

At Baillie Gifford we are watching unfolding events concerning Coronavirus closely and following the advice of health authorities. Our primary aims are two-fold: firstly, to ensure the health and wellbeing of our staff and others, and secondly to continue to serve our clients well during these unprecedented times. Our thoughts are with everyone who is affected by the spread of the virus, and we know that with schools closing and travel severely restricted many people are juggling home and work responsibilities. Please be reassured that though our working patterns have hugely changed, we are continuing to focus on clients and in all material respects are functioning relatively normally.

The firm has well-tested contingency plans which we have put into action. Given the most up to date UK government advice, virtually all of our staff are now working from home and we have stopped receiving visitors to our Edinburgh office. The firm has technology, systems and policies in place to ensure that we remain fully functional while working in dispersed locations, and should this situation persist for an extended period we are fully capable of continuing business as usual. Clients' investments are being managed as normal by our investment team and our client service and other staff are available via email and telephone, as well as on networks such as MS Teams and Zoom. We continue to research stocks and have the capability to make transactions to facilitate client cashflows and business-as-usual investment decisions. Business travel has completely stopped for the time being and we are looking to hold external meetings by video and conference call wherever possible.

Most overseas offices in Europe and the Americas have also closed and staff are working from home. On a brighter note, our Shanghai office has re-opened, as Coronavirus spread there has slowed.

It is important during times of extreme market volatility to remember that investing is a long-term activity. History indicates that acting hastily in the midst of a crisis is typically unhelpful, and we would encourage all investors to step back and maintain perspective. When we invest on behalf of clients, it is with a five-year view of the opportunities that a company has to grow. Clearly, many such companies will be impacted in the near term by the abrupt economic slowdown which is unfolding, and stock markets have factored this heavily into prices. However, our view is that such selling has been relatively indiscriminate and driven by fear rather than long-term fundamentals. Companies with growing opportunities, competitive advantages and strong balance sheets are not only well placed to survive short-term pressures, but should resume their positive trends when the current crisis is over. We have therefore made few changes to client portfolios during this period of uncertainty, and are considering opportunities to add to holdings in companies we admire at depressed prices. In recent years there has been a growing focus amongst investors and the public on the benefits of companies acting responsibly towards all stakeholders, including employees and customers as well as shareholders. We will learn much about their commitment to such concepts in coming weeks.

Baillie Gifford itself has no short-term pressures. We have no outside shareholders, and the Partners in the firm are committed to seeing through the current challenges without making any material changes to our own firm. We will continue to put staff and client interests foremost, even as we adapt to our new, temporary, reality. If you have any specific concerns, please get in touch with your usual contacts here at Baillie Gifford or with your financial adviser.

Baillie Gifford & Co

24 March 2020