

Key Information Document (Investment option information)

Purpose

This document should be read alongside the HSBC Onshore Investment Bond Key Information Document and provides you with specific information about this investment option (fund).

Investment

Name of investment Baillie Gifford Managed B Acc
ISIN: GB0006010168

Asset Manager: Baillie Gifford & Co Ltd
Published Date: 31.12.2020

What is this investment?

Type

OEIC

Intended retail investor

This Fund is suitable for all investors seeking a Fund that aims to deliver capital growth over a long-term investment horizon. The investor should be prepared to bear losses. This Fund is compatible for mass market distribution. This Fund may not be suitable for investors who are concerned about short-term volatility and performance, seeking a regular source of income and investing for less than five years. This Fund does not offer capital protection.

Objective

The Fund aims to achieve capital growth over rolling five-year periods. The Fund will be actively managed and will invest in a combination of shares of companies, bonds and cash; with a minimum of 60% in shares of companies of any size and 10% in bonds and cash. This exposure may be achieved directly or indirectly via collective investment schemes. The remainder may be in any combination of shares of companies, bonds, other transferable securities and money market instruments. The Fund will invest in bonds which may be issued by government, supranational, public sector or corporate issuers and may be investment grade or sub-investment grade bonds. Currency forwards and derivatives, which are types of financial contracts, are used for both investment purposes and in the management of risk.

What are the risks and what could I get in return?

Risk Indicator

Lower risk

1	2	3	4	5	6	7
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 Higher risk

The risk indicator assumes that you keep the investment for 5 years.

The recommended holding period for the Onshore Investment Bond (OIB) is at least 5 years. The recommended holding period of this investment is 5 years. Other investments you can hold within the OIB may have longer or shorter recommended holding periods. In order to provide a consistent comparison of the risk performance and costs of the different investments, the recommended holding period of the OIB has been used for the calculations in this document.

The summary risk indicator is a guide to the level of risk of this investments compared to other investments. It shows how likely it is that this investment will lose money because of movements in the markets or because Baillie Gifford & Co Ltd is not able to pay you.

We have classified this product as 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium level, and poor market conditions could impact the capacity of the PRIIP manufacturer to pay you.

Other risks materially relevant to the PRIIP not included in the summary risk indicator: Exposure to bonds, derivatives and foreign currencies may increase risk. Charges are taken from income; if expenses exceed income the capital value falls.

This investment does not include any protection from future market performance so you could lose some or all of your investment.

Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.

Performance scenarios

Investment £ 10,000 Survival scenario		1 year	3 years	5 years (Recommended holding period)
Stress scenario	What you might get back after costs	£ 3,456.16	£ 2,367.67	£ 1,415.29
	Average return each year	-65.44 %	-38.14 %	-32.37 %
Unfavourable scenario	What you might get back after costs	£ 9,710.36	£ 11,317.56	£ 13,702.99
	Average return each year	-2.90 %	4.21 %	6.50 %
Moderate scenario	What you might get back after costs	£ 11,485.39	£ 15,126.07	£ 19,920.80
	Average return each year	14.85 %	14.79 %	14.78 %
Favourable scenario	What you might get back after costs	£ 13,548.43	£ 20,161.97	£ 28,882.29
	Average return each year	35.48 %	26.33 %	23.63 %
Death scenario				
Insured event	What you might get back after costs	£ 11,496.87	£ 15,141.20	£ 19,940.72

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest £ 10,000.

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment.

The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where Baillie Gifford & Co Ltd are not able to pay you.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest £10,000. The figures are estimates and may change in the future.

Costs over time

Investment £ 10,000 Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years
Total costs	£ 63.49	£ 252.23	£ 556.71
Impact on return (RIY) per year	0.63 %	0.63 %	0.63 %

The person selling you or advising you about this investment may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Composition of costs

The table below shows:

- The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period.
- The meaning of the different cost categories

This table shows the impact on return per year			
One-off costs	Entry costs	0.00 %	The impact of the costs you pay when entering your investment.
	Exit costs	0.00 %	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.15 %	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	0.48 %	The impact of the costs that we take each year for managing your investments and other recurring costs.

Occasionally, the portfolio transaction costs shown could be negative. This happens when the investment manager has been able to buy investments at a rate lower than the market rate. The benefit of such a discount will be reflected in the costs and projected figures shown in this document.