

Our ref: 8892

Fund name, objective, Annual Management Charge (AMC) and Distribution changes

I am writing to you because you are invested in the Baillie Gifford Japanese Income Growth fund, provided by Baillie Gifford & Co Limited.

Baillie Gifford will change the name and objective of the fund from **19 May 2026**.

You'll see the new fund name on our valuations and statements after this date.

Old fund name	New fund name
Baillie Gifford Japanese Income Growth	Baillie Gifford Japanese Core Growth

The old and new objectives are overleaf for you to compare.

Baillie Gifford is decreasing the AMC for a period of 12 months from 05 May 2026. Fund managers apply an AMC for the investment management they provide. This is reflected in the pricing of the fund and not taken directly from your holdings.

This table shows the current and the new amounts.

	AMC %	OCF/TER %*
Current	0.60	0.64
5 May 2026 – 4 May 2027	0.25	0.29
5 May 2027 onwards	0.50	0.54

*The Ongoing Charges Figure (OCF)/ Total Expense Ratio (TER) represents the ongoing charges for the fund, expressed as a percentage. It is the sum of the AMC and all other running costs of the fund. OCF is increasingly replacing the TER.

Please note that none of the changes detailed in this letter affect any charges made by Quilter

Baillie Gifford will also change the distribution dates of the fund from **01 July 2026**.

Current Ex-Dividend Dates	New Ex-Dividend Dates
01-January 01-July	01-July
Current Pay Dates	New Pay Dates
28-February 31-August	31-August

How the changes will affect your account

If you are invested in income units, you can choose to withdraw dividend income received from the fund's underlying assets automatically. If you are currently taking dividend payments from your investment, the frequency of payments will decrease.

You may want to speak to your financial adviser about the impact of the change. Please speak to them before making any investment decisions, or if you have any questions about the change.

If you don't have a financial adviser, we recommend that you consider the benefits of receiving professional financial advice, which can be especially important when you need to make investment decisions. If you would like to search for an adviser in your area you can start by visiting quilter.com/financial-advice/find-an-adviser.

The value of your holding – The changes may affect the value of your fund holding. The fund will bear the costs of implementing the proposal and realignment. The realignment costs are estimated to be 0.2% of the fund's value.

Risk profile – The fund's risk profile will not change.

Why the funds are changing

The fund was established in 2016 with the aim of outperforming (after deduction of costs) TOPIX, as stated in sterling, by at least 1% per annum over rolling five-year periods, with a bias towards income. However, the Japanese market has changed significantly which has led to dividends rising broadly, and income has therefore ceased to be a differentiating factor for the fund compared to similar funds.

Baillie Gifford have decided to remove the income aim and preserve the essence of their stock-driven, bottom-up research and focus on capital growth which will better align the fund to the needs of existing investors. As a result of this change, the level of income distributed by the fund is expected to reduce over time and the fund's portfolio composition will change.

As the fund will no longer have an income-biased investment approach, the reference to "income" will be removed from the fund name and replaced with "core". Baillie Gifford believes this reflects the strategy of the fund.

Currently, part or all of the expenses, including the Annual Management Charge, are charged to the capital of the fund which can constrain capital growth, may result in capital erosion, and increase the income distributed to shareholders. As a result of the removal of the income aim from the investment objective of the fund, Baillie Gifford propose that these expenses will instead be charged to the income of the fund. This change aligns with the approach taken in respect of other growth funds that form part of their fund range. The change to the allocation of expenses is expected to result in lower income distributions.

Consequently, as the fund will no longer specifically seek to deliver income, Baillie Gifford also propose to decrease the distribution frequency from a bi-annual basis to an annual basis, in line with market practice. This means that income will be allocated and paid on 1 July and 31 August, respectively, each year.

The next steps

You don't need to take any action unless you would like to choose a new asset from our extensive range. Please speak to your financial adviser before making any investment decisions or if you have any questions about this change.

If you have any questions about this letter, please speak to your financial adviser who will be able to help you. Alternatively, you can call or email us using the details shown and we will be happy to help. Our Customer Service Centre is open 8:30am – 5:30pm, Monday to Friday.

Yours sincerely,



Callum Earl

Head of Client Services

Fund objectives

Current fund Baillie Gifford Japanese Income Growth	New fund Baillie Gifford Japanese Core Growth
To outperform (after deduction of costs) the TOPIX, as stated in sterling, over rolling five-year periods through a combination of income and capital growth whilst maintaining a portfolio yield higher than the TOPIX.	To outperform (after deduction of costs) the TOPIX, as stated in sterling, over rolling five-year periods by investing in 60 to 80 holdings.