



Press Release

4 September 2017

Baillie Gifford champions value for money in active management

Baillie Gifford, the Edinburgh based investment management partnership, has reduced investment management fees across its range of UK OEICs and Irish UCITS funds, with effect from 1 October 2017.

The reduction of annual management fees, for these Baillie Gifford funds, is part of a continued strategy of offering active management to investors at an attractive price whenever fund scale and ongoing costs allow.

Key changes include the Baillie Gifford European Fund reduced from 0.65% to 0.55% and the Baillie Gifford Japanese Fund down from 0.65% to 0.60%, bringing their ongoing charges down to a modest 0.60% and 0.63% respectively.

This follows the announcement in January 2017 of a reduction in the annual management fee for the Baillie Gifford American Fund from 0.65% to 0.50%, resulting in an ongoing charge of 0.52%. Baillie Gifford has previously adopted a tiered approach to fees across its range of investment trusts, announcing fee reductions for Scottish Mortgage Investment Trust and Monks Investment Trust earlier this year.

Andrew Telfer, joint senior partner at Baillie Gifford, says:

“Active managers should take the initiative in today’s environment. Value for money is an often neglected element of the fund buying process. Investors should be able to choose between passive and attractively priced active funds alongside considering the quality and future capability of active funds to deliver after-fees outperformance.”

“All active funds are not the same. Sharing economies of scale with investors as funds grow is one way in which Baillie Gifford looks to deliver ongoing value for clients. Meeting all research costs internally is another. We believe that keeping costs low, maintaining high

active share, low turnover and engaging with the management of companies in which we invest are key ingredients of a successful active manager.”

Ends

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Notes to editors

Investment management fee reductions as at 1 October 2017 for the following funds:

OEIC Funds	Ongoing charges* before fee reduction (%)	Ongoing charges* after fee reduction (%)	Management fee after fee reduction (%)
Developed Asia Pacific Fund	0.69	0.59	0.55
Emerging Markets Growth Fund	0.83	0.80	0.72
Emerging Markets Leading Companies Fund	0.82	0.79	0.72
European Fund	0.70	0.60	0.55
Global Alpha Growth Fund	0.68	0.60	0.57
Global Income Growth Fund	0.68	0.60	0.57
Global Select Fund	0.58	0.53	0.50
Greater China Fund	0.85	0.82	0.72
International Fund	0.68	0.60	0.57
Japanese Fund	0.68	0.63	0.60
Japanese Income Growth Fund	0.68	0.63	0.60
Long Term Global Growth Investment Fund	0.74	0.66	0.62
Positive Change Fund	0.65	0.60	0.50
UK Equity Alpha Fund	0.68	0.58	0.55

*Ongoing charges figure is for Class B Accumulation shares.

Irish UCITS Funds	Ongoing charges** before fee reduction (%)	Ongoing charges** after fee reduction (%)	Management fee after fee reduction (%)
Worldwide Emerging Markets Horizon Fund	0.93	0.90	0.72
Worldwide Global Alpha Fund	0.72	0.64	0.57
Worldwide Global Alpha Choice Fund	0.74	0.66	0.57
Worldwide Pan-European Fund	0.75	0.65	0.55
Worldwide Japanese Fund	0.74	0.69	0.60
Worldwide Long Term Global Growth Fund	0.80	0.72	0.62

**Ongoing charges figure is for Class B USD Accumulation shares.

There is no change in management fee rates for all other Baillie Gifford funds. Please visit www.bailliegifford.com for more information.

Baillie Gifford employs over 950 people and has assets under management and advice of over £166 billion as at 30 June 2017. An asset management firm founded in 1908, it is headquartered in Edinburgh.

The value of your investment and any income from it is not guaranteed and may go down as well as up. On sale, you may not get back what you originally invested, even if the share price has risen, because of the effect of the initial charge.

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

The Funds have 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 share prices of the Funds can be volatile due to movements in the prices of the underlying holdings and the basis on which the Funds are priced.

A dilution adjustment may apply when you buy or sell shares in the Funds. This is applied to the share price and may reduce the return on your investment.

Market values for securities which are difficult to trade may not be readily available, and there can be no assurance that any value assigned to them will reflect the price the Funds might receive upon their sale.