

**Baillie Gifford Group
Modern Slavery Statement
Financial year ending April 2016**

Introduction

Modern slavery is a crime resulting in an abhorrent abuse of human rights. It takes various forms, such as slavery, servitude, forced or compulsory labour and human trafficking. As a firm that looks to uphold high ethical and compliance standards at all times, we strive to ensure that we adhere to all relevant laws and treat our staff and suppliers with the utmost respect.

We consider it our responsibility to take all reasonable steps to ensure that any Baillie Gifford employee or individuals working within any of our supply chains are not being exploited, that they are safe and that relevant employment, health and safety and human rights laws, and international standards are obeyed. This is a responsibility we take seriously and includes a zero-tolerance approach to modern slavery.

As a regulated investment management firm, we believe that there is overall a low risk of slavery or human trafficking in our supply chain. Nevertheless, we expect that all our suppliers adhere to similar high standards and we are committed to taking all reasonable steps in order to ensure that there is no modern slavery or human trafficking in our supply chains.

This statement sets out the requirements of the Act and Baillie Gifford’s approach to combatting slavery and human trafficking.

Organisational structure and Our Business

Baillie Gifford is an independent global investment management firm based in Edinburgh. Please find below details of the Baillie Gifford Group structure.



Baillie Gifford & Co, a Scottish partnership wholly owned by 41 partners working full time in the business, heads the Baillie Gifford Group.

There are four wholly owned operating subsidiaries which are private limited companies registered in Scotland.

There are also three indirectly owned 100% subsidiaries and one joint venture through Baillie Gifford Overseas Ltd.

The Baillie Gifford Group has 928 employees as at 31st July 2016, with offices in Edinburgh, New York, London and Hong Kong. All Baillie Gifford investment managers are located in the Edinburgh office

and all investment decisions, placement of orders and execution of trades take place within the Edinburgh office.

Our Supply Chains

A group of Baillie Gifford's size has hundreds of suppliers of various size and nature, including suppliers of IT and other office equipment and professional services from our lawyers, accountants and other advisers and consultants. We have minimal contact with the countries and sectors that are generally regarded as being the most likely to have a risk of modern slavery.

Our Policies on Modern Slavery and Human Trafficking

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains. This statement reflects our commitment to acting in an ethical manner and with integrity in all of our supplier relationships and to implementing and enforcing effective systems and controls to ensure modern slavery and human trafficking is not taking place anywhere in our supply chains.

This statement is supported by our existing Anti-Bribery and Corruption Policy. Baillie Gifford's Code of Ethics sets standards and expectations on all partners and staff in upholding the highest level of ethical conduct in their day to day business. In addition, our Recruitment Policy requires the risk of any modern slavery or human trafficking to be taken into consideration. All employees who join us are subject to checks to ensure they are genuine applicants, including verification of identity, references, evidence of qualifications and criminal record checks.

Due Diligence Processes for Modern Slavery and Human Trafficking

As part of our initiative to identify and mitigate risk we have adopted a risk-based methodology to rate each of our direct suppliers in order to determine what level of due diligence, if any, is required. This approach is designed to be proportionate to the risks identified and will be supported by the existing anti-bribery and corruption work which is undertaken by our Compliance function.

Each supplier is considered on a case-by-case basis, based on a combination of both its geographic region and the sector within which it operates.

Depending on the risk rating that we assign to a supplier, the following due diligence measures would be considered:

- Check supplier's website for modern slavery statement or equivalent;
- Include appropriate modern slavery clauses in contractual terms;
- Conduct internet search for any modern slavery related adverse media;
- Request annual certification from supplier to confirm that they have appropriate modern slavery provisions in place;
- Provide a copy of Baillie Gifford's Modern Slavery Statement;
- Consider information request to evidence steps the supplier has taken to combat modern slavery;
- Consider onsite supplier visit to discuss/review supplier procedures.

Suppliers will be assigned a modern slavery risk rating and due diligence will be completed based on this rating. The risk rating of suppliers will be kept under review throughout the course of the engagement for those identified as medium or high risk suppliers.

Supplier Adherence to our Values

Baillie Gifford operates a zero tolerance approach to modern slavery and human trafficking. For all those in our supply chain and contractors that we deem to be higher risk, we seek to oblige these suppliers to comply with our policies as set out in this statement.

Our effectiveness in combating modern slavery and human trafficking

The steps we have taken to date have enabled us to categorise and identify current risks in our supply chain and to address these with additional due diligence activities. The nature of our business activities and the high standards which we expect from ourselves and our suppliers is reflected in the number of low risk suppliers currently contracted with Baillie Gifford.

Training

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains, we will provide training to key staff as necessary.

Further Steps

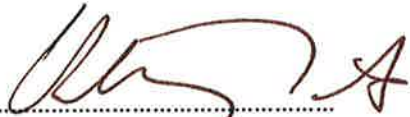
We intend to take the following further steps in order to combat the crime of modern slavery or human trafficking:

- Implement annual mandatory training for key staff;
- Assess third party supplier contracts on an ongoing basis and insert an agreed form of anti-slavery and human trafficking wording in all contracts where deemed necessary;
- Review and update our Modern Slavery Statement on an annual basis.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and has been approved by the Management Committee of Baillie Gifford & Co and Boards of Baillie Gifford Overseas Ltd, Baillie Gifford Life Ltd and Baillie Gifford & Co Ltd. It constitutes the Baillie Gifford Group's Modern Slavery Statement for the financial year ending April 2016.



Partner of Baillie Gifford & Co and Director of Baillie Gifford & Co Ltd
Date: 8 SEPTEMBER 2016



Director of Baillie Gifford Overseas Ltd and Baillie Gifford Life Ltd
Date: 8 SEPTEMBER 2016