A)	547,000	431	0.02
SmileDirectClub 0% 2026 Convertible (144A)	670,000	191	0.01
SoftBank 5.125% 2027	600,000	444	0.02
SVB 4% 2026 Perp	719,000	534	0.02
Target Hospitality 9.5% 2024 (144A)	454,000	343	0.01
Taseko Mines 7% 2026 (144A)	465,000	358	0.01
TransDigm Gp 6.25% 2026 144A	451,000	346	0.01
TTM Technologies 4% 2029 (144A)	500,000	367	0.01
Verra Mobility 5.5% 2029 (144A)	744,000	552	0.02
Weight Watchers 4.5% 2029 (144A)	646,000	457	0.02
Wheel Pros 6.5% 2029 (144A)	385,000	273	0.01
Wolverine World Wide 4% 2029 (144A)	487,000	348	0.01
XPO Logistics 6.25% 2025 (144A)	337,000	260	0.01
ZhongAn 3.5% 2026	1,220,000	875	0.04
Ziggo 4.875% 2030 (144A)	675,000	511	0.02
Infrastructure - 22.61% (17.42%)			
3i Infrastructure	2,456,791	8,709	0.35

Portfolio Statement as at 31 December 2021 cont.

Stock description	Holding	Market value £'000	% of total net assets
Avangrid	771,530	28,396	1.14
BBGI	6,210,226	10,905	0.44
Brookfield Renewable	706,645	19,199	0.77
China Longyuan Power Group 'H'	11,929,000	20,537	0.83
China Yangtze Power	4,189,800	11,003	0.44
Consolidated Edison	478,040	30,109	1.21
EDP Renovaveis	1,414,387	25,959	1.04
Eversource Energy	554,346	37,244	1.50
Foresight Solar Fund	5,279,097	5,353	0.22
Greencoat UK Wind	26,116,138	36,667	1.47
HICL Infrastructure Plc	11,820,245	20,875	0.84
Hydro One	643,834	12,332	0.50
Iberdrola SA	2,616,695	22,859	0.92
International Public Partnerships	12,142,150	20,593	0.83
Italgas S.p.A	4,451,250	22,588	0.91
John Laing Environmental Assets Group	3,245,036	3,407	0.14
Nexans	135,632	9,776	0.39
NextEnergy Solar Fund	19,135,655	19,404	0.78
NextEra Energy	175,800	12,118	0.49
Octopus Renewables Infrastructure	10,284,627	11,375	0.46
Orsted	261,300	24,642	0.99
Prysmian	719,890	20,012	0.80
Red Eléctrica Corporación	2,124,600	33,910	1.36
Renewables Infrastructure Group	24,571,225	32,975	1.33
Siemens Gamesa Renewable Energy S.A.	1,061,800	18,784	0.76
Terna	6,087,988	36,363	1.46
Xinyi Energy	14,680,000	5,936	0.24
Investment Grade Credit - 1.02% (3.36%)			
Baillie Gifford Worldwide Global Strategic Bond Fund C USD Acc ²	1,810,000	24,003	0.96
Prosus 3.68% 2030	1,265,000	963	0.04
Prosus 3.832% 2051	640,000	442	0.02
Listed Equities - 22.41% (28.37%)			
Ashtead	29,122	1,730	0.07

Portfolio Statement as at 31 December 2021 cont.

Stock description	Holding	Market value £'000	% of total net assets
Baillie Gifford American Fund C Acc ²	3,279,263	68,897	2.77
Baillie Gifford Emerging Markets Leading Companies Fund C Acc ²	10,454,176	72,040	2.90
Baillie Gifford European Fund C Acc ²	1,647,803	72,042	2.90
Baillie Gifford UK Equity Alpha Fund C Acc ²	5,520,618	50,591	2.04
Baillie Gifford Worldwide Japanese Fund C Acc GBP ²	2,253,834	55,400	2.23
BHP Group Plc	120,769	2,656	0.11
Booking Holdings Inc	1,666	2,951	0.12
CBRE Group Inc	68,707	5,505	0.22
CRH	86,028	3,355	0.14
CS CSI 500 NTR index + 9.5% ETN ¹	54,699	40,996	1.65
Dufry	62,017	2,268	0.09
FirstCash Holdings Inc	55,048	3,038	0.12
Fraport (Flughaven)	91,216	4,538	0.18
Galaxy Entertainment Group	430,000	1,643	0.07
Greggs	75,720	2,527	0.10
GS S&P China A Midcap 500 NTR Index + 9.00% ETN ¹	18,714	14,526	0.58
GS Strategic Dividend Fund - I-22	1,828	19,065	0.77
GS Strategic Dividend Fund - I-23	1,626	17,085	0.69
GS Strategic Dividend Fund - I-24	790	8,064	0.32
Hays	1,951,710	2,851	0.11
Howard Hughes	49,195	3,694	0.15
JC Decaux	145,788	2,693	0.11
Lyft Inc	34,019	1,073	0.04
Martin Marietta Materials	10,578	3,439	0.14
Pershing Square Holdings	114,191	3,443	0.14
Rio Tinto	54,478	2,665	0.11
Royal Caribbean Cruises	48,315	2,743	0.11
Ryanair	164,696	2,109	0.08
Ryanair ADR	4,619	349	0.01
Sands China	775,200	1,330	0.05
Six Flags Entertainment Corp	98,946	3,111	0.13
SSP	1,766,822	4,242	0.17
UBS CSI 500 NTR index + 9.8% ETN ¹	854,872	69,143	2.78

Portfolio Statement as at 31 December 2021 cont.

Stock description	Holding	Market value £'000	% of total net assets
Whitbread	92,766	2,777	0.11
Wizz Air Holdings Plc	59,077	2,472	0.10
Property - 9.00% (9.51%)			
Ctp N.V.	788,626	12,051	0.49
Duke Realty Corporation REIT	475,700	23,057	0.93
First Industrial REIT	429,200	20,971	0.84
LEG Immobilien	219,710	22,560	0.91
LondonMetric Property	3,738,212	10,594	0.43
LXi REIT	1,107,244	1,603	0.06
Prologis Inc REIT	192,600	23,943	0.96
Rexford Industrial Realty REIT	393,200	23,544	0.95
Segro Plc	2,336,891	33,546	1.35
TAG Immobilien AG	542,247	11,191	0.45
Target Healthcare Reit Plc	9,697,463	11,424	0.46
UK Commercial Property Trust	7,702,666	5,754	0.23
Vonovia SE	575,824	23,399	0.94
Structured Finance - 4.48% (5.18%)			
Fair Oaks Senior CLO Note ¹	412,388	34,582	1.39
HSBC Global Asset Backed High Yield Bond Fund	1,200,000	11,429	0.46
Plutus CLO Fund	595,152	65,259	2.63

Portfolio Statement as at 31 December 2021 cont.

Stock description	Holding	Market value £'000	% of total net assets
Derivatives - 1.29% (0.95%)			
Forward currency contracts (see Table 1)		31,998	1.29
Futures contracts (see Table 2)		-	0.00
Portfolio of investments		2,401,171	96.61
Other Assets - 3.39% (4.46%)		84,223	3.39
Net assets		2,485,394	100.00

¹This stock has been valued using a single broker quote and therefore is categorised as level 3 in note 13.

²Baillie 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 2020.

Portfolio Statement as at 31 December 2021 cont.

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

Counterparty	Settlement	Buy	Buy Amount	Sell	Sell Amount	Unrealised gains/(losses) £'000	% of total net assets
Barclays Bank	27/01/22	GBP	34,458,444	USD	46,100,000	420	0.02
Barclays Bank	27/01/22	KRW	55,400,000,000	GBP	35,150,067	(810)	(0.03)
Barclays Bank	14/04/22	GBP	6,924,471	TRY	97,000,000	1,973	0.08
Barclays Bank	02/09/22	GBP	33,376,437	USD	44,640,000	413	0.02
Barclays Bank	03/09/22	GBP	355,457,693	USD	469,400,000	8,788	0.35
Barclays Bank	03/10/22	GBP	37,915,822	ZAR	787,700,000	1,816	0.07
Barclays Bank	01/12/22	GBP	154,549,337	EUR	180,100,000	3,297	0.13
Barclays Bank	01/12/22	GBP	144,175,425	USD	196,730,000	(1,076)	(0.04)
Barclays Bank	01/12/22	GBP	5,076,307	ZAR	108,000,000	89	0.00
Barclays Bank	01/12/22	JPY	5,343,000,000	GBP	35,606,935	(1,347)	(0.05)
Citigroup	13/01/22	GBP	25,316,612	EUR	29,860,000	239	0.01
Citigroup	13/01/22	JPY	1,700,000,000	GBP	10,841,577	59	0.00
Citigroup	27/01/22	GBP	34,292,146	COP	188,000,000,000	297	0.01
Citigroup	27/01/22	RUB	4,940,000,000	GBP	47,486,594	987	0.04
Citigroup	02/09/22	GBP	71,104,373	USD	95,100,000	879	0.04
Citigroup	02/10/22	CHF	14,900,000	GBP	12,087,406	1	0.00
Citigroup	01/12/22	GBP	44,652,702	ZAR	950,000,000	780	0.03
Deutsche Bank	13/01/22	GBP	41,035,633	EUR	48,400,000	387	0.02
Deutsche Bank	27/01/22	CZK	354,000,000	GBP	11,889,649	42	0.00
Deutsche Bank	27/01/22	GBP	2,154,820	EUR	2,551,000	12	0.00
Goldman Sachs	02/09/22	GBP	18,243,393	USD	24,400,000	226	0.01
HSBC	13/01/22	GBP	11,615,458	EUR	13,700,000	110	0.00
HSBC	27/01/22	CZK	1,390,000,000	GBP	46,685,346	165	0.01
HSBC	27/01/22	USD	1,720,000	GBP	1,254,086	16	0.00
HSBC	02/09/22	GBP	283,542,136	EUR	331,700,000	4,776	0.19
HSBC	02/09/22	GBP	21,981,792	USD	29,400,000	272	0.01
HSBC	03/10/22	ILS	208,300,000	GBP	47,249,631	2,213	0.09
HSBC	01/12/22	GBP	72,812,388	EUR	84,850,000	1,553	0.06
JP Morgan Chase	13/01/22	JPY	1,830,000,000	GBP	11,670,638	64	0.00
JP Morgan Chase	02/09/22	GBP	18,991,075	USD	25,400,000	235	0.01
JP Morgan Chase	01/12/22	GBP	142,914,210	CHF	174,230,000	1,687	0.07
JP Morgan Chase	01/12/22	JPY	19,530,000,000	GBP	130,152,245	(4,922)	(0.20)
Merrill Lynch	27/01/22	USD	1,041,000	GBP	759,013	10	0.00
Merrill Lynch	02/09/22	GBP	43,141,139	USD	57,700,000	533	0.02
National Australia Bank	13/01/22	GBP	23,570,054	EUR	27,800,000	222	0.01

Portfolio Statement as at 31 December 2021 cont.

Counterparty	Settlement	Buy	Buy Amount	Sell	Sell Amount	Unrealised gains/(losses) £'000	% of total net assets
National Australia Bank	20/01/22	GBP	35,802,171	AUD	65,500,000	639	0.03
National Australia Bank	27/01/22	GBP	836,249	EUR	990,000	5	0.00
National Australia Bank	27/01/22	GBP	45,147,289	USD	60,400,000	551	0.02
National Australia Bank	02/09/22	GBP	52,786,212	USD	70,600,000	653	0.03
National Australia Bank	01/12/22	GBP	57,287,804	AUD	105,900,000	439	0.02
National Australia Bank	01/12/22	GBP	56,989,482	NZD	111,099,000	838	0.03
NatWest	27/01/22	USD	1,150,000	GBP	838,487	11	0.00
NatWest	16/06/22	GBP	8,388,163	EUR	9,800,000	118	0.00
NatWest	02/09/22	GBP	68,487,493	USD	91,600,000	847	0.03
NatWest	03/09/22	GBP	16,659,711	USD	22,000,000	412	0.02
NatWest	01/12/22	GBP	67,709,311	NOK	804,000,000	408	0.02
NatWest	01/12/22	GBP	193,093,788	USD	263,480,000	(1,441)	(0.06)
Royal Bank of Canada	13/01/22	GBP	13,311,145	EUR	15,700,000	126	0.01
Royal Bank of Canada	27/01/22	CAD	120,800,000	GBP	69,357,215	1,252	0.05
Royal Bank of Canada	27/01/22	GBP	6,816,419	EUR	8,069,670	37	0.00
Royal Bank of Canada	27/01/22	USD	9,544,800	GBP	6,959,300	88	0.00
Royal Bank of Canada	01/12/22	GBP	143,526,252	CAD	241,010,000	2,656	0.11
Standard Chartered Bank	02/10/22	CNH	106,000,000	GBP	12,322,582	(46)	0.00
Unrealised gains/(losses) on open forward currency contracts						31,998	1.29

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

Futures	Maturity	Notional	Unrealised gains/(losses) £'000	% of total net assets
Euro Buxl 30yr Bund March 2022	10/03/22	(64)	-	0.00
Euro-Bobl Future March 2022	10/03/22	(162)	-	0.00
NASDAQ 100 E-Mini March 2022	18/03/22	(208)	-	0.00
US 10yr Note Future March 2022	31/03/22	(1,304)	-	0.00
Unrealised gains/(losses) on futures contracts			-	0.00

Portfolio Statement as at 31 December 2021 cont.

Breakdown of portfolio of investments

	31 December 2021		31 December 2020	
	Market value	Percentage of	Market value	Percentage of
	£'000	total Fund	£'000	total Fund
Bonds - Direct	744,052	29.94	584,574	25.52
Bonds - Indirect	280,076	11.27	239,640	10.46
Commodities - Indirect	86,021	3.46	181,780	7.94
Derivatives	31,998	1.29	21,781	0.95
Equities - Direct	596,252	23.99	399,136	17.42
Equities - Indirect	439,133	17.67	543,896	23.74
Property - Indirect	223,637	9.00	217,838	9.51
Portfolio of investments	2,401,170	96.61	2,188,645	95.54

Comparative Tables

Comparative Table: B1 Accumulation Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	128.80	124.78	111.25
Return before operating charges*	10.92	4.72	14.22
Operating charges	(0.79)	(0.70)	(0.69)
Return after operating charges*	10.13	4.02	13.53
Distributions	(2.10)	(1.69)	(2.28)
Retained distributions on accumulation shares	2.10	1.69	2.28
Closing net asset value per share	138.93	128.80	124.78
*After direct transaction costs of:	0.05	0.10	0.05
Performance:			
Return after charges	7.86%	3.22%	12.16%
Other Information:			
Closing net asset value (£'000)	948,571	835,827	766,876
Closing number of shares	682,745,694	648,941,227	614,563,500
Operating charges	0.59%	0.58%	0.57%
Direct transaction costs ¹	0.04%	0.08%	0.04%
Prices:			
Highest share price (pence)	139.7	129.6	125.2
Lowest share price (pence)	126.4	102.8	110.8

Comparative Tables cont.

Comparative Table: B2 Accumulation Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	129.42	125.39	111.80
Return before operating charges*	10.98	4.73	14.29
Operating charges	(0.79)	(0.70)	(0.70)
Return after operating charges*	10.19	4.03	13.59
Distributions	(2.11)	(1.69)	(2.30)
Retained distributions on accumulation shares	2.11	1.69	2.30
Closing net asset value per share	139.61	129.42	125.39
*After direct transaction costs of:	0.05	0.10	0.05
Performance:			
Return after charges	7.87%	3.21%	12.16%
Other Information:			
Closing net asset value (£'000)	82,026	158,669	149,632
Closing number of shares	58,753,375	122,595,483	119,331,893
Operating charges	0.59%	0.58%	0.58%
Direct transaction costs ¹	0.04%	0.08%	0.04%
Prices:			
Highest share price (pence)	140.3	130.2	125.8
Lowest share price (pence)	127.0	103.3	111.3

Comparative Tables cont.

Comparative Table: B Income Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	119.45	117.34	106.58
Return before operating charges*	10.11	4.35	13.58
Operating charges	(0.73)	(0.65)	(0.65)
Return after operating charges*	9.38	3.70	12.93
Distributions on income shares	(1.95)	(1.59)	(2.17)
Closing net asset value per share	126.88	119.45	117.34
*After direct transaction costs of:			
	0.05	0.09	0.05
Performance:			
Return after charges	7.85%	3.15%	12.13%
Other Information:			
Closing net asset value (£'000)	290,548	278,983	300,153
Closing number of shares	228,991,652	233,546,554	255,798,957
Operating charges	0.59%	0.58%	0.57%
Direct transaction costs ¹	0.04%	0.08%	0.04%
Prices:			
Highest share price (pence)	128.8	121.1	119.0
Lowest share price (pence)	117.2	96.63	106.1

Comparative Tables cont.

Comparative Table: C Accumulation Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	132.71	127.93	113.49
Return before operating charges*	11.28	4.88	14.54
Operating charges	(0.12)	(0.10)	(0.10)
Return after operating charges*	11.16	4.78	14.44
Distributions	(2.85)	(2.36)	(2.94)
Retained distributions on accumulation shares	2.85	2.36	2.94
Closing net asset value per share	143.87	132.71	127.93
*After direct transaction costs of:	0.06	0.10	0.05
Performance:			
Return after charges	8.41%	3.74%	12.72%
Other Information:			
Closing net asset value (£'000)	1,051,920	944,960	761,202
Closing number of shares	731,162,677	712,056,524	595,011,464
Operating charges	0.09%	0.08%	0.08%
Direct transaction costs ¹	0.04%	0.08%	0.04%
Prices:			
Highest share price (pence)	144.6	133.5	128.3
Lowest share price (pence)	130.4	105.5	113.0

Comparative Tables cont.

Comparative Table: C Income Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	121.25	119.08	108.16
Return before operating charges*	10.27	4.45	13.81
Operating charges	(0.11)	(0.09)	(0.09)
Return after operating charges*	10.16	4.36	13.72
Distributions on income shares	(2.59)	(2.19)	(2.80)
Closing net asset value per share	128.82	121.25	119.08
 *After direct transaction costs of:	 0.05	 0.09	 0.05
Performance:			
Return after charges	8.38%	3.66%	12.68%
Other Information:			
Closing net asset value (£'000)	62,001	30,384	10,275
Closing number of shares	48,130,381	25,059,108	8,628,317
Operating charges	0.09%	0.08%	0.08%
Direct transaction costs ¹	0.04%	0.08%	0.04%
Prices:			
Highest share price (pence)	131.2	123.4	121.2
Lowest share price (pence)	119.1	98.17	107.7

Comparative Tables cont.

Comparative Table: J Accumulation Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Period Ended 31 December 2020 (pence per share)
Change in net assets per share:		
Opening net asset value per share	130.01	107.00 ²
Return before operating charges*	11.04	23.42
Operating charges	(0.60)	(0.41)
Return after operating charges*	10.44	23.01
Distributions	(2.31)	(1.41)
Retained distributions on accumulation shares	2.31	1.41
Closing net asset value per share	140.45	130.01
*After direct transaction costs of:	0.05	0.08
Performance:		
Return after charges	8.03%	21.50%
Other Information:		
Closing net asset value (£'000)	895	58
Closing number of shares	636,926	44,754
Operating charges	0.44%	0.43%
Direct transaction costs ¹	0.04%	0.08%
Prices:		
Highest share price (pence)	141.2	130.8
Lowest share price (pence)	127.6	107.0

Comparative Tables cont.

Comparative Table: J Income Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Period Ended 31 December 2020 (pence per share)
Change in net assets per share:		
Opening net asset value per share	118.95	99.00 ²
Return before operating charges*	10.07	21.64
Operating charges	(0.54)	(0.39)
Return after operating charges*	9.53	21.25
Distributions on income shares	(2.11)	(1.30)
Closing net asset value per share	126.37	118.95
 *After direct transaction costs of:	 0.05	 0.07
Performance:		
Return after charges	8.01%	21.46%
Other Information:		
Closing net asset value (£'000)	98	43
Closing number of shares	77,708	35,924
Operating charges	0.44%	0.44%
Direct transaction costs ¹	0.04%	0.08%
Prices:		
Highest share price (pence)	128.6	120.6
Lowest share price (pence)	116.8	99.00

Comparative Tables cont.

Comparative Table: P Accumulation Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	129.97	125.73	111.94
Return before operating charges*	11.02	4.76	14.32
Operating charges	(0.59)	(0.52)	(0.53)
Return after operating charges*	10.43	4.24	13.79
Distributions	(2.31)	(1.90)	(2.46)
Retained distributions on accumulation shares	2.31	1.90	2.46
Closing net asset value per share	140.40	129.97	125.73
*After direct transaction costs of:	0.05	0.10	0.05
Performance:			
Return after charges	8.02%	3.37%	12.32%
Other Information:			
Closing net asset value (£'000)	49,330	41,796	34,568
Closing number of shares	35,134,320	32,158,948	27,494,697
Operating charges	0.44%	0.43%	0.43%
Direct transaction costs ¹	0.04%	0.08%	0.04%
Prices:			
Highest share price (pence)	141.1	130.8	126.1
Lowest share price (pence)	127.6	103.6	111.5

Comparative Tables cont.

Comparative Table: Q Income Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Period Ended 31 December 2020 (pence per share)
Change in net assets per share:		
Opening net asset value per share	117.60	111.00 ³
Return before operating charges*	9.98	7.45
Operating charges	(0.11)	(0.04)
Return after operating charges*	9.87	7.41
Distributions on income shares	(2.53)	(0.81)
Closing net asset value per share	124.94	117.60
 *After direct transaction costs of:	 0.05	 0.04
Performance:		
Return after charges	8.39%	6.68%
Other Information:		
Closing net asset value (£'000)	5	4
Closing number of shares	3,619	3,604
Operating charges	0.09%	0.08%
Direct transaction costs ¹	0.04%	0.08%
Prices:		
Highest share price (pence)	127.6	119.2
Lowest share price (pence)	115.5	110.5

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. 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.

²Class J Shares were launched on 30 March 2020.

³Class Q Income Shares were launched on 31 July 2020.

Financial Statements

Statement of Total Return for the year ended 31 December 2021

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		137,896		51,519
Revenue	3	51,125		40,360	
Expenses	4	(6,829)		(6,441)	
Net revenue before taxation		44,296		33,919	
Taxation	5	(2,385)		(935)	
Net revenue after taxation			41,911		32,984
Total return before distributions			179,807		84,503
Distributions	6		(41,944)		(32,988)
Change in net assets attributable to shareholders from investment activities			137,863		51,515

Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 December 2021

	2021		2020	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		2,290,724		2,022,706
Amounts receivable on issue of shares	359,610		443,168	
Amounts payable on cancellation of shares	(341,697)		(258,213)	
		17,913		184,955
Dilution adjustment		1,536		1,837
Change in net assets attributable to shareholders from investment activities		137,863		51,515
Retained distributions on accumulation shares		37,358		29,711
Closing net assets attributable to shareholders		2,485,394		2,290,724

Financial Statements cont.

Balance Sheet as at 31 December 2021

	Notes	2021 £'000	2020 £'000
Assets:			
Fixed assets:			
Investments	13	2,410,813	2,202,317
Current assets:			
Debtors	8	18,476	25,949
Cash and bank balances	9	108,091	118,992
Total assets		2,537,380	2,347,258
Liabilities:			
Investment liabilities	13	(9,642)	(13,672)
Creditors:			
Bank overdrafts	9	(9)	-
Distributions payable		(3,701)	(2,414)
Other creditors	10	(38,634)	(40,448)
Total liabilities		(51,986)	(56,534)
Net assets attributable to shareholders		2,485,394	2,290,724

Notes to the Financial Statements

1 Net capital gains/(losses)

	2021			2020		
	Realised	Unrealised	Total	Realised	Unrealised	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Non-derivative securities	136,985	(34,355)	102,630	(34,890)	164,306	129,416
Derivative contracts	(1,957)	-	(1,957)	(26,589)	-	(26,589)
Forward currency contracts	7,422	31,998	39,420	(71,560)	21,781	(49,779)
Currency gains/(losses)	(2,157)	(18)	(2,175)	(1,078)	(424)	(1,502)
Custodian transaction costs			(22)			(27)
Net capital gain/(losses)			137,896			51,519

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

	2021	2020
	£'000	£'000
Purchases and transaction costs		
Gross purchases of bonds excluding transaction costs ¹	676,713	548,258
Gross purchases of equities excluding transaction costs	446,366	376,041
Commissions	171	173
Taxes	265	782
Total transaction costs on equity purchases²	436	955
Gross purchases of funds excluding transaction costs	308,556	496,658
Commissions on purchases of funds	23	113
Taxes on purchases of funds	148	150
Total transaction costs on fund purchases²	171	263
Purchases including transaction costs	1,432,242	1,422,175

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)

	2021	2020
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.04	0.05
Taxes on equity purchases	0.06	0.21
Commission on fund purchases	0.01	0.02
Taxes on fund purchases	0.03	0.04
	2021	2020
	£'000	£'000
Sales and transaction costs		
Gross sales of bonds excluding transaction costs ¹	551,017	575,485
Gross sales of equities excluding transaction costs	351,098	55,672
Commissions	(134)	(37)
Taxes	(20)	(2)
Total transaction costs on equity sales²	(154)	(39)
Gross sales of funds excluding transaction costs	441,353	605,492
Commissions on sales of funds	(66)	(107)
Taxes on sales of funds	(2)	(37)
Total transaction costs on fund sales²	(68)	(144)
Sales net of transaction costs	1,343,246	1,236,466

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

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

	2021	2020
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.04)	(0.07)
Taxes on equity sales	(0.01)	(0.00)
Commission on fund sales	(0.01)	(0.02)
Taxes on fund sales	(0.00)	(0.01)

Notes to the Financial Statements cont.

2 Purchases, sales and transaction costs (continued)

	2021		2020	
	£'000		£'000	
Transaction cost on derivative contracts				
Commission on trading futures contracts	13		85	
	2021		2020	
	£'000	% of average NAV	£'000	% of average NAV
Portfolio transaction costs				
Commissions	407	0.02	515	0.03
Taxes	435	0.02	971	0.05
Total direct transaction costs	842	0.04	1,486	0.08
	2021		2020	
	%		%	
Average portfolio dealing spread	0.24		0.26	

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

	2021	2020
	£'000	£'000
UK dividends ¹	7,423	7,147
Overseas dividends ¹	24,326	12,522
Property income distributions ¹	2,362	2,119
Interest on debt securities ¹	16,848	18,308
Management fee rebates from third party funds	166	264
Total revenue	51,125	40,360

¹Includes income from relevant Collective Investment Schemes.

4 Expenses

	2021	2020
	£'000	£'000
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	6,445	6,114
Expenses rebate	(7)	(12)
	6,438	6,102
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	166	169
Bank charges	182	139
Bank overdraft interest	13	11
	361	319
Other expenses:		
Audit fee	18	13
Non-audit fees paid to auditor	3	2
Professional fees	9	5
	30	20
Total expenses	6,829	6,441

Notes to the Financial Statements cont.

5 Taxation

	2021	2020
	£'000	£'000
Analysis of charge in the year		
Corporation tax	-	-
Overseas tax	1,929	658
Irrecoverable tax on property income distributions	472	404
Tax recoverable on overseas dividends	(16)	(127)
Total taxation	2,385	935

The Fund is subject to corporation tax at 20% (2020: 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:

	2021	2020
	£'000	£'000
Net revenue/(expense) before taxation	44,296	33,919
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2020: 20%)	8,859	6,784
Effects of:		
Non-taxable UK dividends	(1,485)	(1,429)
Non-taxable overseas dividends	(4,484)	(2,454)
Non-taxable property income distributions	(472)	(424)
Non-dividend distributions	(2,393)	(2,477)
Overseas tax on dividends	1,705	581
Irrecoverable tax on property income distributions	472	404
Overseas tax on coupons	224	77
Tax recoverable on overseas dividends	(16)	(127)
Expense relief claimed on overseas tax	(25)	-
Total taxation	2,385	935

Notes to the Financial Statements cont.

6 Distributions

	2021	2020
	£'000	£'000
Interim to 30 June	13,319	12,777
Final to 31 December	29,288	21,191
	42,607	33,968
Amounts deducted on cancellation of shares	2,972	2,113
Amounts added on issue of shares	(3,635)	(3,093)
Total distributions	41,944	32,988

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

	2021	2020
	£'000	£'000
Net revenue after taxation for the year	41,911	32,984
Add expenses allocated to capital	5	1
Add distributable revenue brought forward	198	201
Less distributable revenue carried forward	(170)	(198)
Net distributions for the year	41,944	32,988

8 Debtors

	2021	2020
	£'000	£'000
Receivable for issue of shares	514	811
Sales awaiting settlement	8,117	15,776
Accrued income	4,346	3,682
Overseas tax recoverable	410	101
VAT recoverable	5	2
Collateral held by counterparties	5,065	5,430
Amounts due from ACD	18	12
Other debtors	1	135
Total debtors	18,476	25,949

Notes to the Financial Statements cont.

9 Cash and bank balances

	2021	2020
	£'000	£'000
Sterling amounts held at clearing houses and brokers	-	140
Foreign amounts held at clearing houses and brokers	5,258	3,147
Sterling bank accounts	102,168	109,883
Foreign currency bank accounts	665	5,822
	108,091	118,992
Sterling amounts held at clearing houses and brokers overdrawn	(9)	-
Total cash and bank balances	108,082	118,992

10 Other creditors

	2021	2020
	£'000	£'000
Payable for cancellation of shares	398	1,172
Purchases awaiting settlement	461	31,848
Due to the ACD or associates	576	558
Due to the Depositary or associates	16	60
Collateral held on behalf of counterparty	37,105	6,790
Capital gains tax provision	14	-
Other accrued expenses	64	20
Total other creditors	38,634	40,448

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.

	2021			2020		
	Purchases	Sales	Income	Purchases	Sales	Income
	£'000	£'000	£'000	£'000	£'000	£'000
Baillie Gifford American Fund C Acc	10,694	7,001	40	-	-	46
Baillie Gifford Emerging Markets Bond Fund C Acc	25,871	8,179	4,222	22,756	91,497	3,346
Baillie Gifford Emerging Markets Leading Companies Fund C Acc	5,884	58,722	1,611	-	17,966	2,579
Baillie Gifford European Fund C Acc	10,624	27,819	340	15,822	76,236	744
Baillie Gifford High Yield Bond Fund C Acc	-	35,403	536	9,589	3,699	1,240
Baillie Gifford UK Equity Alpha Fund C Acc	2,963	6,840	657	-	-	849
Baillie Gifford Worldwide Global Strategic Bond Fund C USD Acc	-	30,281	-	24,238	15,462	-
Baillie Gifford Worldwide Japanese Fund C Acc GBP	2,998	18,494	2,388	-	-	-

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:

	2021	2020
	%	%
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 31.12.20	Shares issued	Shares cancelled	Shares converted	Shares in issue as at 31.12.21
B1 Accumulation Shares	648,941,227	92,932,007	(33,722,615)	(25,404,925)	682,745,694
B Income Shares	233,546,554	82,883,315	(50,939,916)	(36,498,301)	228,991,652
B2 Accumulation Shares	122,595,483	4,656,720	(22,535,419)	(45,963,409)	58,753,375
C Accumulation Shares	712,056,524	65,949,644	(148,818,783)	101,975,292	731,162,677
C Income Shares	25,059,108	23,215,268	(143,995)	-	48,130,381
J Accumulation Shares	44,754	618,327	(26,155)	-	636,926
J Income Shares	35,924	43,553	(1,769)	-	77,708
P Accumulation Shares	32,158,948	4,972,273	(1,996,901)	-	35,134,320
Q Income Shares	3,604	15	-	-	3,619

13 Basis of valuation

	2021		2020	
	Assets	Liabilities	Assets	Liabilities
	£'000	£'000	£'000	£'000
Level 1: Quoted prices	1,026,074	-	933,913	-
Level 2: Observable market data	901,697	(9,642)	1,149,667	(13,672)
Level 3: Unobservable data ¹	483,041	-	118,737	-
Total	2,410,813	(9,642)	2,202,317	(13,672)

¹For further information on the assets included in Level 3, as at 31 December 2021, please refer to the Portfolio Statement.

14 Credit ratings

	2021		2020	
	Market value	Percentage of	Market value	Percentage of
Rating Block	£'000	total Fund	£'000	total Fund
Investment Grade	118,178	4.75	223,012	9.74
High Yield	85,284	3.43	143,575	6.27
Unrated	540,590	21.75	217,988	9.52
Total Bonds - Direct	744,052	29.93	584,575	25.53
Other	1,741,342	70.07	1,706,148	74.47
Net Assets	2,485,394	100.00	2,290,723	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)		
	2021			2020		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Australian dollar	-	(74,543)	(74,543)	-	12,142	12,142
Brazilian real	-	-	-	-	(6,821)	(6,821)
Canadian dollar	-	(57,929)	(57,929)	-	(265,714)	(265,714)
Chinese yuan	-	84,116	84,116	-	63,075	63,075
Colombian peso	-	(33,995)	(33,995)	-	-	-
Czech koruna	-	58,782	58,782	-	-	-
Danish krone	-	24,642	24,642	-	11,906	11,906
Euro	517	(276,009)	(275,493)	756	(291,432)	(290,676)
Hong Kong dollar	-	29,447	29,447	-	6,628	6,628
Hungarian forint	-	-	-	-	(19,984)	(19,984)
Indian rupee	1	-	1	1	-	1
Indonesian rupiah	-	17,201	17,201	-	45,441	45,441
Israeli new shekel	-	49,463	49,463	-	33,297	33,297
Japanese yen	-	182,126	182,126	-	226,924	226,924
Mexican peso	-	-	-	-	22,706	22,706
New Zealand dollar	-	(56,152)	(56,152)	-	(57,201)	(57,201)
Norwegian krona	-	(67,302)	(67,302)	-	46,612	46,612
Pakistan rupee	6	-	6	-	-	-
Peruvian nuevo sol	-	21,632	21,632	-	-	-
Polish zloty	-	-	-	-	18,454	18,454
Russian ruble	-	48,474	48,474	-	22,542	22,542
Singapore dollar	-	-	-	-	5,463	5,463
South African rand	-	(84,960)	(84,960)	-	(31,673)	(31,673)
South Korean won	-	34,341	34,341	-	41,680	41,680
Swiss franc	-	(126,871)	(126,871)	-	(126,706)	(126,706)
Thai baht	-	-	-	-	38,884	38,884
Turkish lira	-	(4,951)	(4,951)	-	-	-
UK sterling	70,120	2,666,751	2,736,870	108,663	2,424,512	2,533,175
US dollar	5,399	(33,092)	(27,693)	8,212	(32,091)	(23,879)

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	2021				2020			
	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	-	-	17,469	17,469	-	-	46,917	46,917
Brazilian real	-	-	-	-	-	34,960	-	34,960
Canadian dollar	-	-	82,941	82,941	-	-	10,145	10,145
Chinese yuan	-	60,837	23,279	84,116	-	63,075	-	63,075
Colombian peso	-	-	-	-	-	-	-	-
Czech koruna	-	-	58,782	58,782	-	-	-	-
Danish krone	-	-	24,642	24,642	-	-	11,906	11,906
Euro	517	44,051	313,006	357,574	56,670	35,705	245,865	338,240
Hong Kong dollar	-	-	29,447	29,447	-	-	6,628	6,628
Indian rupee	1	-	-	1	1	-	-	1
Indonesian rupiah	-	17,201	-	17,201	-	22,862	22,579	45,441
Israeli new shekel	-	-	49,463	49,463	-	-	33,297	33,297
Japanese yen	-	-	182,126	182,126	-	-	226,924	226,924
Mexican peso	-	-	-	-	-	-	22,706	22,706
Norwegian krona	-	-	-	-	-	-	46,612	46,612
Pakistan rupee	6	-	-	6	-	-	-	-
Peruvian nuevo sol	-	21,632	-	21,632	-	-	-	-
Polish zloty	-	-	-	-	-	-	18,454	18,454
Russian ruble	-	-	48,474	48,474	-	-	22,542	22,542
Singapore dollar	-	-	-	-	-	-	5,463	5,463
South Korean won	-	-	34,341	34,341	-	-	41,680	41,680
Swiss franc	-	-	14,356	14,356	-	-	39,551	39,551
Thai baht	-	-	-	-	-	11,303	27,581	38,884
UK sterling	107,233	-	3,147,061	3,254,295	221,935	-	2,874,711	3,096,646
US dollar	88,484	517,245	471,970	1,077,700	53,436	365,093	339,751	758,280

Notes to the Financial Statements cont.

15 Derivatives and other financial instruments (continued)

Currency	2021				2020			
	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	-	-	92,012	92,012	-	-	34,775	34,775
Brazilian real	-	-	-	-	-	-	41,781	41,781
Canadian dollar	-	-	140,871	140,871	-	-	275,859	275,859
Colombian peso	-	-	33,995	33,995	-	-	-	-
Euro	-	-	633,067	633,067	-	-	628,916	628,916
Hungarian forint	-	-	-	-	-	-	19,984	19,984
New Zealand dollar	-	-	56,152	56,152	-	-	57,201	57,201
Norwegian krona	-	-	67,302	67,302	-	-	-	-
South African rand	-	-	84,960	84,960	-	-	31,673	31,673
Swiss franc	-	-	141,227	141,227	-	-	166,257	166,257
Turkish lira	-	-	4,951	4,951	-	-	-	-
UK sterling	37,114	-	480,311	517,425	6,790	-	556,682	563,472
US dollar	-	-	1,105,393	1,105,393	-	-	782,159	782,159

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	2021					2020				
	Forward	Inflation	Interest	Cash	Total	Forward	Inflation	Interest	Cash	Total
	currency contracts £'000	rate swaps £'000	rate swaps £'000	collateral held £'000	exposure £'000	currency contracts £'000	rate swaps £'000	rate swaps £'000	collateral held £'000	exposure £'000
Barclays	16,797	-	-	(18,220)	(1,423)	17,538	-	-	(6,760)	10,778
CitiGroup	3,242	-	-	(1,845)	1,397	3,371	-	-	-	3,371
Deutsche Bank	441	-	-	(335)	106	651	-	-	-	651
Goldman Sachs	225	-	-	-	225	-	-	-	-	-
HSBC	9,105	-	-	(7,930)	1,175	3,554	-	-	-	3,554
JP Morgan Chase	1,986	-	-	-	1,986	4,473	-	-	-	4,473
Merrill Lynch	543	-	-	(570)	(27)	-	-	-	-	-
National Australia Bank	3,347	-	-	(3,380)	(33)	2,667	-	-	-	2,667
NatWest	1,795	-	-	-	1,795	1,106	-	-	(30)	1,076
Royal Bank of Canada	4,159	-	-	(4,825)	(666)	1,589	-	-	-	1,589
Standard Chartered Bank	-	-	-	-	-	504	-	-	-	504

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:

	2021	2020
	£'000	£'000
Cash collateral pledged on derivatives		
CitiGroup	-	420
Deutsche Bank	-	435
HSBC	-	2,370
JP Morgan Chase	2,475	700
National Australia Bank	-	320
NatWest	2,590	-
Royal Bank of Canada	-	820
Standard Chartered Bank	-	365

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 2021 are shown below:

Leverage exposure	Gross method	Commitment method
Maximum Limit	1,000%	500%
Actual	236%	165%

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.

18 Post Balance Sheet Events

The extreme market volatility of recent weeks has impacted the Fund’s performance since the year end. From the year end to 25 February 2022 the return on Class B1 Accumulation Shares was -6.6%¹. The Fund’s net asset value as at 10am on this day was £2,273,771,000.

¹Source: Baillie Gifford & Co Limited, 10am dealing prices, income accumulated. Performance figures for the other share classes in issue are in line with the return on Class B1 Accumulation Shares and can be obtained by contacting Client Relations.

Distribution Tables

Interim dividend distribution for the period ended 30 June 2021

Group 1 : shares purchased prior to 1 January 2021

Group 2 : shares purchased 1 January 2021 to 30 June 2021

	Net Revenue (dividend distribution)	Equalisation	Distribution (paid/accumulated 31.08.21)	Distribution (paid/accumulated 31.08.20)
	30.06.21 pence per share	30.06.21 pence per share	30.06.21 pence per share	30.06.20 pence per share
B1 Accumulation				
Group 1	0.30000	-	0.30000	0.30000
Group 2	-	0.30000	0.30000	0.30000
B2 Accumulation				
Group 1	0.30000	-	0.30000	0.30000
Group 2	-	0.30000	0.30000	0.30000
B Income				
Group 1	0.30000	-	0.30000	0.30000
Group 2	0.12531	0.17469	0.30000	0.30000
C Accumulation				
Group 1	0.45000	-	0.45000	0.45000
Group 2	0.07138	0.37862	0.45000	0.45000
C Income				
Group 1	0.45000	-	0.45000	0.45000
Group 2	0.37340	0.07660	0.45000	0.45000
J Accumulation				
Group 1	0.30000	-	0.30000	0.20000
Group 2	0.24508	0.05492	0.30000	0.20000
J Income				
Group 1	0.30000	-	0.30000	0.20000
Group 2	0.05013	0.24987	0.30000	0.20000
P Accumulation				
Group 1	0.30000	-	0.30000	0.30000
Group 2	-	0.30000	0.30000	0.30000
Q Income				
Group 1	0.30000	-	0.30000	n/a
Group 2	-	0.30000	0.30000	n/a

Distribution Tables cont.

Final dividend distribution for the period ended 31 December 2021

Group 1 : shares purchased prior to 1 July 2021

Group 2 : shares purchased 1 July 2021 to 31 December 2021

	Net Revenue (dividend distribution)	Equalisation	Distribution (paid/accumulated 28.02.22)	Distribution (paid/accumulated 28.02.21)
	31.12.21 pence per share	31.12.21 pence per share	31.12.21 pence per share	31.12.20 pence per share
B1 Accumulation				
Group 1	0.84000	-	0.84000	0.32000
Group 2	0.20071	0.63929	0.84000	0.32000
B2 Accumulation				
Group 1	0.88000	-	0.88000	0.32000
Group 2	0.23157	0.64843	0.88000	0.32000
B Income				
Group 1	0.61000	-	0.61000	0.24000
Group 2	0.23314	0.37686	0.61000	0.24000
C Accumulation				
Group 1	1.41000	-	1.41000	0.80000
Group 2	0.52467	0.88533	1.41000	0.80000
C Income				
Group 1	1.24000	-	1.24000	0.70000
Group 2	0.26918	0.97082	1.24000	0.70000
J Accumulation				
Group 1	1.08000	-	1.08000	0.61000
Group 2	0.32426	0.75574	1.08000	0.61000
J Income				
Group 1	0.96000	-	0.96000	0.56000
Group 2	0.25445	0.70555	0.96000	0.56000
P Accumulation				
Group 1	1.05000	-	1.05000	0.54000
Group 2	0.29161	0.75839	1.05000	0.54000
Q Income				
Group 1	1.35580	-	1.35580	0.36000
Group 2	0.56290	0.79290	1.35580	0.36000

Distribution Tables cont.

Interim Non-Dividend Distribution for the period ended 30 June 2021

Group 1 : shares purchased prior to 1 January 2021

Group 2 : shares purchased 1 January 2021 to 30 June 2021

	Net Revenue (non-dividend distribution)	Equalisation	Distribution (paid/accumulated 31.08.21)	Distribution (paid/accumulated 31.08.20)
	30.06.21 pence per share	30.06.21 pence per share	30.06.21 pence per share	30.06.20 pence per share
B1 Accumulation				
Group 1	0.40000	-	0.40000	0.40000
Group 2	0.34456	0.05544	0.40000	0.40000
B2 Accumulation				
Group 1	0.40000	-	0.40000	0.40000
Group 2	0.36014	0.03986	0.40000	0.40000
B Income				
Group 1	0.40000	-	0.40000	0.40000
Group 2	0.38125	0.01875	0.40000	0.40000
C Accumulation				
Group 1	0.40000	-	0.40000	0.40000
Group 2	0.18369	0.21631	0.40000	0.40000
C Income				
Group 1	0.40000	-	0.40000	0.40000
Group 2	0.33676	0.06324	0.40000	0.40000
J Accumulation				
Group 1	0.20000	-	0.20000	0.20000
Group 2	0.17489	0.02511	0.20000	0.20000
J Income				
Group 1	0.20000	-	0.20000	0.20000
Group 2	0.14005	0.05995	0.20000	0.20000
P Accumulation				
Group 1	0.40000	-	0.40000	0.40000
Group 2	0.31831	0.08169	0.40000	0.40000
Q Income				
Group 1	0.20000	-	0.20000	n/a
Group 2	-	0.20000	0.20000	n/a

Distribution Tables cont.

Final Non-Dividend Distribution for the period ended 31 December 2021

Group 1 : shares purchased prior to 1 July 2021

Group 2 : shares purchased 1 July 2021 to 31 December 2021

	Net Revenue (non-dividend distribution)	Equalisation	Distribution (paid/accumulated 28.02.22)	Distribution (paid/accumulated 28.02.21)
	31.12.21 pence per share	31.12.21 pence per share	31.12.21 pence per share	31.12.20 pence per share
B1 Accumulation				
Group 1	0.56000	-	0.56000	0.67000
Group 2	0.12643	0.43357	0.56000	0.67000
B2 Accumulation				
Group 1	0.53000	-	0.53000	0.67000
Group 2	0.32998	0.20002	0.53000	0.67000
B Income				
Group 1	0.64000	-	0.64000	0.65000
Group 2	0.03431	0.60569	0.64000	0.65000
C Accumulation				
Group 1	0.59000	-	0.59000	0.71000
Group 2	0.18315	0.40685	0.59000	0.71000
C Income				
Group 1	0.50000	-	0.50000	0.64000
Group 2	-	0.50000	0.50000	0.64000
J Accumulation				
Group 1	0.73000	-	0.73000	0.40000
Group 2	0.31133	0.41867	0.73000	0.40000
J Income				
Group 1	0.65000	-	0.65000	0.34000
Group 2	0.23189	0.41811	0.65000	0.34000
P Accumulation				
Group 1	0.56000	-	0.56000	0.66000
Group 2	0.27470	0.28530	0.56000	0.66000
Q Income				
Group 1	0.67730	-	0.67730	0.45000
Group 2	0.30050	0.37680	0.67730	0.45000

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 2021*



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.

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 such as, but not limited to; education, social inclusion, healthcare and the environment. 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:

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

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

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

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

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

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

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

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

The Fund's concentrated portfolio relative to similar funds may result in large movements in the share price in the short term.

The Fund invests in companies whose products or behaviour make a positive impact on society and/or the environment. This means the Fund will not invest in certain sectors and companies and the universe of investments available to the Fund will be more limited than other funds that do not apply such criteria. The Fund therefore may have different returns than a fund which has no such restrictions.

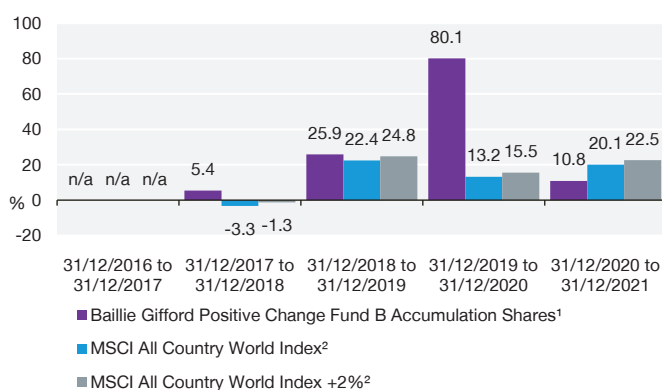
Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund.

Infectious viruses may pose significant threats to human health and may be highly disruptive to global economies and markets. The economic and market disruptions caused by infectious viruses could impact the value of the investments of a Fund.

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

Investment Report

Past Performance



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

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 2021, the return on B Accumulation Shares was 10.7%³ compared to the Index of 20.1%² and the target return of 22.5%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. We look forward to reporting to you on more meaningful performance time periods over the years to come.

Despite the volatility in share price displayed by many companies in the portfolio, 2021 was a year in which the majority of holdings in the Fund continued to enjoy strong operational performance, providing good progress towards delivering on both our financial and positive change objectives over our five year time horizon. As we look to 2022 and beyond, we believe that there is reason for optimism as companies in the portfolio continue to drive change and provide solutions to many of the world's most pressing challenges.

The largest contributors to financial performance over the year were Moderna and ASML.

It seems fitting that in a year where the headlines continued to be dominated by Covid-19 that Moderna was the top contributor to financial performance over the period. Moderna is a leader in the field of mRNA therapeutics, a new class of medicines that leverage the body's natural protein-production to treat diseases. It is expected to deliver 700 – 800 million doses of its Covid-19 preventative vaccine in 2021. Moderna is investing in global capacity including areas that need it most - it plans to build a manufacturing facility on the African continent that is expected to produce up to 500 million vaccine doses annually (for Covid-19 and other conditions). Looking further ahead, Moderna continues to invest in research and development, notably with its Covid-19 vaccine (e.g. boosters), other vaccines (e.g. a preventative HIV vaccine) and in its other modalities (e.g. immuno-oncology). The success of its Covid-19 vaccine has significantly de-risked its technology platform, and we believe this translates into a higher probability of success in these other therapeutic areas.

¹Source: FE, 10am dealing prices, income accumulated. ²Source: StatPro and MSCI, total return in sterling terms. Please see Disclaimer on page 189. ³Source: Baillie Gifford & Co Limited, closing net asset value, income accumulated. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

ASML, is the world's leading developer and manufacturer of lithography equipment which is used in the semi-conductor manufacturing process. Over recent years it has consistently gained market share through superior innovation and we expect this to continue thanks to heavy investment in research and development. The share price of ASML appreciated over the course of 2021 as it benefited from high demand across all its markets and products, including increased sales for Extreme Ultraviolet equipment (EUV - next generation lithography technology). Semiconductors are critical enablers of change in areas such as energy transition, electrification and the healthcare sector where genetics, data and machine learning are helping us to understand human biology and develop new paradigms of medicine. Given ASML's dominance we remain optimistic about the long-term outlook for the company as a key enabler of innovation across multiple industries which will power phenomenal technological and societal advancement.

The largest detractors to financial performance over the year were M3 and Teladoc.

M3 operates medical portals which aim to improve the efficiency of the healthcare sector by providing a range of content and services online. The company also supports and invests in early stage medical technologies such as genome diagnostics, cancer tests and Artificial Intelligence medical technologies. It was one of the strongest contributors to performance in 2020 as Covid-19 restrictions drove pharmaceutical companies and doctors' activity online. In contrast, M3's share price has fallen over the course of 2021 despite continued strong operational results as it expands the range of its services in its home country of Japan and further develops its activities in overseas markets. M3 remains ambitious in terms of its future growth plans and we retain conviction in its ability to improve efficiencies in the healthcare sector and facilitate scientific development.

Teladoc is the world's largest provider of virtual healthcare services. Parallels can be drawn with M3, as after impressive share price returns in 2020, Teladoc's share price has fallen over 2021 despite its very strong results with revenues doubling year-on-year. Teladoc has been investing to further establish itself as the

telemedicine market leader including the 2020 acquisition of Livongo, which focusses its virtual consultation services on individuals with chronic conditions such as diabetes, hypertension and weight management. We believe that payers (insurance companies, corporations) will increasingly seek a digital-healthcare leader such as Teladoc that offers multiple services rather than contracts with multiple suppliers. Over the years ahead we believe that Teladoc will continue to transform the way that people access healthcare.

We believe that every company within the portfolio has the potential to deliver positive impact as well as strong financial returns. As our key contributors to performance demonstrate, impact and investment progress often go hand in hand. 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 2021 and Positive Conversations Report 2021, both of which are produced annually and are available on the website www.bailliegifford.com.

During the 12 month period we made three complete sales from the portfolio: Kingspan, the manufacturer of building insulation materials; Alphabet, Google's parent company; and Glaukos; a pharmaceutical company focused on treatment of glaucoma. The sales were a result of our diminishing conviction in the companies' ability to meet our dual objectives over the long term.

In the last 12 month period we introduced five new companies into the Fund's portfolio. Two companies, AbCellera and Peloton, made it into our Healthcare and Quality of Life theme. AbCellera joins a handful of companies in the portfolio which provide tools and services that aid understanding of biology and diseases. Peloton, through a combination of its content, hardware and brand, is a connected fitness equipment pioneer that has carved out a unique position in the interactive fitness market and by reducing the friction of keeping fit, is helping prevent the onset of poor health.

Finding an education provider that meets both of our objectives has been challenging over the years, so we are delighted to have participated in the IPO of Coursera and purchased Duolingo. Coursera is an online platform that

Investment Report cont.

provides a range of educational content from short courses to online degrees helping to improve access to learning through lower costs and greater convenience, as well as helping provide relevant qualifications in an ever-evolving job market. Duolingo, similarly provides online educational content, but its focus is helping people study languages. A good grasp of the English language widely correlates with higher salaries and greater educational, economic and cultural opportunities. The final addition to the portfolio this year is Nu Holdings, a digital bank in Latin America, that is helping to promote financial inclusion, by providing cheaper and more accessible services including bank accounts, credit cards and personal loans.

Baillie Gifford & Co, 18 January 2022

Recent volatility in financial markets

The period since the financial accounting period end has been characterised by significant volatility in financial markets.

We fully appreciate that this is tough whether you're a longstanding client or a newer investor with Baillie Gifford although as always, we would urge you to focus on the long term. We believe it is only over periods of three to five years and beyond that the prospects for the holdings in which our Funds invest can be sensibly considered. That said, whilst they are inevitable given our style of investment, none of us enjoy these periods of underperformance.

It is impossible to ascribe a single reason for stock and bond market movements over such a short period, to do so would be to undermine the complexity of financial markets. However, several of the concerns that arose at the end of 2021 (from quantitative tightening to inflation, geopolitical tensions and supply chain disruption) have continued to dominate the minds of many as have recent shocking events in Europe. This has resulted in volatility across major stock and bond markets. Worries about the extent and duration of rapidly rising inflation, and resultant interest rate hikes, have specifically impacted upon sentiment towards the growth companies in which many of the Funds in the ICVC invest. The theory being

that interest rate hikes potentially devalue companies with earnings streams which are long into the future. The upshot of this has been that the share prices of many of the Funds' equity holdings have been indiscriminately hit, whether or not the underlying companies are performing well operationally.

We expect performance of the Funds to be very different to indices given our active approach. To deliver a differentiated return over the long-term, our portfolios need to be different. As a result, from time to time, we will underperform, and we understand this means the Funds won't be suitable for everyone. However, our experience, as a firm, of investing through several market cycles, a dotcom boom and bust, and even a Global Financial Crisis has provided us with an institutional knowledge and understanding of how to approach periods of uncertainty, and the challenge and support required during such times. We don't know what direction stock markets will take over the next 12 months nor the path for inflation; what we can do is focus on continually reviewing the case for the holdings in the conviction that share prices will reflect positive fundamentals over time. We believe that while our active approach to long-term growth investing will inevitably result in periods of volatility, it will leave the Funds well-placed to generate superior returns net of fees over the long term.

For further information on our investment approach, please refer to:
<https://www.bailliegifford.com/en/uk/individual-investors/insights/ic-article/2022-q1-neither-heroes-nor-villains-heroes-nor-villains-10006700/>.

Principal Holdings as at 31 December 2021

Investment	Percentage of total Fund
ASML	9.05
TSMC	7.04
Moderna Inc	6.39
Tesla Inc	5.83
Dexcom Inc	5.17
MercadoLibre	4.68
Illumina	4.20
Deere & Co	3.68
Orsted	3.58
HDFC Corp	3.11

Material Portfolio Changes for the year ended 31 December 2021

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
ASML	101,534	Tesla Inc	151,479
Orsted	95,893	Moderna Inc	134,037
TSMC	87,316	Alphabet Inc Class A	91,772
MercadoLibre	84,004	Nibe Industrier AB 'B' Shares	84,133
Moderna Inc	82,392	Kingspan Group	80,050
Tesla Inc	72,551	M3	35,432
Deere & Co	69,444	Glaukos Corp	35,381
Coursera Inc	68,028	ASML	6,984
Teladoc	63,572	TSMC	6,352
M3	61,876	MercadoLibre	5,410

Portfolio Statement as at 31 December 2021

Stock description	Holding	Market value £'000	% of total net assets
Belgium - 2.55% (3.02%)			
Umicore	2,757,041	82,615	2.55
Brazil - 6.03% (5.21%)			
MercadoLibre	152,172	151,475	4.68
Nu Holdings Ltd.	6,299,905	43,629	1.35
Canada - 3.46% (2.41%)			
Abcellera Biologics Inc	1,553,262	16,388	0.51
Shopify 'A'	93,873	95,468	2.95
China - 1.31% (1.59%)			
Alibaba Group Holding	3,770,560	42,420	1.31
Denmark - 8.01% (7.05%)			
Chr Hansen Holding A/S	1,122,827	65,303	2.02
Novozymes	1,281,286	77,932	2.41
Orsted	1,226,754	115,689	3.58
Germany - 2.60% (1.61%)			
Sartorius Pref.	167,483	84,033	2.60
India - 3.11% (2.99%)			
HDFC Corp	3,920,571	100,715	3.11
Indonesia - 2.52% (2.06%)			
Bank Rakyat Indonesia	384,392,558	81,640	2.52
Ireland - 0.00% (2.99%)			
Japan - 2.97% (7.57%)			
M3	2,583,500	95,955	2.97

Portfolio Statement as at 31 December 2021 cont.

Stock description	Holding	Market value £'000	% of total net assets
Kenya - 0.67% (0.59%)			
Safaricom Ltd	86,844,200	21,533	0.67
Netherlands - 9.05% (5.46%)			
ASML	493,097	292,575	9.05
South Africa - 1.79% (2.13%)			
Discovery Ltd	8,786,290	57,855	1.79
Sweden - 2.39% (3.14%)			
Nibe Industrier AB 'B' Shares	6,922,186	77,362	2.39
Taiwan - 7.04% (6.05%)			
TSMC	13,870,000	227,629	7.04
UK - 0.84% (0.73%)			
FDM Group	2,138,707	27,204	0.84
United States - 44.42% (43.78%)			
10X Genomics Inc Class A	768,814	84,575	2.62
Abiomed	324,200	85,968	2.66
Alnylam Pharmaceuticals	651,689	81,593	2.52
Berkeley Lights Inc	865,983	11,604	0.36
Beyond Meat Inc	661,306	31,800	0.98
Coursera Inc	2,472,722	44,618	1.38
Deere & Co	470,316	119,085	3.68
Dexcom Inc	422,098	167,334	5.17
Duolingo Inc	351,996	27,576	0.85
Ecolab	404,486	70,030	2.17
Illumina	483,957	135,935	4.20
Moderna Inc	1,101,343	206,535	6.39
Peloton Interactive Inc	723,083	19,091	0.59
Teladoc	1,000,196	67,797	2.10
Tesla Inc	241,809	188,686	5.83

Portfolio Statement as at 31 December 2021 cont.

Stock description	Holding	Market value £'000	% of total net assets
Xylem	1,065,917	94,398	2.92
Portfolio of investments		3,194,045	98.76
Net other assets - 1.24% (1.62%)		39,943	1.24
Net assets		3,233,988	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 2020.

Comparative Tables

Comparative Table: B Accumulation Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	339.75	189.02	151.34
Return before operating charges*	38.36	152.22	38.63
Operating charges	(2.02)	(1.49)	(0.95)
Return after operating charges*	36.34	150.73	37.68
Distributions	0.00	0.00	(0.95)
Retained distributions on accumulation shares	0.00	0.00	0.95
Closing net asset value per share	376.09	339.75	189.02
*After direct transaction costs of:	0.11	0.42	0.15
Performance:			
Return after charges	10.70%	79.74%	24.90%
Other Information:			
Closing net asset value (£'000)	2,693,069	1,636,008	123,446
Closing number of shares	716,070,617	481,536,823	65,308,200
Operating charges	0.53%	0.53%	0.56%
Direct transaction costs ¹	0.03%	0.15%	0.09%
Prices:			
Highest share price (pence)	431.7	348.6	193.7
Lowest share price (pence)	324.1	166.5	148.9

Comparative Tables cont.

Comparative Table: B Income Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	335.84	186.84	150.36
Return before operating charges*	37.91	150.44	38.38
Operating charges	(1.99)	(1.44)	(0.95)
Return after operating charges*	35.92	149.00	37.43
Distributions on income shares	0.00	0.00	(0.95)
Closing net asset value per share	371.76	335.84	186.84
 *After direct transaction costs of:	 0.11	 0.41	 0.15
Performance:			
Return after charges	10.70%	79.75%	24.89%
Other Information:			
Closing net asset value (£'000)	325,566	263,745	48,661
Closing number of shares	87,574,125	78,532,136	26,044,726
Operating charges	0.53%	0.53%	0.56%
Direct transaction costs ¹	0.03%	0.15%	0.09%
Prices:			
Highest share price (pence)	426.7	344.6	192.4
Lowest share price (pence)	320.4	164.6	147.9

Comparative Tables cont.

Comparative Table: C Accumulation Shares

	Financial Year Ended 31 December 2021 (pence per share)	Financial Year Ended 31 December 2020 (pence per share)	Financial Year Ended 31 December 2019 (pence per share)
Change in net assets per share:			
Opening net asset value per share	284.66	156.98	125.06
Return before operating charges*	30.93	127.75	32.01
Operating charges	(0.10)	(0.07)	(0.09)
Return after operating charges*	30.83	127.68	31.92
Distributions	(1.37)	(1.06)	(1.48)
Retained distributions on accumulation shares	1.37	1.06	1.48
Closing net asset value per share	315.49	284.66	156.98
*After direct transaction costs of:	0.10	0.34	0.13
Performance:			
Return after charges	10.83%	81.34%	25.52%
Other Information:			
Closing net asset value (£'000)	215,353	87,386	20,017
Closing number of shares	68,259,456	30,698,899	12,750,786
Operating charges	0.03%	0.03%	0.06%
Direct transaction costs ¹	0.03%	0.15%	0.09%
Prices:			
Highest share price (pence)	361.6	291.0	160.8
Lowest share price (pence)	271.0	138.5	123.1

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.

Financial Statements

Statement of Total Return for the year ended 31 December 2021

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		190,459		469,138
Revenue	3	14,623		4,088	
Expenses	4	(13,724)		(4,026)	
Net revenue before taxation		899		62	
Taxation	5	(1,851)		(478)	
Net expense after taxation			(952)		(416)
Total return before distributions			189,507		468,722
Distributions	6		(1,085)		354
Change in net assets attributable to shareholders from investment activities			188,422		469,076

Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 December 2021

	2021		2020	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		1,987,139		192,124
Amounts receivable on issue of shares	1,279,925		1,361,381	
Amounts payable on cancellation of shares	(223,941)		(37,649)	
		1,055,984		1,323,732
Dilution adjustment		1,508		1,882
Change in net assets attributable to shareholders from investment activities		188,422		469,076
Retained distributions on accumulation shares		935		325
Closing net assets attributable to shareholders		3,233,988		1,987,139

Financial Statements cont.

Balance Sheet as at 31 December 2021

	Notes	2021 £'000	2020 £'000
Assets:			
Fixed assets:			
Investments	13	3,194,045	1,954,975
Current assets:			
Debtors	8	65,557	113,132
Cash and bank balances	9	50,138	29,937
Total assets		3,309,740	2,098,044
Liabilities:			
Creditors:			
Bank overdrafts	9	(1,909)	(22)
Other creditors	10	(73,843)	(110,883)
Total liabilities		(75,752)	(110,905)
Net assets attributable to shareholders		3,233,988	1,987,139

Notes to the Financial Statements

1 Net capital gains/(losses)

	2021			2020		
	Realised	Unrealised	Total	Realised	Unrealised	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Non-derivative securities	271,383	(78,966)	192,417	49,750	417,412	467,162
Currency gains/(losses)	(1,943)	6	(1,937)	1,942	71	2,013
Custodian transaction costs			(21)			(37)
Net capital gain/(losses)			190,459			469,138

2 Purchases, sales and transaction costs

	2021	2020
	£'000	£'000
Purchases and transaction costs		
Gross purchases of equities excluding transaction costs	1,721,118	1,422,570
Commissions	452	334
Taxes	367	808
Total transaction costs on equity purchases ¹	819	1,142
Purchases including transaction costs	1,721,937	1,423,712

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

	2021	2020
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.03	0.02
Taxes on equity purchases	0.02	0.06

Notes to the Financial Statements cont.

2 Purchases, sales and transaction costs (continued)

	2021	2020
	£'000	£'000
Sales and transaction costs		
Gross sales of equities excluding transaction costs	674,815	127,746
Commissions	(152)	(35)
Taxes	(29)	(13)
Total transaction costs on equity sales ¹	(181)	(48)
Sales net of transaction costs	674,634	127,698

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

	2021	2020
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.02)	(0.03)
Taxes on equity sales	(0.00)	(0.01)

	2021		2020	
	£'000	% of average NAV	£'000	% of average NAV
Portfolio transaction costs				
Commissions	604	0.02	369	0.05
Taxes	396	0.01	821	0.10
Total direct transaction costs	1,000	0.03	1,190	0.15

	2021	2020
	%	%
Average portfolio dealing spread	0.09	0.10

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

	2021	2020
	£'000	£'000
UK dividends	715	135
Overseas dividends	13,908	3,952
Bank interest	-	1
Total revenue	14,623	4,088

4 Expenses

	2021	2020
	£'000	£'000
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	13,082	3,850
Expenses rebate	(14)	(12)
	13,068	3,838
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	192	59
Bank charges	430	119
Bank overdraft interest	2	-
	624	178
Other expenses:		
Audit fee	7	5
Non-audit fees paid to auditor	10	3
Professional fees	15	2
	32	10
Total expenses	13,724	4,026

5 Taxation

	2021	2020
	£'000	£'000
Analysis of charge in the year		
Corporation tax	-	-
Overseas tax	1,851	478
Total taxation	1,851	478

Notes to the Financial Statements cont.

5 Taxation (continued)

The Fund is subject to corporation tax at 20% (2020: 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 2021, the Fund had excess management expenses of £18,595,000 (2020: £4,869,000) 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:

	2021	2020
	£'000	£'000
Net revenue/(expense) before taxation	899	62
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2020: 20%)	180	12
Effects of:		
Non-taxable UK dividends	(143)	(27)
Non-taxable overseas dividends	(2,782)	(790)
Overseas tax on dividends	1,851	478
Excess management expenses	2,745	805
Total taxation	1,851	478

6 Distributions

	2021	2020
	£'000	£'000
Final to 31 December	935	325
Amounts deducted on cancellation of shares	12	41
Amounts added on issue of shares	138	(720)
Total distributions	1,085	(354)

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

	2021	2020
	£'000	£'000
Net expense after taxation for the year	(952)	(416)
Add capital transfers for deficits of income	2,039	59
Add distributable revenue brought forward	-	3
Less distributable revenue carried forward	(2)	-
Net distributions for the year	1,085	(354)

Notes to the Financial Statements cont.

8 Debtors

	2021	2020
	£'000	£'000
Receivable for issue of shares	32,346	57,905
Sales awaiting settlement	31,012	54,135
Accrued income	1,369	916
Overseas tax recoverable	794	160
VAT recoverable	10	4
Amounts due from ACD	26	12
Total debtors	65,557	113,132

9 Cash and bank balances

	2021	2020
	£'000	£'000
Sterling bank accounts	42,780	29,597
Foreign currency bank accounts	7,358	340
	50,138	29,937
Sterling bank accounts overdrawn	(1,909)	(22)
Total cash and bank balances	48,229	29,915

10 Other creditors

	2021	2020
	£'000	£'000
Payable for cancellation of shares	515	-
Purchases awaiting settlement	70,827	108,282
Due to the ACD or associates	1,278	748
Due to the Depositary or associates	109	58
Capital gains tax provision	1,107	1,797
Other accrued expenses	7	(2)
Total other creditors	73,843	110,883

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:

	2021	2020
	%	%
ACD and associates of the ACD	0.00	0.00

12 Reconciliation of shares in issue

	Shares in issue as at 31.12.20	Shares issued	Shares cancelled	Shares converted	Shares in issue as at 31.12.21
B Accumulation Shares	481,536,823	276,945,610	(42,158,069)	(253,747)	716,070,617
B Income Shares	78,532,136	22,979,455	(14,194,187)	256,721	87,574,125
C Accumulation Shares	30,698,899	42,796,087	(5,235,530)	-	68,259,456

13 Basis of valuation

	2021	2020
	Assets	Assets
	£'000	£'000
Level 1: Quoted prices	3,194,045	1,954,975
Level 2: Observable market data	-	-
Level 3: Unobservable data	-	-
Total	3,194,045	1,954,975

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)		
	2021			2020		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Danish krone	-	258,924	258,924	-	139,991	139,991
Euro	5,658	459,224	464,882	-	260,013	260,013
Hong Kong dollar	-	42,420	42,420	-	31,542	31,542
Indian rupee	-	100,715	100,715	-	59,487	59,487
Indonesian rupiah	-	81,640	81,640	-	40,945	40,945
Japanese yen	-	95,955	95,955	-	150,428	150,428
Kenyan shilling	-	21,533	21,533	-	11,798	11,798
South African rand	-	57,854	57,854	-	42,338	42,338
Swedish krona	-	77,362	77,362	-	62,379	62,379
Taiwanese dollar	-	227,629	227,629	-	120,210	120,210
UK sterling	40,871	27,204	68,075	29,575	14,500	44,075
US dollar	1,700	1,743,585	1,745,285	340	1,021,343	1,021,683

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 2021 are shown below:

Leverage exposure	Gross method	Commitment method
Maximum Limit	120%	110%
Actual	99%	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.

16 Post Balance Sheet Events

The extreme market volatility of recent weeks has impacted the Fund’s performance since the year end. From the year end to 25 February 2022 the return on Class B Accumulation Shares was -19.5%¹. The Fund’s net asset value as at 10am on this day was £2,484,697,000.

¹Source: Baillie Gifford & Co Limited, 10am dealing prices, income accumulated. Performance figures for the other share classes in issue are in line with the return on Class B Accumulation Shares and can be obtained by contacting Client Relations.

Distribution Table

Final distribution for the year ended 31 December 2021

Group 1 : shares purchased prior to 1 January 2021

Group 2 : shares purchased 1 January 2021 to 31 December 2021

	Net Revenue (dividend distribution)	Equalisation	Distribution (paid/accumulated 28.02.22)	Distribution (paid/accumulated 28.02.21)
	31.12.21 pence per share	31.12.21 pence per share	31.12.21 pence per share	31.12.20 pence per share
B Accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
B Income				
Group 1	-	-	-	-
Group 2	-	-	-	-
C Accumulation				
Group 1	1.37000	-	1.37000	1.06000
Group 2	0.76912	0.60088	1.37000	1.06000

General Information

Dilution Adjustment

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

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

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

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

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

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

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

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 SDRT charge when shareholders surrender or redeem shares. However, where the redemption is satisfied by a non-pro rata in-specie redemption, then a charge to SDRT may apply.

Taxation Reporting

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

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

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

While the ACD is not required to report income payments in the form of interest payments made to corporate bodies, such corporate bodies may have reporting obligations of their own if they are receiving payments on behalf of reportable persons.

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.

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

In the case of Baillie Gifford Multi Asset Growth Fund, Class 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. Class Q Shares are only available to Baillie Gifford Multi Asset Growth Feeder Fund.

The minimum lump sum investment amounts are shown in the table on page 189.

General Information cont.

Fund Charges and Costs

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

Equalisation

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

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

Conflicts of Interest

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

interest in a way that ensures shareholders are treated fairly, or where it is impractical to manage the conflict, it will be disclosed.

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

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General Information cont.

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General Information cont.

Minimum Lump Sum Investment Amounts and ACD's Annual Fee

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

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

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.

	Active Share	Comparative Index
Baillie Gifford Climate Optimism Fund	98%	FTSE All World Index
Baillie Gifford Long Term Global Growth Investment Fund	91%	FTSE All World Index
Baillie Gifford Positive Change Fund	96%	MSCI All Country World Index

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

General Information cont.

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.

Sub-fund	Portfolio Turnover Ratio
Baillie Gifford Long Term Global Growth Investment Fund	16%
Baillie Gifford Positive Change Fund	23%

Portfolio Turnover Ratio for Baillie Gifford Climate Optimism Fund the year ended 31 December 2021 is not shown as the Fund was launched on 14 September 2021.

In addition, Portfolio Turnover Ratio has not been disclosed for Baillie Gifford Diversified Growth Fund and Baillie Gifford Multi Asset Growth 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 Fund
 Baillie Gifford High Yield Bond Fund
 Baillie Gifford Investment Grade Bond Fund
 Baillie Gifford Investment Grade Long Bond Fund
 Baillie Gifford Strategic Bond Fund

Baillie Gifford Investment Funds ICVC

Baillie Gifford Climate Optimism Fund ¹
 Baillie Gifford Diversified Growth Fund
 Baillie Gifford Long Term Global Growth Investment Fund
 Baillie Gifford Multi Asset Growth Fund
 Baillie Gifford Positive Change Fund

Baillie Gifford Investment Funds II ICVC

Baillie Gifford Global Stewardship Fund
 Baillie Gifford Health Innovation Fund
 Baillie Gifford Japanese Income Growth Fund
 Baillie Gifford Multi Asset Income Fund
 Baillie Gifford Sterling Aggregate Bond Fund
 Baillie Gifford UK Equity Core Fund

Baillie Gifford Investment Funds III ICVC

Baillie Gifford Multi Asset Growth Feeder Fund

Baillie Gifford Overseas Growth Funds ICVC

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

Baillie Gifford UK & Balanced Funds ICVC

Baillie Gifford British Smaller Companies Fund
 Baillie Gifford Global Alpha Growth Fund
 Baillie Gifford Global Alpha Paris-Aligned Fund²
 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
 Baillie Gifford UK Equity Focus Fund
 Glenfinlas Global Fund³

¹Baillie Gifford Climate Optimism Fund was approved by the FCA on 22 June 2021 and was launched on 14 September 2021.

²Baillie Gifford Global Alpha Paris-Aligned Fund was authorised by the FCA on 10 November 2020 and was launched on 15 April 2021

³Glenfinlas Global Fund is no longer available for subscription.

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

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

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

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

Or fax us on 0131 275 3955.

