



# Press Release

3 April 2023

## Baillie Gifford to rename its Multi Asset Income Fund

Baillie Gifford has announced that its Multi Asset Income Fund will be renamed the Baillie Gifford Sustainable Income Fund with effect from 31<sup>st</sup> March to reflect its desired outcome, which is to provide a sustainable stream of income that protects against inflation. The Fund will formally adopt sustainable indicators, which the managers believe will help it to deliver its objective, which remains unchanged, over time

The Fund, with assets of £126.78 million, was launched in August 2018 and aims to deliver a high level of natural monthly income and capital returns which grow in line with inflation (UK CPI) over the long term. It brings together the best of Baillie Gifford's income ideas across asset classes, and is targeting a growing pool of potential clients with a need for regular income.

Sustainability has been a valued part of the Fund's underlying investment process since launch. The team made several enhancements in this area last year, including the full integration of sovereign bonds in its sustainability analysis. The name change now highlights externally the importance of sustainability factors to managers Steven Hay, Lesley Dunn, James Dow and Nicoleta Dumitru.

The management team believes the best income payers of tomorrow will be the forward-thinking companies that are successfully adapting to meet the needs of a sustainable economy. Over the long term, they believe that an emphasis on sustainability will lead to better investment decisions and financial returns for clients. This Fund uses a combination of investment exclusions and bottom-up analysis.

Changes have been made to the Fund's investment policy to reflect these beliefs. The amended policy incorporates information on the investment process, explaining how the Fund is managed in accordance with both a qualitative and a quantitative sustainability analysis to ensure that the investments of the Fund are compatible with a sustainable economy, as detailed below.

Revenue-based		Norms-based	
Fossil Fuel Extraction & Production	>10% revenues	UN Global Compact	Non-compliant
Thermal Coal Distribution	>30% revenues	UN Security Council Sanctions	Sanctioned jurisdictions
Tobacco Production	>5% revenues		
Controversial Weapons	Any tie*		
Armaments	>10% revenues		

\*Captures all business involvement, including direct, semi-direct and indirect.

**James Budden, Director, Marketing and Distribution, Baillie Gifford, says:**

“These changes are not actually changing anything so far as the current portfolio is concerned which is an indication of how the team has been thinking in the past. The ongoing clarity offered by the name change allows investors to formally recognise and understand the importance of sustainability in asset selection.”

**-Ends-**

**For further information, please contact:**

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**Notes to editors:**

More information on the Fund can be found on the [website](#).

**Baillie Gifford** is an independent investment partnership founded in Edinburgh in 1908, focused on long-term growth investing in some of the world’s most exciting companies. With 1,839 staff and assets under management of £223bn, it has offices in Edinburgh (HQ), Dublin, Frankfurt, Hong Kong, Amsterdam, Krakow, London, New York, Shanghai, Toronto and Zurich (at 31 December 2022).

**Lesley Dunn** is an Investment Manager in the Sustainable Income team. Lesley is also Head of Credit and co-manager of the Strategic Bond Fund. She is a member of the Multi Asset and Income Leadership Group and the Sustainable Income Portfolio Construction Group. Before joining Baillie Gifford in 2016, Lesley spent 15 years at Scottish Widows Investment Partnership, initially in the Investment Grade Team then as a high yield manager. She graduated BSc (Hons) in Maths, Statistics & Economics from Strathclyde University in 2000 and is a CFA Charterholder.

**Steven Hay** is an Investment Manager on the Sustainable Income team. Steven joined Baillie Gifford in 2004 and is Head of the Income Research Team. Prior to joining Baillie Gifford, Steven was a Fixed Income Investment Manager with Scottish Widows. His experience includes seven years undertaking analysis and research for the Bank of England's Monetary Policy Committee, and involvement in managing the UK's foreign exchange reserves. Steven graduated BAcc (Hons) in Economics and Accountancy from the University of Glasgow in 1992 and MSc in Economics from the University of Warwick in 1993.

**James Dow** is an Investment Manager in the Sustainable Income Team. James was also appointed Co-Head of the Global Income Growth Team and Co-Manager of The Scottish American Investment Company PLC (SAINTS) in 2017. He joined Baillie Gifford in 2004 on the Graduate Scheme and became an Investment Manager in our US Equities team. Previously, James spent three years working at The Scotsman newspaper, where he was the Economics Editor. He is a CFA Charterholder, graduated MA (Hons) in Economics-Philosophy from the University of St Andrews in 2000 and MSc in Development Studies from the London School of Economics in 2001.

**Nicoleta Dumitru** joined Baillie Gifford in 2013 and is an Investment Manager in the Sustainable Income Team. In 2018, she joined the Multi Asset Income Portfolio Construction Group (PCG). Nicoleta graduated BSc (Hons) in Management and Marketing from the University of Manchester in 2013.

### **Important Information**

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