

Baillie Gifford™

Baillie Gifford International Concentrated Growth Fund Fourth Quarter 2024

About Baillie Gifford

Philosophy	Long-term investment horizon A growth bias Bottom-up portfolio construction High active share
Partnership	100% owned by 58 partners with average 20 years' service Ownership aligns our interests with those of our clients Enables us to take a thoughtful, long-term view in all that we do Stability, quality and consistency

Fund Objective

To produce capital growth over the long term by investing primarily in equities outside of the US. Performance will be measured against the MSCI AC World ex US Index.

Investment Proposition

The Fund invests in exceptional growth companies operating in international markets. We invest with a 10-year investment horizon which we believe differentiates us from the market and allows us to benefit from the power of compound returns. We run a concentrated portfolio to avoid diluting the growth stocks in which we have the highest conviction.

Fund Facts

Launch Date	March 27, 2018
Fund Size	C\$84.6m
Benchmark	MSCI ACWI ex US Index
Current Active Share	90%*
Current Annual Turnover	17%
Style	Growth
Stocks (guideline range)	20-35
Current Number of Stocks	30

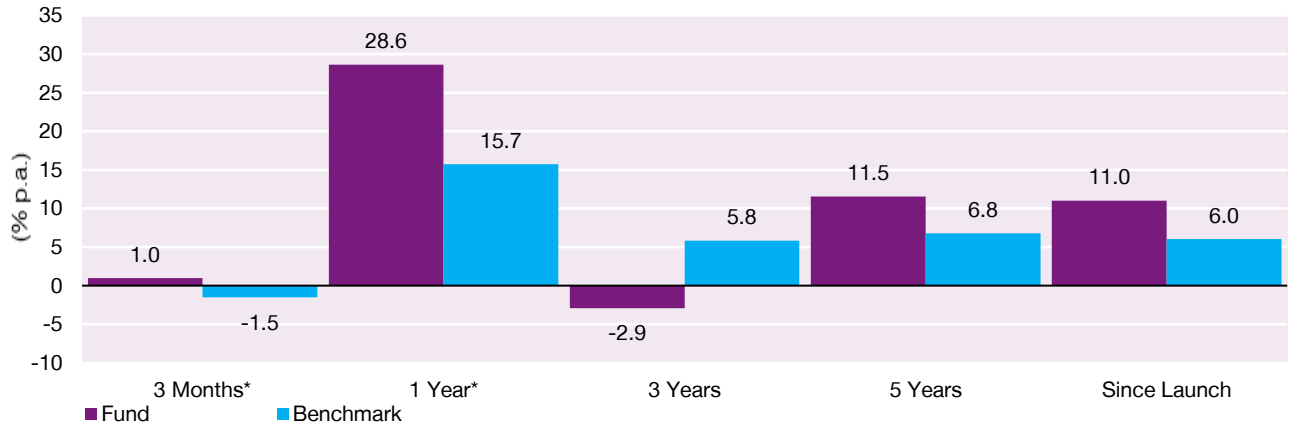
*Relative to MSCI ACWI ex US Index. Source: Baillie Gifford & Co, MSCI.

International Concentrated Growth Portfolio Construction Group

Name	Job Title	Years' Experience
Spencer Adair*	Investment Manager	24
Lawrence Burns*	Investment Manager	15
Paulina McPadden	Investment Manager	11

*Partner

Periodic Performance



Discrete Performance

	12/31/19- 12/31/20	12/31/20- 12/31/21	12/31/21- 12/31/22	12/31/22- 12/31/23	12/31/23- 12/31/24
Fund %	94.0	-2.8	-35.5	10.4	28.6
Benchmark %	9.2	7.4	-9.4	13.1	15.7

Source: CIBC, Revolution, MSCI. As at December 31, 2024. Canadian dollars. Fund performance shown is based on the NAV calculated by CIBC Mellon Trust Company, 4pm ET. Benchmark calculated using close to close. *Not annualized. Launch date: March 27, 2018.

All the returns presented above are gross of investment management fees. The results do not reflect the deduction of investment management fees. Fees are charged outside the fund.

Stock Level Attribution

Quarter to December 31, 2024

Top Five Contributors

Asset Name	Contribution (%)
Spotify	2.7
NVIDIA	1.2
Shopify	1.0
Wise	0.9
Tesla Inc	0.9

Bottom Five Contributors

Asset Name	Contribution (%)
MercadoLibre	-1.3
Delivery Hero	-0.9
Moderna	-0.6
PDD Holdings	-0.5
ASML	-0.5

One Year to December 31, 2024

Top Five Contributors

Asset Name	Contribution (%)
NVIDIA	7.4
Spotify	6.8
Meituan	2.2
Ferrari	1.4
Shopify	1.0

Bottom Five Contributors

Asset Name	Contribution (%)
Ocado	-2.4
Kering	-1.8
Moderna	-1.6
PDD Holdings	-1.0
M3	-0.8

Since Inception* to December 31, 2024

Top Five Contributors

Asset Name	Contribution (%)
Tesla Inc	17.2
MercadoLibre	12.3
NVIDIA	12.3
ASML	11.8
Spotify	7.1

Bottom Five Contributors

Asset Name	Contribution (%)
Ocado	-5.3
Zalando	-3.7
Moderna	-3.5
Delivery Hero	-2.7
Adyen	-2.5

*March 27, 2018

Source: Revolution, MSCI. Baillie Gifford International Concentrated Growth Fund relative to MSCI ACWI ex US Index.

All attribution figures are calculated gross of fees, relative to the Index from stock level up, based on closing prices.

Attribution is shown relative to the index therefore not all stocks shown are held in the portfolio. See the List of Holdings section of this report for the stocks held.

Market environment

Following the US presidential election, the divergence between US and international equity markets has intensified, with the valuation gap reaching its highest point in two decades. Our investment philosophy is to invest in individual companies, not markets. Overall, the recent operational performance of the fund's holdings has been positive, and it has been particularly pleasing to see this being rewarded in terms of share prices. We maintain our unwavering focus on identifying companies with exceptional growth potential that can become the leaders of tomorrow.

Performance

International equity markets declined in the final quarter of 2024, with the Fund outperforming its benchmark. Holdings in Spotify, NVIDIA, and Shopify were among the top contributors to relative performance.

Spotify has been a leading contributor to performance over the recent quarter as well as the past year. It now has over 600 million active users and has impressively transformed from operating losses to healthy profitability and cash flow generation. We have been particularly impressed with management's adaptability in successfully managing this pivot. Since its initial public offering in 2018, Spotify's revenues have increased almost fourfold, while free cash flow has increased more than 12-fold.

The unique competitive advantage NVIDIA has developed is extraordinary and it once again features as a top contributor to performance. Its third-quarter results were ahead of market expectations with revenue nearly doubling year-on-year to \$35bn, within which data centre revenue grew 112 per cent. All roads in generative artificial intelligence currently lead to NVIDIA. Despite our enthusiasm for the long-term investment case, we are acutely aware that the current state of demand for its graphic processing units being materially ahead of supply will not last forever.

Shopify is a comprehensive e-commerce platform that allows anyone to create and manage an online store, sell products both digitally and physically, and process payments through various gateways. It has transformed from a simple e-commerce solution into a comprehensive commerce operating system. The company's expansion into fintech through Shop Pay, which now processes over \$43 billion in payment volume, showcases its ability to create additional value layers within its ecosystem. Its international growth trajectory remains robust providing diversification and multiple avenues for sustained growth. We believe Shopify's position at the intersection of digital commerce and financial technology presents compelling long-term growth potential.

Detractors from performance included holdings in MercadoLibre, Delivery Hero, and Moderna.

MercadoLibre shares underperformed due to concerns over margin compression in its core business. The Latin American e-commerce giant saw its operating income margin decline to 10.5 per cent in the third quarter, primarily due to further investments in credit card services and logistics infrastructure. While the company reported strong revenue growth of 35 per cent year-over-year and reached a milestone of 61 million unique buyers, caution lingers around increased spending on fulfilment centres and credit expansion. We wholeheartedly support management's decision to continue to invest in further growth opportunities.

In spite of its strong operational performance Delivery Hero's shares underperformed over the quarter. Third quarter gross merchandise volume accelerated to grow 9 per cent year-over-year with revenues growing an impressive 24 per cent. However, the Taiwanese Fair Trade Commission's decision to block the planned \$950m sale of its Foodpanda business to Uber dominated sentiment towards the end of the year. Proceeds from the transaction were intended to be used to buy back convertible bonds and enhance Delivery Hero's capital structure. Notwithstanding recent setbacks, the company's strategic focus on profitable growth is clearly yielding results, with positive free cash flow of €50-100m expected for the full year.

Moderna is a biotechnology company that specializes in developing messenger RNA (mRNA) therapeutics and vaccines. Its shares have been weak following its September Capital Market event which included pipeline prioritisation and reduction in R&D spend as well as a reduction in revenue expectations and news that the FDA are not minded to allow an accelerated approval pathway for the personalised cancer vaccine partnered with Merck. Investing in biotechnology companies takes patience and we continue to believe Moderna's mRNA technology platform will produce valuable assets, not only in the respiratory vaccine area but also in areas like oncology, which could be far more valuable than the market currently anticipates or is willing to ascribe value to today.

Notable transactions

The Fund's new purchase of the Danish pharmaceutical company Novo Nordisk was completed in early October. Novo Nordisk has a long history of innovation and leadership in the healthcare sector, particularly in the treatment of chronic diseases such as diabetes and obesity. Our analysis suggests that the potential for the obesity market lies far beyond current market expectations and could reach \$350 billion by the end of the decade, and potentially half a trillion beyond that, with Novo Nordisk set to take a sizeable share. The group's strong clinical evidence and manufacturing capacity will result in a growing stream of cash flows that it can use to further advance its obesity pipeline, which is already the strongest in the industry.

There were no complete sales during the quarter.

Market Outlook

In periods of political transition, markets often fixate on short-term volatility, but exceptional companies have consistently demonstrated their ability to generate sustainable growth regardless of who occupies positions of power. The most compelling investment opportunities emerge from businesses that fundamentally disrupt existing paradigms through innovation and sustainable competitive advantages. These companies don't merely react to external circumstances - they actively shape their destinies through visionary leadership and innovative solutions, creating enduring value across market cycles. By focusing on businesses with the potential to deliver decade-long profitable growth and maintaining a patient, long-term investment horizon,

we seek to capitalise on the market's persistent inefficiency in pricing sustained excellence. These transformative companies, driven by skilled management and durable franchises, often deliver asymmetric returns by reshaping entire industries and generating significant earnings growth that transcends short-term political or macroeconomic fluctuations.

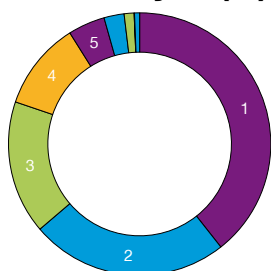
Transactions from 01 October 2024 to 31 December 2024.

New Purchases

Stock Name	Transaction Rationale
Novo Nordisk	Novo Nordisk is a Danish pharmaceutical company and a global leader in metabolic diseases. We took a position as we believe the obesity market has the potential to be a \$350bn opportunity over the next 10 years, with Novo Nordisk set to take a sizeable share. The insatiable demand in the self-pay market for Novo's drugs is unprecedented in the history of chronic diseases and is set to continue. Its strong clinical evidence and manufacturing capacity will result in a growing stream of cash flows that it can use to advance its obesity pipeline, which is already the strongest in the industry. This includes developing drugs with improved efficacy, those that can be taken orally or with new mechanisms of action, further expanding the market.

There were no complete sales during the period.

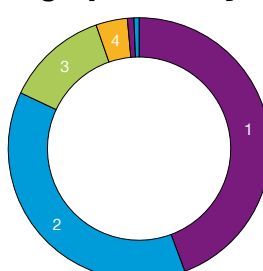
Sector Analysis (%)



1	Consumer Discretionary	39.4
2	Information Technology	24.4
3	Communication Services	16.4
4	Financials	10.9
5	Health Care	4.6
6	Consumer Staples	2.5
7	Industrials	1.2
8	Materials	0.0
9	Cash	0.6

Total may not sum due to rounding.

Geographic Analysis (%)



1	Europe (ex UK)	44.3
2	Emerging Markets	37.7
3	North America	12.7
4	UK	3.9
5	Developed Asia Pacific	0.8
6	Cash	0.6

Total may not sum due to rounding.

Top Ten Holdings

Holdings	Fund %	
1	MercadoLibre	11.9
2	Spotify	10.8
3	TSMC	7.5
4	NVIDIA	7.0
5	Ferrari	6.7
6	Adyen	6.4
7	ASML	6.0
8	Meituan	4.6
9	Shopify	3.8
10	Hermès International	3.8

Portfolio Characteristics

Number of holdings	30
Number of countries	16
Number of sectors	8
Number of industries	17
Active Share	90%*
Annual Turnover	17%

*Relative to MSCI ACWI ex US Index. Source: Baillie Gifford & Co, MSCI.

Voting Activity

Votes Cast in Favour		Votes Cast Against		Votes Abstained/Withheld	
Companies	4	Companies	None	Companies	None
Resolutions	20	Resolutions	None	Resolutions	None

Company Engagement

Engagement Type	Company
Environmental	Kering SA, Moderna, Inc., PDD Holdings Inc., Sea Limited, Shopify Inc., Tencent Holdings Limited, Tesla, Inc.
Social	Kering SA, PDD Holdings Inc., Sea Limited, Tencent Holdings Limited
Governance	ASML Holding N.V., Kering SA, Kinnevik AB, Moderna, Inc., Shopify Inc., Tesla, Inc.
Strategy	Moderna, Inc., Sea Limited, Tencent Holdings Limited

Asset Name	Fund %
MercadoLibre	11.9
Spotify	10.8
TSMC	7.5
NVIDIA	7.0
Ferrari	6.7
Adyen	6.4
ASML	6.0
Meituan	4.6
Shopify	3.8
Hermès International	3.8
Tencent	3.5
Coupang	3.1
Delivery Hero	2.7
Wise	2.6
Sea Limited	2.2
PDD Holdings	2.2
Kering	2.1
BYD Company	1.5
BioNTech	1.4
Ocado	1.3
Nu Holdings	1.2
Atlas Copco	1.2
Moderna	1.2
L'Oréal	1.2
Novo Nordisk	1.2
M3	0.8
Kinnevik	0.7
Tesla Inc	0.7
SolarEdge	0.1
Ginkgo Bioworks	0.0
Cash	0.6
Total	100.0

Total may not sum due to rounding.

Please note the fund information contained within this document is proprietary information and should be maintained as such and not disseminated. The content is intended for information purposes only and should not be disclosed to other third parties or used for the purposes of market timing or seeking to gain an unfair advantage.

Additional Fund Information

The Fund is a sub-fund of Baillie Gifford Funds Canada. Its Investment Manager and Distributor is Baillie Gifford Overseas Limited.

This factsheet does not provide you with all the facts that you need to make an informed decision about investing in the Fund. Further details of the risks associated with investing in the Fund can be found in the Offering Memorandum, copies of which are available at bailliegifford.com

Important Information and Risk Factors

This bulletin is solely for the use of professional investors and should not be relied upon by any other person. It is not intended for use by retail clients. Nothing in the document should be construed as advice and it is therefore not a recommendation to buy or sell shares.

Baillie Gifford Overseas Limited is wholly owned by Baillie Gifford & Co. Baillie Gifford Overseas Limited provides investment management and advisory services to non-UK clients. Both are authorized and regulated by the Financial Conduct Authority. Baillie Gifford Overseas Limited is registered with the SEC in the United States of America.

Baillie Gifford International LLC is wholly owned by Baillie Gifford Overseas Limited; it was formed in Delaware in 2005 and is registered with the SEC. It is the legal entity through which Baillie Gifford Overseas Limited provides client service and marketing functions in North America.

The Manager is not resident in Canada, its head office and principal place of business is in Edinburgh, Scotland. Baillie Gifford Overseas Limited is regulated in Canada as a portfolio manager and exempt market dealer with the Ontario Securities Commission ('OSC'). Its portfolio manager licence is currently passported into Alberta, Quebec, Saskatchewan, Manitoba and Newfoundland & Labrador whereas the exempt market dealer licence is passported across all Canadian provinces and territories. Baillie Gifford International LLC is regulated by the OSC as an exempt market and its licence is passported across all Canadian provinces and territories. Baillie Gifford Investment Management (Europe) Limited ('BGE') relies on the International Investment Fund Manager Exemption in the provinces of Ontario and Quebec. Past performance is not a guide to future returns. This document contains information on investments which does not constitute independent research. Accordingly, it is not subject to the protections afforded to independent research and Baillie Gifford and its staff may have dealt in the investments concerned. All investment funds have the potential for profit and loss. All information is sourced from Baillie Gifford & Co. All amounts are in Canadian dollars unless otherwise stated.

Fees

International Concentrated Growth Fund Management Fees

0.57% first C\$150m

0.45% next C\$450m

0.35% thereafter

Investors are charged a fee for investment management services based on the above scale. This fee is payable directly to the manager.

Operating Expenses: 0.20%

Expense Cap: 0.15%

The Manager has agreed to bear the expenses of the Fund above the Expense Cap. The Funds operating expenses are all expenses the Fund incurs in its daily operations excluding transaction fees based on the actual expenses for the fiscal year to December 31, 2023. The expense cap has been approved until 31 December 2024.

Dealing Information

Settlement	T+2
Liquidity and Valuation	Daily
Eligibility	Permitted clients*
Dealing cut-off time	4pm Eastern
Custodian and Record Keeper	CIBC

*As defined in Multilateral Instrument 32-102 Registration Exemptions for Non-Resident Investment Managers.

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Contacts

Anthony Spagnolo

Tel: (416) 505 5927

email: Anthony.Spagnolo@bailliegifford.com

Baillie Gifford International LLC
161 Bay Street, Suite 2700,
Toronto, Ontario, M5J 2S1

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Canada Client Service Team

email: CanadaClientService@bailliegifford.com

website: bailliegifford.com

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