

This document is issued by Baillie Gifford & Co Limited (the 'Manager') in order to make certain particular information available to investors in the Alternative Investment Fund (the 'Company') noted below before they invest, in accordance with the requirements of the Financial Conduct Authority's Rules implementing the Alternative Investment Fund Managers Directive in the United Kingdom. It is made available to investors by being available at monksinvestmenttrust.co.uk. The Manager is authorised and regulated by the Financial Conduct Authority.

Potential investors in the Company's shares may wish to consult their stockbroker, bank manager, solicitor, accountant or other financial adviser before investing in the Company.

The Monks Investment Trust PLC

INVESTOR DISCLOSURE DOCUMENT

IMPORTANT INFORMATION

Regulatory status of the Company

The Monks Investment Trust PLC (the 'Company') is an AIF for the purposes of the EU Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (as it forms part of UK domestic law pursuant to the European Union (Withdrawal) Act 2018, the Alternative Investment Fund Managers (Amendment) (EU Exit) Regulations 2019 or as otherwise adopted under, or given effect to in, UK legislation or the UK regulatory regime) (the '**AIFM Directive**').

The Company's shares are listed on the premium segment of the Official List of the Financial Conduct Authority and are admitted to trading on the main market of the London Stock Exchange. The Company is subject to its articles of association, the Listing Rules, the Disclosure and Transparency Rules, the UK Corporate Governance Code and the Companies Act 2006. The Company is listed on the London Stock Exchange and is not authorised or regulated by the Financial Conduct Authority.

The provisions of the Company's articles of association are binding on the Company and its shareholders. The articles of association set out the respective rights and restrictions attaching to the Company's shares. These rights and restrictions apply equally to all shareholders. All shareholders are entitled to the benefit of, and are bound by and are deemed to have notice of, the Company's articles of association. The Company's articles of association are governed by English law.

Limited purpose of this document

This document is not being issued for any purpose other than to make certain, required regulatory disclosures to investors and, to the fullest extent permitted under applicable law and regulations, the Company and its Directors will not be responsible to persons other than the Company's shareholders for their use of this document, nor will they be responsible to any person (including the Company's shareholders) for any use which they may make of this document other than to inform a decision to invest in shares in the Company.

This document does not constitute, and may not be used for the purposes of, an offer or solicitation to buy or sell, or otherwise undertake investment activity in relation to, the Company's shares.

This document is not a prospectus and it is not intended to be an invitation or inducement to any person to engage in any investment activity. This document may not include (and it is not intended to include) all the information which investors and their professional advisers may require for the purpose of making an informed decision in relation to an investment in the Company and its shares.

No advice

The Company, the AIFM and their Directors are not advising any person in relation to any investment or other transaction involving shares in the Company. Recipients must not treat the contents of this document or any subsequent communications from the Company, or any of its affiliates, officers, directors, employees or agents, as advice relating to financial, investment, taxation, accounting, legal, regulatory or any other matters. Prospective investors must rely on their own professional advisers, including their own legal advisers and accountants, as to legal, tax, accounting, regulatory, investment or any other related matters concerning the Company and an investment in the Company's shares.

Potential investors in the Company's shares should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser before investing in the Company.

Investors' rights

The Company is reliant on the performance of third party service providers, including the AIFM, the Depositary and the Registrar. Without prejudice to any potential right of action in tort that a Shareholder may have to bring a claim against a service provider, each Shareholder's contractual relationship in respect of its investment in the Company's shares is with the Company only. Accordingly, no Shareholder will have any contractual claim against any service provider with respect to such service provider's default.

In the event that a Shareholder considers that it may have a claim against a third party service provider in connection with such Shareholder's investment in the Company, such Shareholder should consult its own legal advisers.

The above is without prejudice to any right a Shareholder may have to bring a claim against an FCA authorised service provider under section 138D of FSMA (which provides that breach of an FCA rule by such service provider is actionable by a private person who suffers loss as a result), or any tortious cause of action. Shareholders who believe they may have a claim under section 138D of FSMA, or in tort, against any service provider in connection with their investment in the Company, should consult their legal adviser.

Recognition and enforcement of foreign judgments

Regulation (EC) 593/2008 ("Rome I") must be applied in all member states of the European Union (other than Denmark). Rome I remains applicable in England following the UK leaving the European Union and continues to apply after the end of the transitional period, its provisions having been incorporated into English law under the Law Applicable to Contractual Obligations and Non-Contractual Obligations (Amendment etc.) (EU Exit) Regulations 2019. Where a matter comes before the courts of a relevant member state, the choice of a governing law in any given agreement is subject to the provisions of Rome I. Under Rome I, the member state's courts may apply any rule of that member state's own law which is mandatory irrespective of the governing law and may refuse to apply a rule of governing law if it is manifestly incompatible with the public policy of that member state. Further, where all other elements relevant to the situation at the time of the choice are located in a country other than the country whose law has been chosen, the choice of the parties shall not prejudice the application of provisions of the law of that other country which cannot be derogated from by agreement. Shareholders should note that there are a number of legal instruments providing for the recognition and enforcement of foreign judgments in England. Depending on the nature and jurisdiction of the original judgment, Council Regulation (EU) 1215/2012 or Council Regulation (EC) No 44/2001 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, Regulation (EC) No 805/2004 of the European Parliament and of the Council of 21 April 2004 creating a European Enforcement Order for uncontested claims, the Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters done at Lugano on 30 October 2007, the Civil Jurisdiction and Judgments (Hague Convention on Choice of Court Agreements 2005) Regulations 2015, the Civil Jurisdiction and Judgments Act 1982, the Administration of Justice Act 1920 and the Foreign Judgments (Reciprocal Enforcement) Act 1933 may apply. There are no legal instruments providing for the recognition and enforcement of judgments obtained in jurisdictions outside those covered by the instruments listed above, although such judgments might be enforceable at common law.

Overseas investors

The distribution of this document in certain jurisdictions may be restricted and accordingly persons into whose possession this document comes are required to inform themselves about and to observe such restrictions. The shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or under any of the relevant securities laws of any overseas territory. Accordingly, the shares may not (unless an exemption from such Act or such laws is available) be offered, sold or delivered, directly or indirectly, in or into the USA, Canada, Australia or Japan. The Company is not registered under the United States Investment Company Act of 1940 (as amended) and investors are not entitled to the benefits of such Act.

The Company is deemed to be a 'corpus of Foreign Portfolio Investors' under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, and therefore, Indian Institutional Investors are not permitted to invest in the Company.

Prospective investors must inform themselves as to (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of shares.

THE COMPANY

Investment Objective and Policy

The Company's objective is to invest globally to achieve capital growth. This takes priority over income and dividends.

The Company seeks to meet its objective by investing principally in a portfolio of global quoted equities. Equities are selected for their inclusion within the portfolio solely on the basis of the strength of the investment case.

There are no limits to geographical or sector exposures, but these are reported to, and monitored by, the Board in order to ensure that adequate diversification is achieved. The number of holdings in equities typically ranges from 70 to 200.

Investment may also be made in funds (open and closed-ended) including those managed by Baillie Gifford & Co. The maximum permitted investment in UK listed investment companies in aggregate is 15% of gross assets. Asset classes other than quoted equities may be purchased from time to time including fixed interest holdings, unquoted securities and derivatives. The Company may use derivatives for the purpose of efficient portfolio management (including reducing, transferring or eliminating investment risk in its investments and protection against currency risk) and to achieve capital growth.

While there is a comparative index for the purpose of measuring performance, no attention is paid to the composition of this index when constructing the portfolio; the portfolio may, therefore, differ substantially from that of the index. A long term view is taken and there may be periods when the net asset value per share declines both in absolute terms and relative to the comparative index. Payment of dividends is secondary to achieving capital growth. The shares are not considered to be a suitable investment for those seeking a regular or rising income.

Borrowings are invested in equities and other asset classes when this is considered to be appropriate on investment grounds. Gearing levels, and the extent of equity gearing, are discussed by the Board and investment managers at every Board meeting and adjusted accordingly with regard to the outlook. New borrowings will not be taken out if this takes the level of effective equity gearing to over 30% of shareholders' funds. Equity exposure may, on occasions, be below 100% of shareholders' funds.

As a closed-ended investment fund whose shares are admitted to the Official List under Chapter 15 of the Listing Rules, the Company is required to obtain the prior approval of its shareholders to any material change to its published investment policy. Accordingly, the Company will not make any material change to its published investment policy without the approval of its shareholders by ordinary resolution. The Company will announce any such change through a Regulatory Information Service.

Any change in investment strategy or investment policy which does not amount to a material change to our published investment policy may be made by the Company without shareholder approval.

Leverage

As explained above, the Company may employ borrowings and derivatives as leverage.

The maximum level of leverage which the Alternative Investment Fund Manger ('AIFM') is entitled to employ on behalf of the Company is 250% under the gross method and 200% under the commitment method. In accordance with the investment management agreement, any changes to these limits will be agreed in advance between the AIFM and the Company.

The amount of leverage employed by the Company will be disclosed in the Company's Annual Report and Financial Statements.

Investment Strategy and Techniques

Please see the sections entitled "Investment Objective and Policy" and "Leverage" above.

Investment is made on an unconstrained basis. The Company is capable of expressing strong views about sectors, regions, and markets and it is no proxy for any index.

Rigorous, qualitative fundamental analysis is carried out to establish whether prospective investments have the necessary competitive, financial, and strategic advantages to provide above average growth leading to good returns.

Changes to Objective, Investment Policy, Investment Strategy or Maximum Leverage

As a closed-ended investment fund whose shares are admitted to the Official List under Chapter 15 of the Listing Rules, the Company is required to obtain the prior approval of its shareholders to any material change to its published objective and investment policy (as set out above). Accordingly, the Company will not make any material change to its published objective and investment policy without the approval of its Shareholders by ordinary resolution. The Company will announce any such change via the London Stock Exchange.

Any change in investment strategy or investment policy which does not amount to a material change to its published investment policy may be made by the Company without shareholder approval.

Any changes to the maximum level of leverage which may be employed by the Company will be communicated to shareholders.

Baillie Gifford & Co Limited will update this document, as soon as reasonably practicable, to take account of material changes. Such changes will also be disclosed to existing shareholders in the following Annual Report and Financial Statements.

Any changes in information shall be deemed material if there is a substantial likelihood that a reasonable investor, becoming aware of such information, would reconsider its investment in the Company, including because such information could impact an investor's ability to exercise its rights in relation to its investment, or otherwise prejudice the interests of one or more investors in the Company.

ADMINISTRATION AND MANAGEMENT OF THE COMPANY

The AIFM, Company Secretary and Administrator

Baillie Gifford & Co Limited is the authorised Alternative Investment Fund Manager ('AIFM') and Company Secretary of the Company. The annual management fee payable to the AIFM is 0.45% on the first £750 million of total assets, 0.33% on the next £1 billion of total assets and 0.30% on the remaining total assets. For fee purposes, total assets is defined as the total value of all assets held less all liabilities (other than any liability in the form of debt intended for investment purposes) and excludes the value of the Company's holding in The Schiehallion Fund, a closed-ended investment company managed by Baillie Gifford & Co. Where the Company holds investments in open-ended collective investment vehicles managed by Baillie Gifford, such as OEICs, The Company's share of any fees charged within that vehicle will be rebated to the Company. Management fees are calculated and payable on a quarterly basis.

There is no additional secretarial fee. The provision of secretarial and administrative services is included in the management fee.

Baillie Gifford & Co Limited has delegated certain portfolio and risk management services to Baillie Gifford & Co and Baillie Gifford Overseas Limited. Baillie Gifford & Co Limited is a wholly-owned subsidiary of Baillie Gifford & Co. Baillie Gifford & Co Limited has consented to the sub-delegation by Baillie Gifford & Co of some of its duties in relation to investment management to Baillie Gifford Overseas Limited in the United States of America. Baillie Gifford Overseas Limited is authorised and regulated by the FCA. Baillie Gifford Overseas Limited is also registered with the Securities & Exchange Commission, the Commodity Futures Trading Commission and is a member of the National Futures Association in the United States of America. It is intended that Baillie Gifford Overseas Limited will produce investment research and will take part in the investment decision-making together with Baillie Gifford & Co. Baillie Gifford & Co Limited has also consented to sub-delegation by Baillie Gifford & Co of dealing activities and transaction reporting to Baillie Gifford Overseas Limited, and to the further delegation of the same to Baillie Gifford Asia (Hong Kong) Limited. The principal activities of Baillie Gifford Asia (Hong Kong) Limited are to provide marketing and distribution services to professional investors in Hong Kong on behalf of Baillie Gifford Overseas Limited. The AIFM believes that any such delegation would not give rise to any conflicts of interest.

Baillie Gifford & Co, Baillie Gifford Overseas Limited and Baillie Gifford Asia (Hong Kong) Limited have the necessary regulatory permissions in place to perform the activities delegated to them.

The Depositary

The Bank of New York Mellon (International) Limited has been appointed as the Company's Depositary. The Depositary is responsible for the safekeeping of the Company's assets, monitoring the cash flows of the Company and must ensure that certain processes carried out by the AIFM are performed in accordance with the applicable rules and the constitutive documents of the Company. The Depositary acts as global custodian and may delegate safekeeping to one or more global sub-custodians (such delegation may include the powers of sub-delegation). The Depositary has delegated safekeeping of the assets of the Company to The Bank of New York Mellon SA/NV and/or The Bank of New York Mellon (the "Global Sub-Custodians"). The Global Sub-Custodians may sub-delegate safekeeping of assets in certain markets in which the Company may invest to various sub-delegates.

The Depositary has not entered into any arrangement contractually to discharge itself of liability in accordance with Article 21(13). We will notify shareholders of any changes with respect to the discharge by the Depositary of its liability in accordance with Article 21(13) through a Regulatory Information Service. The Depositary must not re-use any: (i) financial instruments of the Company; or (ii) assets, other than financial instruments or cash, which are held in custody by the Depositary (or a delegate thereof) for the Company, in either case except with the prior consent of the Company or the AIFM on its behalf and provided all applicable English laws, rules and regulations (other than the AIFM Directive and the UK Alternative Investment Fund Managers Regulations 2013) are complied with.

The annual fee payable to the Depositary in respect of UK depositary services is 0.009 per cent. on the first £7.5bn of the Company's total assets, 0.0075 per cent. on assets between £7.5bn and £15bn, 0.006 per cent. on assets between £15bn and £30bn and 0.0045 per cent. on assets between £30bn and £40bn, subject to a minimum annual fee of £10,000 (exclusive of VAT). A custody fee in respect of global custodian services is also payable, the level of which will depend upon the assets held and the country or countries in which those assets are held, subject to a minimum annual fee of £33,600 (exclusive of VAT). The Depositary is also entitled to reimbursement of expenses incurred in the performance of its duties.

The Auditor

Ernst & Young LLP provides audit services to the Company. The fees charged by the Auditor are computed inter alia on the time spent by the Auditor on the affairs of the Company.

The Registrar

Computershare Investor Services PLC has been appointed as the Company's Registrar. The Registrar's duties include the maintenance of the Company's registers of shareholders and debentures and the processing of any transfer of shares or debentures.

Fees are based on the number of holders on the registers and number of transfers each year.

Ongoing Expenses

Ongoing expenses can be found in the Key Information Document on the Company's website. Investors should note that some expenses are inherently unpredictable and, depending on circumstances, ongoing expenses will fluctuate.

Conflicts of interest may arise as a result of the delegation of functions by the AIFM and/or the Depositary

The AIFM, the Depositary and their respective delegates have undertaken to take all reasonable steps to avoid conflicts of interest in relation to the Company and its investors. If such conflicts of interest cannot be avoided, the AIFM, the Depositary and their respective delegates shall take all reasonable steps to identify, manage, monitor and (where applicable) disclose those conflicts of interest in order to prevent them from adversely affecting the interests of the Company and its investors, and to ensure that the Company is fairly treated.

SHAREHOLDER INFORMATION

Annual Report and Financial Statements

Copies of the Company's latest annual and interim reports may be accessed at monksinvestmenttrust.co.uk

Publication of net asset values

The latest net asset value of the Company may be accessed at monksinvestmenttrust.co.uk

Valuation Policy

Investments

Investments are valued at their fair value. The fair value of listed investments is either the bid price or the last traded price depending on the convention of the exchange on which the investment is listed. Open Ended Investment Companies ('OEICs') are valued at closing prices. Unlisted investments are valued at fair value by the Directors following a detailed review and appropriate challenge of the valuations proposed by the Managers. The Managers' unlisted investment policy applies methodologies consistent with the International Private Equity and Venture Capital Valuation guidelines ('IPEV'). These methodologies can be categorised as follows: (a) market approach (multiples, industry valuation benchmarks and available market prices); (b) income approach (discounted cash flows); and (c) replacement cost approach (net assets). The valuation process recognises also, as stated in the IPEV Guidelines, that the price of a recent investment may be an appropriate starting point for estimating fair value, however it should be evaluated using the techniques described above.

Derivatives

The Company may use derivatives for the purpose of efficient portfolio management (including reducing, transferring or eliminating risk in its investments and protection against currency risk) and to achieve capital growth. Such instruments are recognised on the date of the contract that creates the Company's obligation to pay or receive cash flows and are measured as financial assets or liabilities at fair value while the relevant contracts remain open. The fair value is determined by reference to the open market value of the contract.

Historical performance of the Company

Details of the Company's historical financial performance are provided in the Company's Annual Report and Financial Statements and monthly factsheets, which are available at monksinvestmenttrust.co.uk

Investors should note that past performance of the Company is not indicative of future performance. Investors may not get back the amount invested.

Purchases and sales of shares by investors

The Company's shares are admitted to the Official List of the UKLA and to trading on the main market of the London Stock Exchange. Accordingly, the Company's shares may be purchased and sold on the main market of the London Stock Exchange.

The Company has authority to issue new shares or sell shares from treasury at a premium to net asset value. The Company's shares are not redeemable. While the Company will typically have shareholder authority to buy back shares, shareholders do not have the right to have their shares purchased by the Company.

Fair treatment of investors

The legal and regulatory regime to which the Company and the Directors are subject ensures the fair treatment of investors. The Listing Rules require that the Company treats all shareholders of the same class of shares equally.

In particular, as directors of a company incorporated in the United Kingdom, the Directors have certain statutory duties under the Companies Act 2006 with which they must comply. These include a duty upon each Director to act in the way she or he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

No investor has a right to obtain preferential treatment in relation to their investment in the Company and the Company does not give preferential treatment to any investors.

The shares rank *Pari Passu*.

Share Capital

The Company has only one class of shares in issue, which are ordinary shares. The ISIN number for the Company's shares is GB0030517261 and the SEDOL is 3051726.

Legal ownership of the Company's shares is evidenced by entry on the register of shareholders, and each registered shareholder is entitled to the rights set out in the Company's articles of association. These include the right to attend meetings and to vote on resolutions, to receive any dividends and to receive a pro rata share of the net assets of the Company in the event of winding up.

RISK FACTORS

Past performance is not a guide to future performance.

Monks is a UK listed company. The value of its shares and any income from them can fall as well as rise and investors may not get back the amount invested.

Monks invests in overseas securities. Changes in the rates of exchange may also cause the value of your investment (and any income it may pay) to go down or up.

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

The Company's risk could be increased by its investment in unlisted (private company) investments. These assets may be more difficult to buy or sell, so changes in their prices may be greater.

Monks invests in emerging markets where difficulties in dealing, settlement and custody could arise, resulting in a negative impact on the value of your investment.

Monks has borrowed money to make further investments (sometimes known as 'gearing' or 'leverage'). The risk is that when this money is repaid by the Company, the value of the investments may not be enough to cover the borrowing and interest costs, and the Company will make a loss. If the Company's investments fall in value, any invested borrowings will increase the amount of this loss.

Monks can buy back its own shares. The risks from borrowing, referred to above, are increased when the Company buys back its own shares.

Monks can make use of derivatives which may impact on its performance. Currently, the Company does not make use of derivatives.

Charges are deducted from income. Where income is low, the expenses may be greater than the total income received, meaning that the Company may not pay a dividend and the capital value would be reduced.

Share prices may either be below (at a discount to) or above (at a premium to) the net asset value (NAV). The Company may issue new shares when the price is at a premium which will reduce the share price. Shares bought at a premium can therefore quickly lose value.

As the aim of Monks is to achieve capital growth you should not expect a significant, or steady, annual income from the Company.

You should note that tax rates and reliefs may change at any time and their value depends on your circumstances.

Monks is listed on the London Stock Exchange and as such complies with the requirements of the Financial Conduct Authority. It is not authorised or regulated by the Financial Conduct Authority.

Further details of the risks associated with investing in the Company can be found at monksinvestmenttrust.co.uk, or by calling Baillie Gifford on 0800 917 2112.

The staff of Baillie Gifford and Monks Directors may hold shares in Monks and may buy or sell such shares from time to time.

RISK MANAGEMENT

Risk profile

The Company will periodically disclose the current risk profile of the Company to investors. The Company will make this disclosure at monksinvestmenttrust.co.uk at the same time as it makes its Annual Report and Financial Statements available to investors or more frequently at its discretion.

Assets consist mainly of listed securities and therefore the risk profile of the AIF incorporates market risk (comprising currency risk, interest rate risk and other price risk), liquidity risk, credit risk and operational risk factors. Other factors which contribute to the risk profile relate to the ability of the AIF to borrow money to make further investments (leverage).

Limits are set for market risk and are monitored daily. Market risk stress testing comprises a number of market related scenarios and events relevant to the AIF's objectives and time horizon to analyse the impact on market risk limits. Limits are also in place for liquidity risk, credit risk and operational risk, with periodic stress testing performed as appropriate.

Further detail in relation to the nature and extent of the principal risks of the Company are described in the Company's Annual Report and Financial Statements.

No risk limits set by the AIFM have been exceeded in the period since 1 July 2014 or are likely to be exceeded.

Risk management systems

The Company will periodically disclose to investors the risk management systems which it employs to manage the risks which are most relevant to it. The Company will make this disclosure at monksinvestmenttrust.co.uk at the same time as it makes its Annual Report and Financial Statements available to investors or more frequently at its discretion.

The AIFM has established a permanent risk management function to ensure that effective risk management policies and procedures are in place and to monitor compliance with risk limits. The AIFM has a risk policy which covers the risks associated with the AIF, and the adequacy and effectiveness of this policy is reviewed and approved at least annually. This review includes the risk management processes and systems and limits for each risk area.

For each relevant risk area, risk limits are set by the AIFM which take into account the objectives, strategy and risk profile of the AIF. These limits are monitored daily, and the sensitivity of the portfolio to key risks is undertaken periodically as appropriate to ascertain the impact of changes in key variables to the AIF. Exceptions from limits monitoring and stress testing are escalated to the AIFM along with remedial measures being taken.

Liquidity risk management

The AIFM has a liquidity management policy in relation to the Company which is intended to ensure that the Company's investment portfolio maintains a level of liquidity which is appropriate to the Company's obligations. This policy involves an assessment by the AIFM of the prices or values at which it expects to be able to liquidate its assets over varying hypothetical periods in varying market conditions, taking into account the sensitivity of particular assets to particular market risks and other relevant factors.

Shares in the Company are not redeemable and shareholders do not have the right to require their shares to be purchased by the Company. Accordingly, the liquidity management policy ensures that the Company's investment portfolio is sufficiently liquid to meet the following principal obligations:

- the Company's operating and financing expenses: in practice, these expenses are typically covered by dividends received from the Company's investments; and
- the possible need to repay borrowings at short notice, which would require to be met by the sale of assets.

The liquidity management policy requires the AIFM to identify and monitor its investment in asset classes which are considered to be relatively illiquid. The majority of the Company's portfolio is invested in liquid equities and the portfolio is monitored on an ongoing basis to ensure that it is adequately diversified.

The liquidity management policy is reviewed and updated, as required, on at least an annual basis.

Investors will be notified, by way of a disclosure at monksinvestmenttrust.co.uk in the event of any material changes being made to the liquidity management systems and procedures or where any new arrangements for managing the Company's liquidity are introduced.

The Company will periodically disclose to investors the percentage of the Company's assets which are subject to special arrangements arising from their illiquid nature. The Company will make this disclosure at monksinvestmenttrust.co.uk at the same time as it makes its Annual Report and Financial Statements available to investors or more frequently at its discretion.

Professional negligence liability risks

The requirement to cover potential liability risks arising from professional negligence is covered by the AIFM's own funds. Sufficient capital above the regulatory limit is held which is monitored by the Board of Baillie Gifford & Co Limited.

Brokerage Practices and Use of Dealing Commission

Baillie Gifford & Co Limited appoints its affiliate Baillie Gifford & Co Overseas Limited to conduct portfolio management services on behalf of the Company. Baillie Gifford & Co Limited delegates the investment dealing aspects of those services and transmits orders to its affiliates Baillie Gifford Overseas Limited and Baillie Gifford Asia (Hong Kong) Limited for execution. An important element of Baillie Gifford Overseas Limited's investment dealing services includes the selection of brokers with whom orders can be placed to execute investment decisions on behalf of the Company.

Baillie Gifford Overseas Limited and Baillie Gifford Asia (Hong Kong) Limited trade with brokers using execution-only commission rates. The execution-only commission includes the costs of access to each global market, the broker's ability to source liquidity, the use of alternative trading venues, the provision of risk capital, the capabilities of individual sales traders and the provision of proprietary technology for trading programmes and algorithms.

Where Baillie Gifford & Co Limited supports its portfolio management activities by procuring external research services, it pays directly for such services under separate agreements.

Sustainability Risks

The AIFM has adopted Baillie Gifford & Co's Stewardship Approach – ESG Principles and Guidelines as its policy on integration of sustainability risks in investment decisions.

Baillie Gifford & Co believes that a company cannot be financially sustainable in the long run if its approach to business is fundamentally out of line with changing societal expectations. It defines 'sustainability' as a deliberately broad concept which encapsulates a company's purpose, values, business model, culture, and operating practices.

Baillie Gifford & Co's approach to investment is based on identifying and holding high quality growth businesses that enjoy sustainable competitive advantages in their marketplace. To do this it looks beyond current financial performance, undertaking proprietary research to build up an in-depth knowledge of an individual company and a view on its long-term prospects. This includes the consideration of sustainability factors (environmental, social and/or governance matters) which it believes will positively or negatively influence the financial returns of an investment. The likely impact on the return of the portfolio from a potential or actual material decline in the value of investment due to the occurrence of an environmental, social or governance event or condition will vary and will depend on several factors including but not limited to the type, extent, complexity and duration of an event or condition, prevailing market conditions and existence of any mitigating factors.

Whilst consideration is given to sustainability matters, there are no restrictions on the investment universe of the Company, unless otherwise stated within in its Objective & Policy. Baillie Gifford & Co can invest in any companies it believes could create beneficial long-term returns for investors. However, this might result in investments being made in companies that ultimately cause a negative outcome for the environment or society.

More detail on Baillie Gifford's approach to sustainability can be found in its Stewardship Approach – ESG Principles and Guidelines document, available publicly at bailliegifford.com/en/uk/about-us/esg/.

The underlying investments do not take into account the EU criteria for environmentally sustainable economic activities.

Key Information Document

A Key Information Document is available by contacting us on 0800 917 2112 or by visiting bailliegifford.com

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