

# Baillie Gifford™

Baillie Gifford UK & Balanced Funds ICVC

---

Annual Report & Financial Statements

*for the year ended 31 January 2024*



---

**Contents**

|  |     |
|--|-----|
| About the Company*   | 1   |
| Statement of Authorised Corporate Director's Responsibilities                        | 3   |
| Statement of Depositary's Responsibilities and of the Depositary to the Shareholders | 4   |
| Report of the Independent Auditors   | 5   |
| Accounting Policies  | 8   |
| Risk Disclosures   | 11  |
| Remuneration Report  | 14  |
| Baillie Gifford British Smaller Companies Fund*                                      | 17  |
| Baillie Gifford Global Alpha Growth Fund*  | 37  |
| Baillie Gifford Global Alpha Paris-Aligned Fund*                                     | 69  |
| Baillie Gifford Global Income Growth Fund*   | 97  |
| Baillie Gifford International Fund*  | 135 |
| Baillie Gifford Managed Fund*  | 165 |
| Baillie Gifford Responsible Global Equity Income Fund*                               | 209 |
| Baillie Gifford UK and Worldwide Equity Fund*  | 247 |
| Baillie Gifford UK Equity Alpha Fund*  | 275 |
| Glenfinlas Global Fund*  | 301 |
| General Information  | 315 |
| The Group's Funds  | 325 |

\*Collectively these comprise the Authorised Corporate Director's Report as required by the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("COLL").

## About the Company

Baillie Gifford UK & Balanced Funds ICVC (Investment Company with Variable Capital) (the ‘Company’) is an umbrella UK Open-Ended Investment Company (‘OEIC’) under regulation 14 (Authorisation) of the Open-Ended Investment Companies Regulations 2001. An OEIC is a collective investment vehicle in which your funds are pooled with those of other investors and spread across a portfolio of companies, thus reducing risk.

At 31 January 2024 the Company offered eight sub-funds, and the range may be varied in the future. Each sub-fund is valued on a daily basis and is subject to different charging structures and subscription limits. All shares are single priced. Details of the sub-funds and the share classes are contained in the Prospectus, along with details of the switching facility available between sub-funds. The Prospectus was last revised on 30 November 2023 and the Instrument of Incorporation were last revised on 13 November 2023. Copies of the Prospectus or Instrument of Incorporation can be obtained from Baillie Gifford & Co Limited, the Authorised Corporate Director (‘ACD’) by contacting Client Relations.

The Company is registered in Scotland, registered number SI 000008, and the address of its Head Office is Calton Square, 1 Greenside Row, Edinburgh EH1 3AN. The operation of the Company is governed by the Financial Conduct Authority’s Collective Investment Schemes Sourcebook (‘COLL’) (‘the Regulations’), its Instrument of Incorporation and its Prospectus.

The Company’s shareholders are not liable for its debts beyond the amount subscribed. Each sub-fund is classed as a UK UCITS retail scheme under COLL.

Any comments expressed in this report should not be taken as a recommendation or advice.

### **Glenfinlas Global Fund**

---

On 13 November 2015 the shareholders in the Fund redeemed their holdings. Consequently, the ACD is no longer actively seeking subscriptions for the Fund.

### **Baillie Gifford British Smaller Companies Fund**

---

On the 27 June 2023 the shareholders in the Fund redeemed their holdings. Consequently, the ACD is no longer actively seeking subscriptions for the Fund.

### **Assessment of Value for the Sub-Funds**

---

Under COLL 6.6.20R (1), Baillie Gifford & Co Limited, the ACD of the Company, must conduct an assessment at least annually for each UK authorised sub-fund it manages, of whether the payments out of the sub-funds set out in the prospectus are justified in the context of the overall value delivered to shareholders. This assessment of value must, as a minimum, consider seven criteria, namely: quality of service, performance, authorised fund manager costs, economies of scale, comparable market rates, comparable services and classes of shares. The ACD will issue the statement of value in a separate composite report, performing the assessment across their full range of UK authorised sub-funds. The ACD has chosen a reference date of 31 March and will publish a composite report by 31 July each year. The latest report as at 31 March 2023 is available on the website at [www.bailliegifford.com](http://www.bailliegifford.com).

### **Amendment to Investment Policy of Baillie Gifford UK Equity Alpha Fund, Baillie Gifford Managed Fund, Baillie Gifford Responsible Global Equity Income Fund and Baillie Gifford UK and Worldwide Equity Fund**

---

The investment policy of Baillie Gifford UK Equity Alpha Fund, Baillie Gifford Managed Fund, Baillie Gifford Responsible Global Equity Income Fund and Baillie Gifford UK and Worldwide Equity Fund have been amended to reflect that Baillie Gifford’s exclusion policy on the United Nations Global Compact will be applied.

### **Sub-fund Cross-holdings**

---

At 31 January 2024 none of the shares in the sub-funds were held by any other sub-funds of the Company.

## About the Company cont.

### **Authorised Corporate Director**

Baillie Gifford & Co Limited  
(Authorised & regulated by the Financial Conduct Authority, Financial Services Register No. 119179)  
Calton Square  
1 Greenside Row  
Edinburgh EH1 3AN  
Telephone: 0800 917 2113  
Fax: 0131 275 3955

### **Directors of the ACD**

#### Executive

M J C Wylie (Chairman)  
E Delaney  
C M Fraser  
L B S Haddow  
D S McGowan  
C M Murphy (appointed 22 November 2023)  
A J Telfer (resigned 22 November 2023)

#### Independent Non-Executive

K B M Bolsover  
D R Buckley  
C R S Turpin (appointed 22 November 2023)

### **Investment Adviser**

Baillie Gifford & Co  
(Authorised & regulated by the Financial Conduct Authority, Financial Services Register No. 142597)  
Calton Square  
1 Greenside Row  
Edinburgh EH1 3AN

### **Depositary**

NatWest Trustee and Depositary Services Limited  
(Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, Financial Services Register No. 794152)  
Trustee & Depositary Services  
House A, Floor 0  
175 Glasgow Road  
Gogarburn  
Edinburgh EH12 1HQ

### **Registrar**

Baillie Gifford & Co Limited  
(Authorised and regulated by the Financial Conduct Authority, Financial Services Register No. 119179)  
Calton Square  
1 Greenside Row  
Edinburgh EH1 3AN

### **Auditor**

PricewaterhouseCoopers LLP  
Atria One  
144 Morrison Street  
Edinburgh EH3 8EX

*Baillie Gifford & Co Limited, the Authorised Corporate Director of the OEIC, is wholly owned by Baillie Gifford & Co. We only provide information about our products and do not provide investment advice.*

# Statement of Authorised Corporate Director's Responsibilities

The Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL') requires the Authorised Corporate Director to prepare financial statements for each interim and annual accounting period which give a true and fair view of the financial position of the Company and of its revenue and expenditure and of its net gains and losses on the property of the Company for the year. In preparing the financial statements the Authorised Corporate Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with the disclosure requirements of the Statement of Recommended Practice relating to the Financial Statements of UK Authorised Funds issued in 2014;
- follow generally accepted accounting principles and applicable accounting standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland";
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation; and
- take reasonable steps for the prevention and detection of fraud and irregularities.

The Authorised Corporate Director is responsible for the management of the Company in accordance with the Instrument of Incorporation, the Prospectus and the Regulations.

The Annual Report and Financial Statements were approved by the Authorised Corporate Director and signed on its behalf by:

*M J C Wylie, Chairman*  
*C M Fraser, Director*  
*Baillie Gifford & Co Limited*  
*28 March 2024*

# Statement of the Depositary's Responsibilities and Report of the Depositary to the Shareholders of Baillie Gifford UK & Balanced Funds ICVC ('The Company') for the Year Ended 31 January 2024

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC Regulations), as amended, the Financial Services and Markets Act 2000, as amended, (together 'the Regulations'), the Company's Instrument of Incorporation and Prospectus (together 'the Scheme documents') as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that the cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of the shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations and;
- the instructions of the Authorised Fund Manager ('the AFM') are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Regulations and the Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the

information available to us and the explanations provided, that in all material respects the Company, acting through the AFM:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with Regulations and the Scheme documents of the Company, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

*National Westminster Bank Plc  
Trustee & Depositary Services  
Edinburgh  
1 February 2024*

# Independent Auditors' Report to the Shareholders of Baillie Gifford UK & Balanced Funds ICVC

## Report on the audit of the financial statements

---

### Opinion

In our opinion, the financial statements of Baillie Gifford UK & Balanced Funds ICVC (the "Company"):

- give a true and fair view of the financial position of the Company and each of the sub-funds as at 31 January 2024 and of the net revenue/result and the net capital gains/losses/result on the scheme property of the Company and each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

Baillie Gifford UK & Balanced Funds ICVC is an Open Ended Investment Company ('OEIC') with ten sub-funds. The financial statements of the Company comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Annual Report & Financial Statements (the "Annual Report"), which comprise: the balance sheets as at 31 January 2024; the statements of total return and the statements of change in net assets attributable to shareholders for the year then ended; the distribution tables; the Accounting Policies; the Risk Disclosures; and the notes to the financial statements.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Emphasis of Matter - financial statements of sub-funds prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to accounting policy 1 – Basis of accounting in the Accounting Policies which describes the Authorised Corporate Director's reasons why the financial statements for the Glenfinlas Global Fund and the Baillie Gifford British Smaller Companies Fund (the "terminating sub-funds"), sub-funds of Baillie Gifford UK & Balanced Funds ICVC, have been prepared on a basis other than going concern. The financial statements of the remaining sub-funds of the Company (the "continuing sub-funds") have been prepared on a going concern basis.

### Conclusions relating to going concern

In respect of the Company as a whole and the continuing sub-funds, based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's or the continuing sub-fund's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

With the exception of the terminating sub-funds, in auditing the financial statements, we have concluded that the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's or any sub-fund's ability to continue as a going concern.

# Independent Auditors' Report to the Shareholders of Baillie Gifford UK & Balanced Funds ICVC cont.

Our responsibilities and the responsibilities of the Authorised Corporate Director with respect to going concern are described in the relevant sections of this report.

## Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Authorised Corporate Director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on our work undertaken in the course of the audit, the Collective Investment Schemes sourcebook requires us also to report certain opinions as described below.

### *Authorised Corporate Director's Report*

In our opinion, the information given in the Authorised Corporate Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Responsibilities for the financial statements and the audit

### *Responsibilities of the Authorised Corporate Director for the financial statements*

As explained more fully in the Statement of Authorised Corporate Director's Responsibilities, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Corporate Director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the Company's and each of the sub-funds' ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to wind up or terminate the Company or individual sub-fund, or has no realistic alternative but to do so.

### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.



# Independent Auditors' Report to the Shareholders of Baillie Gifford UK & Balanced Funds ICVC cont

Based on our understanding of the Company/industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Company or the sub-funds. Audit procedures performed included:

- Discussions with the Authorised Corporate Director, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Authorised Corporate Director's board of directors;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

## *Use of this report*

This report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## **Other required reporting**

### **Opinion on matter required by the Collective Investment Schemes sourcebook**

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

### **Collective Investment Schemes sourcebook exception reporting**

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

*PricewaterhouseCoopers LLP*  
*Chartered Accountants and Statutory Auditors*  
*Edinburgh*  
*28 March 2024*

# Accounting Policies

## (1) *Basis of accounting*

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with UK Generally Accepted Accounting Principles, the Instrument of Incorporation, the Statement of Recommended Practice ('SORP') relating to the Financial Statements of UK Authorised Funds issued in 2014 and the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL'). Unless otherwise stated, accounting policies within these financial statements are consistent with prior year policies.

The financial statements have been prepared on a going concern basis, with the exception of Glenfinlas Global Fund and Baillie Gifford British Smaller Companies Fund. Glenfinlas Global Fund is no longer considered to be a going concern because all shareholders redeemed their shares on 13 November 2015 and Baillie Gifford British Smaller Companies Fund is no longer considered to be a going concern because all shareholders redeemed their shares on 27 June 2023, it is the ACD's intention to terminate the sub-funds. Consequently the sub-funds are not a going concern and the financial statements have been prepared on a basis other than going concern. The prior year financial statements for Glenfinlas Global Fund were also prepared on a basis other than going concern. There is no impact on the financial statements or disclosure notes of the sub-funds on the basis that the assets and liabilities on the balance sheet are valued at fair value, which materially equate to their residual values, and costs relating to the disposal of assets and settlement of liabilities will be met by the Investment Adviser. Investments have been reclassified from fixed assets to current assets.

FRS 102 requires the Company to disclose, for the financial instruments held, the level within the fair value hierarchy that the fair value measurement of those instruments should be categorised. The fair value hierarchy is as follows:

Level 1: The unadjusted quoted price in an active market for an identical instrument.

Level 2: Valuation techniques using observable inputs other than quoted prices included within Level 1.

Level 3: Valuation techniques using unobservable inputs.

## (2) *Recognition of income*

*Equities:* Dividends on equities are recognised when the security is quoted ex-dividend. The ordinary element of stocks received in lieu of cash dividends is recognised as revenue and, where applicable, is included in the distributions. Special dividends are treated as repayments of capital or revenue depending on the facts of each particular case.

*Debt Securities:* Income on debt securities is recognised on an effective interest basis by reference to the purchase price.

*Collective Investment Schemes:* Distributions and accumulations from holdings in collective investment schemes are recognised when the scheme units go ex-dividend or ex-interest. Where an overseas scheme with UK reporting fund status reports excess income that amount is recognised when the report is made. Amounts stated as equalisation on units in distributions or reports are treated as a return of capital and deducted from the cost of investment. Where the manager of a scheme rebates a portion of the management fees suffered by that scheme this is recognised as revenue when the amount becomes due.

*Swap Agreements:* Income payable or receivable on swap agreements is accrued on a daily basis.

*Deposits and Other Income:* Interest on deposits is accounted for on an accruals basis. Underwriting commission is recognised when the issue takes place. Other income is accounted for on either an accruals or a receipts basis depending on the circumstances of each particular case.

*Real Estate Investment Trusts:* Distributions from Real Estate Investment Trusts (REITs) are recognised when the security is quoted as ex-dividend. Income is streamed between dividend income and property income distributions as appropriate. Special dividends are treated as repayments of capital or revenue depending on the facts of each particular case.

## Accounting Policies cont.

### (3) *Treatment of management expenses*

For all the sub-funds, all management expenses, other than those relating to the purchase and sale of investments and custodian transaction costs, have been charged to revenue. For Baillie Gifford Global Income Growth Fund and Baillie Gifford Responsible Global Equity Income Fund, for the purpose of the distribution, a percentage of the expenses, with the agreement of the Depositary, is allocated to capital. For all of the sub-funds VAT is written off to the extent that it is not considered to be recoverable.

Where the ACD, at its sole discretion, considers the expenses within a sub-fund to be too high, the ACD may rebate some of those expenses to that sub-fund. Where the ACD pays a rebate to a sub-fund this will reduce the expenses within that sub-fund.

### (4) *Allocation of revenue and expenses to share classes*

Revenue is allocated when earned in the proportion of the net asset value of each share class to the total net asset value of the relevant sub-fund. Expenses incurred solely in respect of a share class are allocated directly to that class. Expenses incurred in respect of, or attributable to, the relevant sub-fund as a whole are allocated when incurred in the proportion of the net asset value of each share class to the total net asset value of the relevant sub-fund.

### (5) *Distribution policies*

*Distributions:* Baillie Gifford Global Income Growth Fund and Baillie Gifford Responsible Global Equity Income Fund distribute quarterly. Baillie Gifford Global Alpha Growth Fund, Baillie Gifford Global Alpha Paris-Alligned Fund, Baillie Gifford International Fund, Baillie Gifford Managed Fund, Baillie Gifford UK and Worldwide Equity Fund and Baillie Gifford UK Equity Alpha Fund distribute six monthly. All sub-funds pay dividend distributions out of income after the deduction of relevant expenses.

*Equalisation on units in collective investment schemes:* Equalisation declared on distributions/accumulations or reports for units held in collective investment schemes reduces the cost of investment and does not form part of the distribution/accumulation to shareholders.

### (6) *Taxation*

Corporation tax is charged at 20% of the revenue liable to corporation tax less expenses allocated to revenue. Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax. Deferred tax assets are recognised only to the extent that the ACD considers that it is more likely than not that there will be taxable profits from which the underlying timing differences can be deducted. Deferred tax assets are not discounted.

### (7) *Basis of valuation of investments*

The investments of the sub-funds have been valued at closing bid prices on 31 January 2024, or the Investment Adviser's valuation where indicated. Investments are valued using the fair value hierarchy, referenced in accounting policy 1.

### (8) *Foreign exchange*

All foreign securities and currencies held at the year end have been translated into sterling at the rate of exchange ruling at 31 January 2024. Transactions during the year have been translated at the exchange rate ruling on the transaction date.

## Accounting Policies cont.

### (9) *Financial derivative instruments*

*Currency contracts:* Spot and forward currency contracts are marked to market daily and the change in value, if any, is recorded by the sub-fund as an unrealised gain or loss. Realised gains or losses equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed are recorded upon delivery or receipt of the currency or, if closed through an offsetting trade, upon settlement of the net gain or loss.

*Futures Contracts:* Futures contracts are marked to market daily and an appropriate gain or loss for the change in value ('variation margin') is recorded by the sub-fund as realised.

*Swap Agreements:* Swaps are marked to market daily based upon quotations from market makers and the change in value, if any, is recorded by the sub-fund as an unrealised gain or loss. A liquidation payment received or made at the termination of all or part of the swap is used to calculate the realised gain or loss. Costs relating to the clearing of swaps are included as part of realised gains or losses.

Only Baillie Gifford Managed Fund may invest in or otherwise use derivatives.

# Risk Disclosures

## General Risk Management Process

The Company's overall risk management process is the responsibility of the ACD. Risks which are specific to the sub-funds are managed by the ACD in accordance with the Risk Management Policy, with oversight by the Depositary. The ACD has established a risk management framework, including a permanent risk management function, to monitor the risks in relation to the sub-funds. Where appropriate, the risk management function builds on the existing parts of the risk management framework of the Investment Advisor to make use of expertise and advice, and avoid unnecessary duplication.

The risk profile of each of the sub-funds is considered by the ACD to determine the nature and extent of risk management procedures and assess the appropriateness of disclosures made to investors. The ACD then considers the material risks facing the sub-funds via the receipt of quarterly reports from the risk management function.

## Sub-Fund Risk Profile

The risk profile of a sub-fund is determined using a number of factors including market risk (comprising foreign currency risk, interest rate risk and other price risk), credit risk, liquidity risk and operational risk. As described above, the ACD operates a risk management framework to oversee the risks that the sub-funds are exposed to and assess the sensitivity of a sub-fund's portfolio to these risks. The approach to managing these risks is set out below with oversight and monitoring provided by the ACD's risk management function.

### *Market Risk*

Market risk is the potential for changes in the market value of underlying investments in a sub-fund. This comprises foreign currency risk, interest rate risk and other price risk. Asset allocation is determined by the Investment Adviser who ensures that the distribution of the sub-funds' assets is appropriate in terms of the investment objectives. Divergence from the target asset allocation is strictly controlled and the portfolio closely monitored in terms of risk.

Baillie Gifford Managed Fund may use derivatives for the purposes of hedging (which includes efficient portfolio management) and for the purposes of meeting its investment objectives. The strategies that may be used for the sub-fund include active currency management, bond curve strategies, interest rate strategies, asset allocation and market spread strategies. The Investment Adviser may make use of these strategies as and when it considers it appropriate to do so. Derivative investments (which may be exchange-traded and/or off-exchange) are undertaken on a covered basis and the types of asset which underlie the derivative contract are appropriate in the context the Baillie Gifford Managed Fund's investment objective and policy. The Investment Adviser's use of derivatives is constrained to a level that risk and exposure is within prescribed limits. The Investment Adviser anticipates that such use of derivatives will not have any adverse effect on the overall risk profile of the sub-fund.

The Investment Adviser does not consider the use of derivatives to be either extensive and complex or significant for any sub-fund and accordingly no value at risk or sensitivity analysis information is given.

### *Foreign currency risk*

The Investment Adviser has identified three principal areas where foreign currency risk could impact the sub-funds, being where movements in exchange rates affect the value of investments, short-term timing differences and the revenue received.

A proportion of the net assets of the sub-funds are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be affected by currency movements. The balance sheet currency exposure is disclosed in the Notes to the Financial Statements of each sub-fund, where appropriate.

The sub-funds may be subject to short-term exposure to exchange rate movements, for instance where the date of an investment purchase and the date when the settlement occurs are different. To reduce this risk the Investment Adviser will normally execute a foreign currency contract on the transaction date wherever practicable.

The sub-funds may receive revenue in currencies other than sterling and hence movements in exchange rates can affect the sterling value of this revenue. To minimise this risk arrangements are in place to convert all revenue receipts to sterling on, or shortly after, the date of receipt.

## Risk Disclosures cont.

### *Interest rate risk*

Interest rate risk is the risk that the value of the Fund's investment holdings will fluctuate as a result of changes in interest rates.

With the exception of Baillie Gifford Managed Fund, the majority of the financial assets of the other sub-funds are equities and other investments which neither pay interest nor have a maturity date. Therefore, these sub-funds' direct exposure to interest rate risk is not considered to be significant.

A portion of the portfolio of Baillie Gifford Managed Fund is invested in bonds and it is therefore subject to interest rate risk because bond yields are linked to underlying bank rates or equivalents. Bonds issued by companies and governments may be adversely affected by changes in interest rates, expectations of inflation and a decline in the creditworthiness of the bond issuer, which might decrease the market value of the Fund's bond investments. The revenue of the Fund may also be affected by changes to interest rates relevant to particular securities or as a result of the Investment Advisor being unable to secure similar returns on the expiry of contracts or sales of securities.

Baillie Gifford Managed Fund invests in a generally diversified portfolio of assets, including derivatives that are used for efficient portfolio management purposes (including hedging) and for investment purposes. Consequently the ACD considers that a single measure of market sensitivity does not accurately reflect the risks faced by the Fund.

### *Other price risk*

Market price risk arises mainly from uncertainty about future prices of the financial instruments held. It represents the potential loss the sub-funds might suffer through holding market positions in the face of price movements.

Investment markets can go down as well as up and market conditions can change rapidly. This means the value of an investor's holding may go down as well as up, and an investor may not recover the amounts invested especially if investments are not held for the long term. A market price decrease applied to the fund would result in a decrease on the net asset value of the Fund and vice versa.

### *Counterparty credit risk*

The Investment Adviser monitors both the creditworthiness of counterparties and the extent to which the counterparty risk is diversified. The organisations with whom derivative transactions are arranged are either top rated institutions themselves or subsidiaries of such institutions. The aim is to strike a balance between spreading counterparty risk amongst a number of institutions and keeping costs low by achieving economies of scale.

Stock settlement is normally on a delivery versus payment (DVP) basis where the payment for stock is due at the time of delivery. Where stock settlement is not on a DVP basis, additional procedures are in place and approvals required to manage the settlement risks that may arise.

### *Liquidity risk*

Liquidity risk is the potential that there are insufficiently realisable assets to cater for investor redemptions. Liquidity is managed by the Investment Advisor by taking into account the investment strategy, liquidity profile, and redemption policy of each sub-fund. The level of liquidity maintained by each sub-fund is appropriate to its underlying obligations based on an assessment of the relative liquidity of the sub-fund's assets in the market, taking account of the time required for liquidation and the price or value at which those assets can be liquidated, and their sensitivity to other market risks or factors.

### *Operational risk*

Failure of Baillie Gifford & Co's accounting systems or those of other third party service providers could lead to an inability to provide accurate reporting and monitoring or a misappropriation of assets. Baillie Gifford & Co have a comprehensive business continuity plan which facilitates continued operation of the business in the event of a service disruption or major disaster. The ACD reviews Baillie Gifford & Co's report on internal controls and the reports by other key third party providers.

## Risk Disclosures cont.

### **Fair values**

The financial assets and liabilities of the sub-funds are included in the valuation at market value, or at the Investment Adviser's valuation (as indicated in the portfolio statement of the sub-funds). These values have been determined by reference to prices available from the markets on which the instruments are traded.

# Remuneration Report

Baillie Gifford & Co ('Baillie Gifford') maintains a Remuneration Policy (the 'Policy') which applies to group companies, including Baillie Gifford & Co Limited (the 'ACD'), which is the group's sole UK UCITS management company for the range of UK UCITS operated within the group. The Policy is subject to review on at least an annual basis by the Management Committee of Baillie Gifford & Co and the Board of the ACD. Details of the policy are set out in the Remuneration Disclosure, updated in June 2023, and are summarised below.

## *Application of the UK UCITS Remuneration Code*

The ACD is required to identify individuals whose professional activities have a material impact on the risk profiles of the UK UCITS it manages (known as 'Material Risk Takers'), and the UK UCITS Remuneration Code requirements and disclosures apply to those individuals. The list of Material Risk Takers compiled by the ACD principally covers governance and control functions.

The ACD delegates portfolio management and certain administration roles to other entities, namely its parent Baillie Gifford and another affiliate Baillie Gifford Overseas Limited. These delegates are not required to comply with the UK UCITS Remuneration Code as they are subject to regulatory requirements on remuneration that are considered equally as effective as those applicable under the UK UCITS Remuneration Code.

## *General Principles of the Policy*

The ACD endeavours to reward staff fairly and appropriately for their contribution towards the success of the business and the level of service and performance delivered to its clients. The Policy is designed to be consistent with and promote sound and effective risk management and should not encourage risk-taking which is inconsistent with the risk profiles of the UK UCITS the ACD manages. It is designed to be in line with the ACD's strategy, objectives, values and the long-term interests of investors in the UK UCITS funds it manages. The Policy has been designed to avoid conflicts of interest and is subject to independent internal review by the compliance and risk functions. In order to achieve this, the remuneration of staff is reviewed annually, taking into account individual performance and market practice for the role being undertaken.

## *Governance of Remuneration*

Baillie Gifford's Remuneration Policy is overseen by the group's Remuneration Committee. The Remuneration Committee in turn reports to the management body of Baillie Gifford, the Management Committee. The Board of the ACD also oversees adherence to the UK UCITS Remuneration Code.

## *Approach to Remuneration*

The key elements of staff remuneration are:

**Fixed pay:** salary and pension contributions. The aim is to offer compensation which is well positioned relative to the industry, supported by a positive working environment and strong culture.

**The Annual Performance Award:** an annual variable compensation award determined by performance measures that are important to the firm and its clients, with measures generally shared across the firm, weighted according to the role each member performs.

**A Long-Term Profit Award:** an annual variable compensation award distributing a proportion of the firm's profitability to all staff, reinforcing the collegiate culture and the sense of collective responsibility and purpose. Awards will rise and fall alongside the financial performance of the firm.

These elements are balanced to achieve an appropriate ratio between fixed and variable pay. The different levels within both performance-linked and profit awards offer the opportunity for people to progress over time, in line with changes to their role, responsibilities and contribution to the firm.

Additionally, the firm's deferral arrangements enhance this common sense of purpose and longer-term view by re-investing between 10% and 50% of any award into funds that broadly represent the overall investment approach of the firm.



## Remuneration Report cont.

### *Recent Changes to the Policy*

Amendments to staff variable remuneration arrangements were introduced for the performance year commencing 1 April 2022 and are reflected in the structure outlined above. Full details of these arrangements can be found in the Remuneration Disclosure at [www.bailliegifford.com](http://www.bailliegifford.com).

|   | Headcount | Total<br>Remuneration <sup>1</sup><br>£'000 |
|---|-----------|---|
| <b>Baillie Gifford &amp; Co Limited</b>                                     |           |   |
| Fixed remuneration  | 47        | 1,660                                       |
| Variable remuneration   | 47        | 510   |
| <b>Baillie Gifford &amp; Co Limited Remuneration Code Staff<sup>2</sup></b> |           |   |
| Total remuneration  | 26        | 2,050                                       |

This remuneration disclosure has been provided at the level of Baillie Gifford & Co Limited as authorised fund manager of UK UCITS, as at 31 March 2023. Remuneration information at an individual AIF or UK UCITS level is not readily available.

<sup>1</sup>The total remuneration is the proportion of overall remuneration for Staff as it relates to the time spent on UK UCITS related activity for Baillie Gifford & Co Limited.

<sup>2</sup>All Material Risk Takers are senior managers or staff engaged in control functions of Baillie Gifford & Co Limited and therefore a breakdown of remuneration between senior management and other risk takers is not applicable.



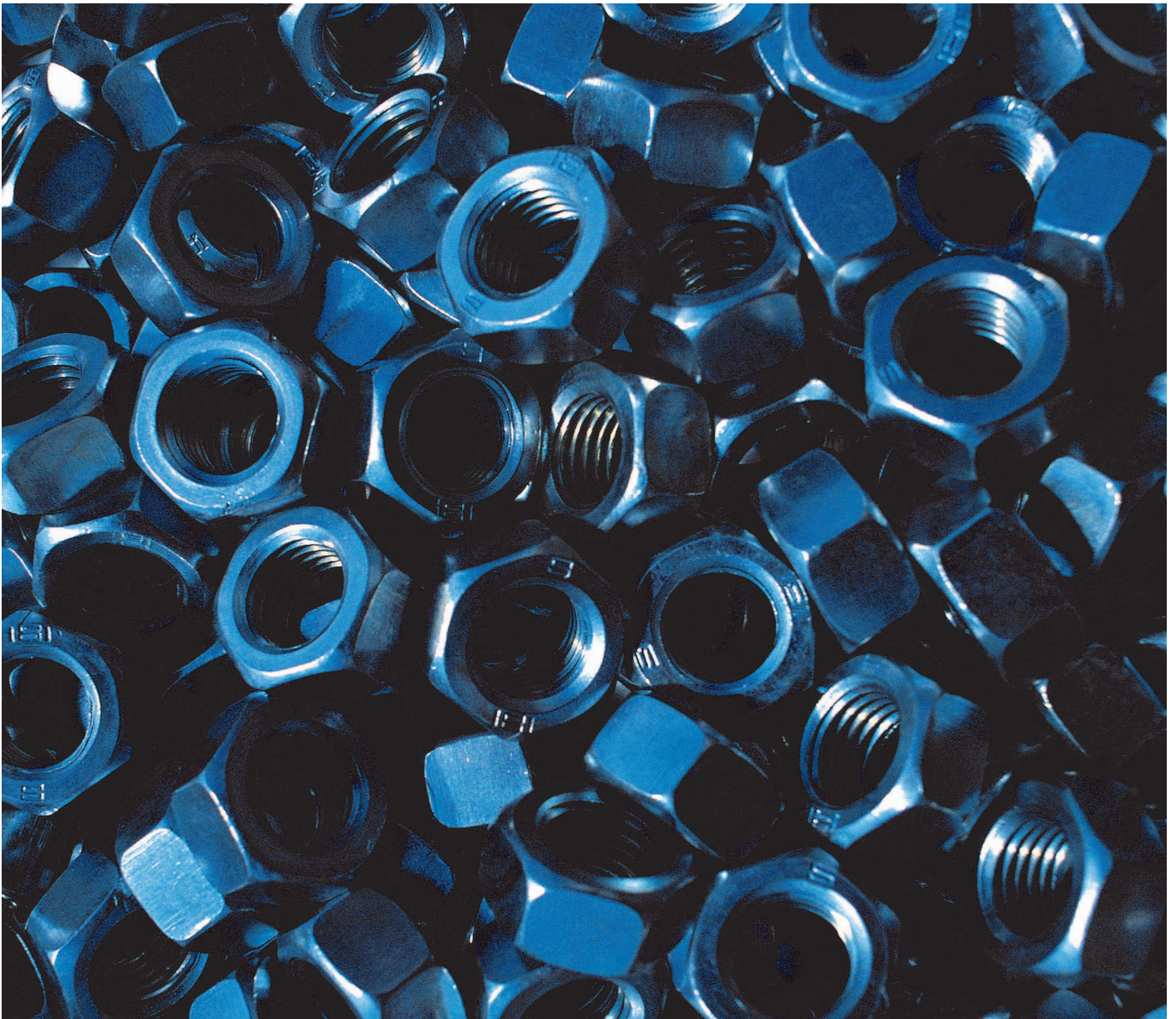
# Baillie Gifford™

Baillie Gifford British Smaller Companies Fund

---

a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Annual Report & Financial Statements  
for the year ended 31 January 2024*



# Investment Report

Following the closure of the fund on 27 June 2023, the ACD is no longer actively seeking subscriptions for the Fund.

## Principal Holdings as at 31 January 2024

| Investment                       | Percentage of<br>total Fund |
|----------------------------------|-----------------------------|
| Patisserie Holdings <sup>1</sup> | 0.00                        |

<sup>1</sup>This stock was delisted at the year end and has been valued at the Investment Adviser's valuation and therefore is categorised as level 3 in note 13.

This Fund is no longer available for subscription. On 27 June 2023, all shares in the Fund were redeemed and the proceeds paid to the shareholders on 28 July 2023. The remaining holdings have been valued at zero, based on the Investment Adviser's valuation, as detailed in the Portfolio Statement.

## Material Portfolio Changes for the year ended 31 January 2024

| Largest Purchases    | Cost<br>£'000 | Largest Sales        | Proceeds<br>£'000 |
|----------------------|---------------|----------------------|-------------------|
| Abcam Plc ADR        | 2,125         | Burford Capital      | 10,172            |
| Aston Martin Lagonda | 1,884         | 4imprint             | 8,984             |
| Genus                | 1,702         | Alpha FX             | 8,731             |
| Hipgnosis Songs Fund | 719           | Aston Martin Lagonda | 8,539             |
| Trustpilot Group Plc | 712           | YouGov               | 7,783             |
| Alpha FX             | 711           | Abcam Plc ADR        | 6,731             |
| Burford Capital      | 705           | Victoria             | 6,472             |
| Keywords Studios     | 592           | Judges Scientific    | 5,901             |
| Fevertree Drinks     | 356           | Dotdigital Group     | 4,922             |
| XP Power             | 312           | Genus                | 4,359             |

## Portfolio Statement as at 31 January 2024

| Stock description  | Holding | Market value £'000 | % of total net assets |
|--|---------|--------------------|-----------------------|
| <b>Basic Materials - 0.00% (0.78%)</b>                         |         |                    |                       |
| <b>Consumer Discretionary - 0.00% (10.98%)</b>                 |         |                    |                       |
| <b>Financials - 0.00% (13.66%)</b>                             |         |                    |                       |
| <b>Health Care - 0.00% (11.54%)</b>                            |         |                    |                       |
| <b>Household Goods &amp; Home Construction - 0.00% (3.75%)</b> |         |                    |                       |
| <b>Industrials - 0.00% (21.98%)</b>                            |         |                    |                       |
| <b>Leisure Goods - 0.00% (2.70%)</b>                           |         |                    |                       |
| <b>Media - 0.00% (5.08%)</b>                                   |         |                    |                       |
| <b>Personal Care, Drug and Grocery Stores - 0.00% (4.19%)</b>  |         |                    |                       |
| Patisserie Holdings <sup>1</sup>                               | 323,677 | -                  | 0.00                  |
| <b>Real Estate - 0.00% (0.15%)</b>                             |         |                    |                       |
| <b>Retailers - 0.00% (2.50%)</b>                               |         |                    |                       |
| <b>Technology - 0.00% (18.43%)</b>                             |         |                    |                       |
| <b>Travel &amp; Leisure - 0.00% (1.57%)</b>                    |         |                    |                       |
| <b>Portfolio of investments</b>                                |         | -                  | <b>0.00</b>           |
| <b>Net other liabilities - 0.00% (2.69%)</b>                   |         | -                  | <b>0.00</b>           |
| <b>Net assets</b>  |         | -                  | <b>0.00</b>           |

<sup>1</sup>This stock was delisted at the year end and has been valued at the Investment Adviser's valuation and therefore is categorised as level 3 in note 13.

## Portfolio Statement as at 31 January 2024 cont.

Figures in brackets refer to 31 January 2023.

This Fund is no longer available for subscription. On 27 June 2023, all shares in the Fund were redeemed and the proceeds paid to the shareholders on 28 July 2023. The remaining holdings have been valued at zero, based on the Investment Adviser's valuation, as detailed in the Portfolio Statement.



## Comparative Tables

### Comparative Table: A Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 548.36   | 792.18   | 869.80   |
| Return before operating charges*              | (10.69)  | (234.07)   | (63.54)  |
| Operating charges                             | (3.96)   | (9.75)   | (14.08)  |
| Return after operating charges*               | (14.65)  | (243.82)   | (77.62)  |
| Distributions                                 | n/a  | 0.00   | 0.00   |
| Retained distributions on accumulation shares | n/a  | 0.00   | 0.00   |
| <b>Closing net asset value per share</b>      | <b>533.71<sup>1</sup></b>                                    | <b>548.36</b>  | <b>792.18</b>  |
| *After direct transaction costs of:           | 0.17   | 0.18   | 0.28   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | (2.67)%  | (30.78)%   | (8.92)%  |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 0  | 1,316  | 2,409  |
| Closing number of shares                      | 0  | 240,022  | 304,077  |
| Operating charges                             | 1.60% <sup>2</sup>   | 1.59% <sup>3</sup>   | 1.52%  |
| Direct transaction costs <sup>4</sup>         | 0.07%  | 0.03%  | 0.03%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 606.5  | 807.7  | 1,026  |
| Lowest share price (pence)                    | 528.9  | 485.4  | 787.4  |

## Comparative Tables cont.

### Comparative Table: B Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 665.76   | 953.62   | 1,038.14   |
| Return before operating charges*              | (13.66)  | (282.33)   | (77.08)  |
| Operating charges                             | (1.93)   | (5.53)   | (7.44)   |
| Return after operating charges*               | (15.59)  | (287.86)   | (84.52)  |
| Distributions                                 | n/a  | (2.35)   | (0.56)   |
| Retained distributions on accumulation shares | n/a  | 2.35   | 0.56   |
| <b>Closing net asset value per share</b>      | <b>650.17<sup>1</sup></b>                                    | <b>665.76</b>  | <b>953.62</b>  |
| *After direct transaction costs of:           | 0.19   | 0.22   | 0.33   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | (2.34)%  | (30.19)%   | (8.14)%  |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 0  | 25,219   | 60,190   |
| Closing number of shares                      | 0  | 3,788,103  | 6,311,792  |
| Operating charges                             | 0.70% <sup>2</sup>   | 0.74% <sup>3</sup>   | 0.67%  |
| Direct transaction costs <sup>4</sup>         | 0.07%  | 0.03%  | 0.03%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 736.9  | 972.4  | 1,231  |
| Lowest share price (pence)                    | 642.9  | 587.8  | 947.8  |

## Comparative Tables cont.

### Comparative Table: B Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 468.71   | 673.74   | 733.88   |
| Return before operating charges*         | (9.54)   | (199.47)   | (54.50)  |
| Operating charges                        | (1.36)   | (3.90)   | (5.25)   |
| Return after operating charges*          | (10.90)  | (203.37)   | (59.75)  |
| Distributions on income shares           | n/a  | (1.66)   | (0.39)   |
| <b>Closing net asset value per share</b> | <b>457.81<sup>1</sup></b>                                    | <b>468.71</b>  | <b>673.74</b>  |
| *After direct transaction costs of:      | 0.14   | 0.16   | 0.23   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | (2.33)%  | (30.19)%   | (8.14)%  |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 0  | 3,207  | 6,303  |
| Closing number of shares                 | 0  | 684,257  | 935,507  |
| Operating charges                        | 0.70% <sup>2</sup>   | 0.74% <sup>3</sup>   | 0.67%  |
| Direct transaction costs <sup>4</sup>    | 0.07%  | 0.03%  | 0.03%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 518.9  | 687.0  | 870.2  |
| Lowest share price (pence)               | 452.7  | 415.3  | 670.0  |

## Comparative Tables cont.

### Comparative Table: C Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 771.87   | 1,098.45   | 1,188.01   |
| Return before operating charges*              | (16.08)  | (325.81)   | (89.31)  |
| Operating charges                             | (0.03)   | (0.77)   | (0.25)   |
| Return after operating charges*               | (16.11)  | (326.58)   | (89.56)  |
| Distributions                                 | n/a  | (8.29)   | (8.96)   |
| Retained distributions on accumulation shares | n/a  | 8.29   | 8.96   |
| <b>Closing net asset value per share</b>      | <b>755.76<sup>1</sup></b>                                    | <b>771.87</b>  | <b>1,098.45</b>  |
| *After direct transaction costs of:           | 0.23   | 0.26   | 0.38   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | (2.09)%  | (29.73)%   | (7.54)%  |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 0  | 112,997  | 209,461  |
| Closing number of shares                      | 0  | 14,639,298   | 19,068,867   |
| Operating charges                             | 0.01% <sup>2</sup>   | 0.09% <sup>3</sup>   | 0.02%  |
| Direct transaction costs <sup>4</sup>         | 0.07%  | 0.03%  | 0.03%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 854.9  | 1,120.0  | 1,414  |
| Lowest share price (pence)                    | 746.0  | 680.1  | 1,092  |

## Comparative Tables cont.

### Comparative Table: C Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 471.93   | 678.89   | 740.27   |
| Return before operating charges*         | (9.57)   | (201.37)   | (55.63)  |
| Operating charges                        | (0.04)   | (0.47)   | (0.16)   |
| Return after operating charges*          | (9.61)   | (201.84)   | (55.79)  |
| Distributions on income shares           | n/a  | (5.12)   | (5.59)   |
| <b>Closing net asset value per share</b> | <b>462.32<sup>1</sup></b>                                    | <b>471.93</b>  | <b>678.89</b>  |
| *After direct transaction costs of:      | 0.14   | 0.16   | 0.24   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | (2.04)%  | (29.73)%   | (7.54)%  |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 0  | 5  | 7  |
| Closing number of shares                 | 0  | 1,000  | 1,000  |
| Operating charges                        | 0.02% <sup>2</sup>   | 0.09% <sup>3</sup>   | 0.02%  |
| Direct transaction costs <sup>4</sup>    | 0.07%  | 0.03%  | 0.03%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 523.0  | 692.2  | 881.2  |
| Lowest share price (pence)               | 456.4  | 420.3  | 680.2  |

<sup>1</sup>The final valuation point was 27 June 2023, all the shares were redeemed, and termination proceeds shown here were paid to the shareholders on 28 July 2023.

<sup>2</sup>In November 2023, following the FCA's statement regarding communications related to PRIIPs and UCITS, the Investment Association amended its Guidance on Disclosure of Fund Charges and Costs, removing the requirement to include indirect costs associated with holding closed-ended investment funds from Ongoing Charges figures. Consequently, these costs are no longer included in the Ongoing Charges figures to 31 January 2024. Had the indirect costs associated with holding closed-ended investment funds been included, the Ongoing Charges figure would have been 0.06% higher.

<sup>3</sup>In July 2020, the Investment Association issued Guidance on Disclosure of Fund Charges and Costs effective from 30 June 2022 which updated the Ongoing Charges disclosure requirements to include indirect costs associated with funds' holdings of closed ended investment funds. This resulted in an increase of 0.06% in the Ongoing Charges figures disclosed as at 31 January 2023.

<sup>4</sup>The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

# Financial Statements

## Statement of Total Return for the year ended 31 January 2024

|   | Notes | 2024  |                | 2023  |                 |
|---|-------|-------|----------------|-------|-----------------|
|   |       | £'000 | £'000          | £'000 | £'000           |
| <b>Income</b>   |       |       |                |       |                 |
| Net capital gains/(losses)  | 1     |       | (4,189)        |       | (78,882)        |
| Revenue   | 3     | 1,312 |                | 1,820 |                 |
| Expenses  | 4     | (91)  |                | (293) |                 |
| Net revenue before taxation   |       | 1,221 |                | 1,527 |                 |
| Taxation  | 5     | -     |                | -     |                 |
| Net revenue after taxation  |       |       | 1,221          |       | 1,527           |
| Total return before distributions   |       |       | (2,968)        |       | (77,355)        |
| Distributions   | 6     |       | (1,222)        |       | (1,534)         |
| <b>Change in net assets attributable to shareholders from investment activities</b> |       |       | <b>(4,190)</b> |       | <b>(78,889)</b> |

## Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 January 2024

|  | 2024      |                | 2023     |                |
|--|-----------|----------------|----------|----------------|
|  | £'000     | £'000          | £'000    | £'000          |
| <b>Opening net assets attributable to shareholders</b>                       |           | <b>142,744</b> |          | <b>278,370</b> |
| Amounts receivable on issue of shares  | 1,279     |                | 8,164    |                |
| Amounts payable on cancellation of shares                                    | (139,954) |                | (66,616) |                |
|  |           | (138,675)      |          | (58,452)       |
| Dilution adjustment  |           | 121            |          | 412            |
| Change in net assets attributable to shareholders from investment activities |           | (4,190)        |          | (78,889)       |
| Retained distributions on accumulation shares                                |           | -              |          | 1,303          |
| <b>Closing net assets attributable to shareholders</b>                       |           | <b>-</b>       |          | <b>142,744</b> |

## Financial Statements cont.

Balance Sheet as at 31 January 2024

|  | Notes | 2024<br>£'000 | 2023<br>£'000  |
|--|-------|---------------|----------------|
| <b>Assets:</b>                                 |       |               |                |
| Fixed assets:                                  |       |               |                |
| Investments                                    | 13    | -             | 138,907        |
| Current assets:                                |       |               |                |
| Investments                                    | 13    | -             | -              |
| Debtors  | 8     | 9             | 911            |
| Cash and bank balances                         | 9     | 191           | 3,065          |
| <b>Total assets</b>                            |       | <b>200</b>    | <b>142,883</b> |
| <b>Liabilities:</b>                            |       |               |                |
| Creditors:                                     |       |               |                |
| Bank overdrafts                                | 9     | (143)         | -              |
| Distributions payable                          |       | -             | (11)           |
| Other creditors                                | 10    | (57)          | (128)          |
| <b>Total liabilities</b>                       |       | <b>(200)</b>  | <b>(139)</b>   |
| <b>Net assets attributable to shareholders</b> |       | <b>-</b>      | <b>142,744</b> |

# Notes to the Financial Statements

## 1 Net capital

|                                   | 2024           | 2023            |
|-----------------------------------|----------------|-----------------|
|                                   | £'000          | £'000           |
| Non-derivative securities         | (4,187)        | (78,875)        |
| Currency gains/(losses)           | 1              | -               |
| Transaction costs                 | (3)            | (7)             |
| <b>Net capital gains/(losses)</b> | <b>(4,189)</b> | <b>(78,882)</b> |

## 2 Purchases, sales and transaction costs

|  | 2024          | 2023          |
|--|---------------|---------------|
|  | £'000         | £'000         |
| <b>Purchases and transaction costs</b>                   |               |               |
| Gross purchases of equities excluding transaction costs  | 11,076        | 20,670        |
| Commissions  | 5             | 7             |
| Taxes  | 23            | 21            |
| Total transaction costs on equity purchases <sup>1</sup> | 28            | 28            |
| <b>Purchases including transaction costs</b>             | <b>11,104</b> | <b>20,698</b> |

<sup>1</sup>These amounts have been deducted in determining net capital gains/(losses).

|  | 2024 | 2023 |
|--|------|------|
|  | %    | %    |
| <b>Transaction costs as a percentage of principal amount</b> |      |      |
| Commission on equity purchases                               | 0.05 | 0.03 |
| Taxes on equity purchases                                    | 0.21 | 0.10 |

|  | 2024           | 2023          |
|--|----------------|---------------|
|  | £'000          | £'000         |
| <b>Sales and transaction costs</b>                   |                |               |
| Gross sales of equities excluding transaction costs  | 145,893        | 76,078        |
| Commissions  | (68)           | (33)          |
| Taxes  | (1)            | -             |
| Total transaction costs on equity sales <sup>1</sup> | (69)           | (33)          |
| <b>Sales net of transaction costs</b>                | <b>145,824</b> | <b>76,045</b> |

<sup>1</sup>These amounts have been deducted in determining net capital gains/(losses).



## Notes to the Financial Statements cont.

### 2 Purchases, sales and transaction costs (continued)

|  | 2024   | 2023   |
|--|--------|--------|
|  | %      | %      |
| <b>Transaction costs as a percentage of principal amount</b> |        |        |
| Commission on equity sales                                   | (0.05) | (0.04) |
| Taxes on equity sales  | (0.00) | 0.00   |

|                                       | 2024      |                     | 2023      |                     |
|---------------------------------------|-----------|---------------------|-----------|---------------------|
|                                       | £'000     | % of average<br>NAV | £'000     | % of average<br>NAV |
| <b>Portfolio transaction costs</b>    |           |                     |           |                     |
| Commissions                           | 73        | 0.05                | 40        | 0.02                |
| Taxes                                 | 24        | 0.02                | 21        | 0.01                |
| <b>Total direct transaction costs</b> | <b>97</b> | <b>0.07</b>         | <b>61</b> | <b>0.03</b>         |

|                                  | 2024              | 2023 |
|----------------------------------|-------------------|------|
|                                  | %                 | %    |
| Average portfolio dealing spread | 0.00 <sup>1</sup> | 0.98 |

<sup>1</sup>The average dealing spread at the Balance Sheet date in 2024 is not representative of the typical dealing spread throughout the year because the Fund sold all of its investments during the year.

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

### 3 Revenue

|                      | 2024         | 2023         |
|----------------------|--------------|--------------|
|                      | £'000        | £'000        |
| UK dividends         | 867          | 1,424        |
| Overseas dividends   | 131          | 366          |
| Bank interest        | 314          | 30           |
| <b>Total revenue</b> | <b>1,312</b> | <b>1,820</b> |

## Notes to the Financial Statements cont.

### 4 Expenses

|  | 2024      | 2023       |
|--|-----------|------------|
|  | £'000     | £'000      |
| <b>Payable to the ACD, associates of the ACD and agents of either of them:</b>               |           |            |
| Annual management charge   | 80        | 268        |
| Expenses rebate  | (8)       | -          |
|  | <b>72</b> | <b>268</b> |
| <b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b> |           |            |
| Depositary's fee   | 5         | 15         |
| Bank charges   | 5         | 3          |
|  | <b>10</b> | <b>18</b>  |
| <b>Other expenses:</b>   |           |            |
| Audit fee  | 9         | 7          |
| <b>Total expenses</b>  | <b>91</b> | <b>293</b> |

### 5 Taxation

|                                       | 2024     | 2023     |
|---------------------------------------|----------|----------|
|                                       | £'000    | £'000    |
| <b>Analysis of charge in the year</b> |          |          |
| Corporation tax                       | -        | -        |
| <b>Total taxation</b>                 | <b>-</b> | <b>-</b> |

The Fund is subject to corporation tax at 20% (2023: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses substantially exceed the taxable income of the Fund and, as a result, there is no corporation tax charge.

At 31 January 2024, the Fund had excess management expenses of £4,304,000 (2023: £4,527,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing excess expenses.

## Notes to the Financial Statements cont.

### 5 Taxation (continued)

The tax charge is explained as follows:

|   | 2024     | 2023     |
|---|----------|----------|
|   | £'000    | £'000    |
| Net revenue before taxation   | 1,221    | 1,527    |
| Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2023: 20%) | 244      | 305      |
| Effects of:   |          |          |
| Non-taxable UK dividends  | (173)    | (285)    |
| Non-taxable overseas dividends  | (26)     | (73)     |
| Excess management expenses  | -        | 53       |
| Utilisation of excess management expenses   | (45)     | -        |
| <b>Total taxation</b>   | <b>-</b> | <b>-</b> |

### 6 Distributions

|  | 2024         | 2023         |
|--|--------------|--------------|
|  | £'000        | £'000        |
| Final to 31 January                        | n/a          | 1,314        |
| Amounts deducted on cancellation of shares | 1,224        | 237          |
| Amounts added on issue of shares           | (2)          | (17)         |
| <b>Total distributions</b>                 | <b>1,222</b> | <b>1,534</b> |

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distributions per share are set out in the Distribution Table.

### 7 Reconciliation of net revenue to net distributions for the year

|  | 2024         | 2023         |
|--|--------------|--------------|
|  | £'000        | £'000        |
| Net revenue after taxation for the year      | 1,221        | 1,527        |
| Add capital transfers for deficits of income | -            | 8            |
| Add distributable revenue brought forward    | 1            | -            |
| Less distributable revenue carried forward   | -            | (1)          |
| <b>Net distributions for the year</b>        | <b>1,222</b> | <b>1,534</b> |

## Notes to the Financial Statements cont.

### 8 Debtors

|                                | 2024     | 2023       |
|--------------------------------|----------|------------|
|                                | £'000    | £'000      |
| Receivable for issue of shares | -        | 16         |
| Sales awaiting settlement      | -        | 828        |
| Accrued income                 | -        | 16         |
| Overseas tax recoverable       | -        | 47         |
| Amounts due from ACD           | 8        | -          |
| Other debtors                  | 1        | 4          |
| <b>Total debtors</b>           | <b>9</b> | <b>911</b> |

### 9 Cash and bank balances

|                                     | 2024      | 2023         |
|-------------------------------------|-----------|--------------|
|                                     | £'000     | £'000        |
| Sterling bank accounts              | 191       | 3,065        |
| Sterling bank accounts overdrawn    | (143)     | -            |
| <b>Total cash and bank balances</b> | <b>48</b> | <b>3,065</b> |

### 10 Other creditors

|                                     | 2024      | 2023       |
|-------------------------------------|-----------|------------|
|                                     | £'000     | £'000      |
| Payable for cancellation of shares  | -         | 100        |
| Due to the ACD or associates        | -         | 19         |
| Due to the Depositary or associates | (1)       | 1          |
| Other accrued expenses              | 58        | 8          |
| <b>Total other creditors</b>        | <b>57</b> | <b>128</b> |

### 11 Related party transactions

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts receivable and payable on the issue and cancellation of shares have been disclosed in notes 8 and 10 respectively.

Amounts paid to Baillie Gifford & Co Limited in respect of ACD fees are disclosed in note 4 with amounts due at the year end given in note 10.

## Notes to the Financial Statements cont.

### 11 Related party transactions (continued)

#### Shares held by the ACD and associates of the ACD

The shares held by the ACD and associates of the ACD as a percentage of the Fund's NAV were:

|                               | 2024 | 2023  |
|-------------------------------|------|-------|
|                               | %    | %     |
| ACD and associates of the ACD | 0.00 | 28.25 |

### 12 Reconciliation of shares in issue

|                       | Shares in issue as at<br>31.01.23 | Shares issued | Shares cancelled | Shares converted | Shares in issue as at<br>31.01.24 |
|-----------------------|-----------------------------------|---------------|------------------|------------------|-----------------------------------|
| A Accumulation Shares | 240,022                           | 399           | (106,079)        | (134,342)        | -                                 |
| B Accumulation Shares | 3,788,103                         | 156,180       | (4,054,737)      | 110,454          | -                                 |
| B Income Shares       | 684,257                           | 18,065        | (702,322)        | -                | -                                 |
| C Accumulation Shares | 14,639,298                        | 15,331        | (14,654,629)     | -                | -                                 |
| C Income Shares       | 1,000                             | 1,000         | (2,000)          | -                | -                                 |

### 13 Basis of valuation

|   | 2024     | 2023           |
|---|----------|----------------|
|   | Assets   | Assets         |
|   | £'000    | £'000          |
| Level 1: Quoted prices                  | -        | 136,576        |
| Level 2: Observable market data         | -        | -              |
| Level 3: Unobservable data <sup>1</sup> | -        | 2,331          |
| <b>Total</b>                            | <b>-</b> | <b>138,907</b> |

<sup>1</sup>For further information on the assets included in Level 3, as at 31 January 2024, please refer to the Portfolio Statement.

# Distribution Table

Final distribution for the year ended 31 January 2024

Group 1 : shares purchased prior to 1 February 2023

Group 2 : shares purchased 1 February 2023 to 31 January 2024

|                | Net Revenue<br>(dividend<br>distribution) | Equalisation                | Distribution<br>(paid/accumulated<br>31.03.24) | Distribution<br>(paid/accumulated<br>31.03.23) |
|----------------|---|-----------------------------|--|--|
|                | 31.01.24<br>pence per share               | 31.01.24<br>pence per share | 31.01.24<br>pence per share                    | 31.01.23<br>pence per share                    |
| A Accumulation |   |                             |  |  |
| Group 1        | n/a                                       | n/a                         | n/a  | -  |
| Group 2        | n/a                                       | n/a                         | n/a  | -  |
| B Accumulation |   |                             |  |  |
| Group 1        | n/a                                       | n/a                         | n/a  | 2.35000  |
| Group 2        | n/a                                       | n/a                         | n/a  | 2.35000  |
| B Income       |   |                             |  |  |
| Group 1        | n/a                                       | n/a                         | n/a  | 1.66000  |
| Group 2        | n/a                                       | n/a                         | n/a  | 1.66000  |
| C Accumulation |   |                             |  |  |
| Group 1        | n/a                                       | n/a                         | n/a  | 8.29000  |
| Group 2        | n/a                                       | n/a                         | n/a  | 8.29000  |
| C Income       |   |                             |  |  |
| Group 1        | n/a                                       | n/a                         | n/a  | 5.12000  |
| Group 2        | n/a                                       | n/a                         | n/a  | 5.12000  |

# Baillie Gifford™

Baillie Gifford Global Alpha Growth Fund

---

a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Annual Report & Financial Statements  
for the year ended 31 January 2024*



# Baillie Gifford Global Alpha Growth Fund

## Investment Objective

The Fund aims to outperform (after deduction of costs) the MSCI ACWI Index, as stated in sterling, by at least 2% per annum over rolling five-year periods.

## Investment Policy

The Fund will invest at least 90% in shares of companies anywhere in the world and in any sector. The Fund will be actively managed.

## Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Market conditions can change rapidly and a fund in any rank can lose you your investment. The Fund is classified as above as it invests in company shares.

The indicator does not take into account the following relevant material risks:

The Fund is actively managed meaning the Investment Manager selects investments of their own choosing with the aim of achieving the Fund's objectives. This is done without seeking to replicate any index in either of performance or portfolio composition. This investment style, selecting companies with perceived greater long-term growth potential ahead of any short-term returns, in combination with the relative concentration of the Fund, may lead to prolonged periods of underperformance in certain market conditions, both in relation to the Fund's benchmark and in absolute terms.

Over shorter time periods the Fund's share price can be volatile and returns can be much higher or lower than our five-year average target. There is no guarantee this objective will be achieved over any time period.

In adverse market conditions it may be difficult to sell investments held by the fund in a timely manner and their value may fall significantly. This could affect how much money you receive and even delay the selling of your shares if dealing in the Fund is suspended.

Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.

You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

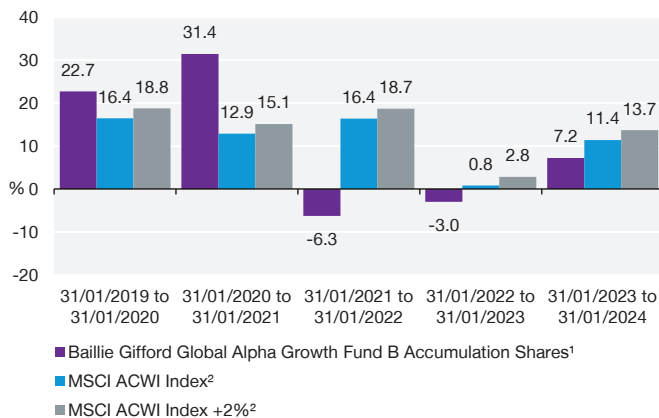
Where possible, charges are taken from income. If insufficient, the rest will be taken from capital, reducing the capital value of the Fund.

For a more detailed explanation of the risks, please see the "Risk Warnings" section of the prospectus.



# Investment Report

## Past Performance



The performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the annual management charge of 0.57%. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

## Past Performance

The investment objective of the Fund is to outperform (after deduction of costs) the MSCI ACWI Index (the 'Index') by at least 2% per annum (the 'target return') over rolling five-year periods. For the year to 31 January 2024 the return on B Accumulation Shares was 7.2%<sup>1</sup> compared to the Index of 11.4%<sup>2</sup> and the target return of 13.7%<sup>2</sup>. We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible period over which to judge performance, a period in line with the Fund's objectives. Over that period, the annualised return on B Accumulation Shares was 9.5%<sup>1</sup> compared to the return on the Index of 11.4%<sup>2</sup> and the target return of 13.7%<sup>2</sup>. Although periods of underperformance are inevitable given our style of investment, we fully appreciate that returns over the past few years will have disappointed investors in the Fund. The Fund struggled during 2021 and 2022 against a backdrop of high inflation and rising interest rates but we remain confident that our long-term growth approach will add value over time.

## Market Environment

Global stock markets made a strong comeback over the last 12 months. Breakthroughs in artificial intelligence (AI) earlier in 2023 restored a sense of optimism, and the widely forecast US recession failed to materialise. In the latter part of the year, the market looked forward to pricing-in interest rate cuts in 2024 rather than increases. As long-term investors focused on company fundamentals, the more material driver to performance at the end of the year was the announcement of several strong company results, which subsequently boosted share prices.

## Performance

The Fund lagged the index over the 12-month period, with the third quarter of 2023 feeling most of this weakness. Further rate hikes by the Fed caused long-duration assets to continue to sell off, along with consumer discretionary names. However, the final quarter of 2023 saw strong outperformance for the Fund. Many companies reported record results including CRH and Meta, which were top contributors over the period.

<sup>1</sup>Source: FE, 10am dealing prices, income accumulated. <sup>2</sup>Source: Revolution and MSCI, total return in sterling terms. The target return outperformance is compounded daily therefore the index return plus the outperformance will not equal the target return. Please see Disclaimer on page 318. You should be aware that past performance is not a guide to future performance.

## Investment Report cont.

Building materials company CRH has proven to be flexible to rising costs, having responded to significant increases in energy prices. During the year, it delivered earnings and sales growth, reflecting positive momentum and strong commercial progress across its key markets of North America and Europe. We have long admired CRH's skilful capital allocation under the leadership of Albert Manifold and believe that these strategic portfolio management decisions have the potential to unlock further growth opportunities for the company.

One of the strongest examples of adaptability and efficiency in the portfolio is Meta. The tech giant has been displaying strong execution and cost discipline which, combined with a reacceleration in growth, continues to be positively received by the market. The average watch time on Reels and other videos across its family of apps is increasing and, in turn, ad impressions and price per ad have also grown. Meta has been using AI tools to improve ad quality and target them more effectively. We believe the company may be unique in having the engineering resources needed to take full advantage of the growing opportunity in AI.

Two areas in particular have detracted from performance. Firstly, healthcare. The sector has struggled over the period, experiencing the worst performance in 20 years, wiping out a decade of cumulative outperformance. A combination of lingering post-pandemic effects and a tougher funding environment for biotech companies are to blame.

Moderna is one of the top detractors for the Fund over the period. Alongside the headwinds mentioned above for biotech companies, Moderna also saw weakness after a competitor cut billions from its full-year 2023 outlook citing slowing demand for Covid-19 products. We think the market is wrongly focused on its Covid-19 vaccination success and is broadly ignoring its pipeline of treatments and progress in other areas. This pipeline has been significantly derisked due to the breakthroughs and success of the technology in creating a Covid-19 vaccine. Moderna continues to make strides in the development of other vaccines including a combination vaccine that prevents against flu and Covid-19, and further research and development in cancer treatments through a strong line-up of partnerships with other

biotechs. Our conviction in Moderna's ability to be one of the leading biotech companies of the future, solving health challenges for millions of people, remains intact.

Second, companies with a certain amount of revenue exposure to Chinese consumers have also detracted. Asian insurance companies in particular have been weak and shares of AIA have come under pressure as a result of ongoing concerns surrounding China's lacklustre economic recovery and were further impacted towards the end of the year owing to the market's reaction to changing interest rates. Despite this, the Asian insurer posted a strong set of results in November. Growth re-accelerated, fuelled by broad-based sales momentum growing new business. New premiums grew over 50% and margins improved as mainland China figures surprised on the upside.

### Notable Transactions

Over the period, turnover remained in line with historically low levels – reflecting our long-term, patient, investment style. A diverse set of new names entered the portfolio. Companies such as the trusted paint company, Nippon Paint; the highly regarded luxury conglomerate LVMH; and the Chinese platform that is rapidly growing due to its differentiated model that is redefining ecommerce as a socially driven experience – PDD Holdings – have all seen share price declines due to negative sentiment towards China and Chinese equities. While we remain alert to the changing landscape in China, all three of these companies have strong global positions, and should benefit from a normalisation in Chinese spending over the long term.

Another area of enthusiasm has been increasing exposure to beneficiaries of the 'repair, renew, revitalise' theme. Countries across the globe are facing outdated, inefficient, and energy-intensive electrical grids, buildings, and transport networks. We therefore think that there exists a material opportunity for companies with strong track-records, pricing power, and hard-to-replicate asset bases, to lead the way in this shift towards upgrading infrastructure. Comfort Systems is a new holding in this space. It is a leading industrial mechanical, electrical, and plumbing contractor in the

## Investment Report cont.

US. The investment case is underpinned by powerful structural growth drivers including the reshoring of US manufacturing, recent legislation to replace and upgrade US infrastructure, and the green energy transition. It also has a distinctive culture centred on delivering high-quality projects and excellent customer service, which is a further source of edge.

These purchases have been funded from a combination of selling holdings either where our investment case has played out, or, where growth has been disappointing and as a result, our conviction has waned. Examples of the former include selling out of longstanding holding Deutsche Boerse - the German financial exchange purchased during the global financial crisis, Japanese auto-parts maker Denso, and online travel agency Booking Holdings. All saw strong share price gains over the holding period, so we decided to take profits and reinvest in new ideas. On the latter, we have sold positions in Farfetch, the online luxury platform that continued to struggle to return to growth after its pandemic boom; and gene sequencing company, Illumina, where we lost confidence in management following its failed acquisition of Grail and lack of focus on its core business.

### Outlook

---

While we remain absolutely focused on the long-term outlook, we are acutely aware that recent performance, which has dragged down the longer-term numbers, will have continued to disappoint. However, the Fund is in very robust health and there are several reasons for optimism including, accelerating earnings growth versus the broader market, committed investment to future innovation, and the flexibility and adaptability demonstrated by a number of companies in the portfolio against a difficult backdrop.

*Baillie Gifford & Co, 13 February 2024*

## Principal Holdings as at 31 January 2024

| Investment                | Percentage of total Fund |
|---------------------------|--------------------------|
| Microsoft                 | 3.88                     |
| Martin Marietta Materials | 3.56                     |
| Elevance Health Inc       | 3.52                     |
| Meta Platforms Inc        | 3.50                     |
| Amazon.com                | 3.45                     |
| Moody's                   | 3.11                     |
| Ryanair                   | 3.08                     |
| CRH                       | 2.61                     |
| Reliance Inds. GDR        | 2.59                     |
| Mastercard                | 2.21                     |

## Material Portfolio Changes for the year ended 31 January 2024

| Largest Purchases         | Cost<br>£'000 | Largest Sales        | Proceeds<br>£'000 |
|---------------------------|---------------|----------------------|-------------------|
| Meta Platforms Inc        | 32,647        | Rio Tinto            | 45,341            |
| Novo Nordisk              | 27,686        | Booking Holdings Inc | 42,604            |
| NVIDIA                    | 26,337        | Prosus N.V.          | 32,817            |
| Block Inc                 | 19,558        | AJ Gallagher & Co    | 30,839            |
| Amazon.com                | 18,976        | Alphabet Inc Class C | 28,720            |
| Advanced Drainage Systems | 18,926        | Deutsche Boerse      | 21,623            |
| Ryanair ADR               | 18,076        | Prudential           | 21,588            |
| Elevance Health Inc       | 17,216        | Elevance Health Inc  | 21,519            |
| Doordash Inc              | 15,910        | Axon Enterprise Inc  | 21,218            |
| Analog Devices            | 14,835        | Pernod Ricard SA     | 19,769            |

## Portfolio Statement as at 31 January 2024

| Stock description                | Holding    | Market value £'000 | % of total net assets |
|----------------------------------|------------|--------------------|-----------------------|
| <b>Australia - 1.67% (2.59%)</b> |            |                    |                       |
| BHP Group Ltd - DI               | 1,577,486  | 38,333             | 1.42                  |
| Woodside Energy Group Ltd        | 411,644    | 6,825              | 0.25                  |
| <b>Brazil - 2.19% (1.51%)</b>    |            |                    |                       |
| B3 S.A.                          | 11,104,100 | 23,083             | 0.85                  |
| MercadoLibre                     | 26,850     | 36,075             | 1.34                  |
| <b>Canada - 1.37% (0.92%)</b>    |            |                    |                       |
| Shopify 'A'                      | 588,350    | 36,993             | 1.37                  |
| <b>China - 2.06% (3.17%)</b>     |            |                    |                       |
| Alibaba Group Holding            | 2,537,788  | 17,730             | 0.66                  |
| CATL 'A'                         | 803,700    | 13,326             | 0.49                  |
| Li Auto 'H'                      | 965,252    | 10,278             | 0.38                  |
| PDD Holdings Inc                 | 142,465    | 14,188             | 0.53                  |
| <b>Denmark - 1.57% (0.76%)</b>   |            |                    |                       |
| Genmab                           | 62,393     | 13,756             | 0.51                  |
| Novo Nordisk                     | 322,332    | 28,540             | 1.06                  |
| <b>France - 2.06% (1.95%)</b>    |            |                    |                       |
| LVMH                             | 21,126     | 13,934             | 0.52                  |
| Pernod Ricard SA                 | 222,546    | 28,950             | 1.07                  |
| Sartorius Stedim Biotech         | 59,537     | 12,747             | 0.47                  |
| <b>Germany - 0.57% (1.35%)</b>   |            |                    |                       |
| adidas                           | 101,854    | 15,311             | 0.57                  |
| <b>Hong Kong - 1.72% (2.42%)</b> |            |                    |                       |
| AIA Group                        | 5,343,400  | 32,716             | 1.21                  |
| Sands China                      | 6,622,000  | 13,637             | 0.51                  |
| <b>India - 3.56% (3.50%)</b>     |            |                    |                       |
| HDFC Bank                        | 1,897,601  | 26,244             | 0.97                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                  | Holding   | Market value £'000 | % of total net assets |
|------------------------------------|-----------|--------------------|-----------------------|
| Reliance Inds. GDR                 | 1,285,680 | 69,965             | 2.59                  |
| <b>Ireland - 5.69% (4.04%)</b>     |           |                    |                       |
| CRH                                | 1,253,043 | 70,471             | 2.61                  |
| Ryanair                            | 2,912,680 | 47,977             | 1.78                  |
| Ryanair ADR                        | 335,240   | 35,171             | 1.30                  |
| <b>Japan - 4.40% (5.79%)</b>       |           |                    |                       |
| CyberAgent Inc                     | 1,750,400 | 8,994              | 0.33                  |
| Hoshizaki Corp                     | 266,100   | 7,711              | 0.28                  |
| Nippon Paint                       | 2,183,400 | 13,706             | 0.51                  |
| Olympus                            | 2,692,056 | 31,816             | 1.18                  |
| Shiseido                           | 720,900   | 15,994             | 0.59                  |
| SMC                                | 56,200    | 25,032             | 0.93                  |
| Sysmex Corp                        | 362,500   | 15,595             | 0.58                  |
| <b>Netherlands - 3.26% (4.24%)</b> |           |                    |                       |
| Adyen N.V.                         | 13,681    | 13,663             | 0.50                  |
| ASM International N.V.             | 39,914    | 17,572             | 0.65                  |
| Prosus N.V.                        | 2,421,329 | 56,862             | 2.11                  |
| <b>Norway - 1.26% (1.01%)</b>      |           |                    |                       |
| Adevinta                           | 1,427,245 | 12,111             | 0.45                  |
| Schibsted                          | 899,117   | 21,830             | 0.81                  |
| <b>Russia - 0.00% (0.00%)</b>      |           |                    |                       |
| Sberbank Of Russia <sup>1</sup>    | 5,384,096 | -                  | 0.00                  |
| <b>Singapore - 0.38% (0.70%)</b>   |           |                    |                       |
| Sea Ltd ADR                        | 341,641   | 10,232             | 0.38                  |
| <b>South Korea - 0.92% (0.61%)</b> |           |                    |                       |
| Coupang                            | 1,093,182 | 12,010             | 0.45                  |
| Samsung Electronics                | 298,529   | 12,769             | 0.47                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                      | Holding   | Market value £'000 | % of total net assets |
|--|-----------|--------------------|-----------------------|
| <b>Sweden - 2.46% (1.93%)</b>          |           |                    |                       |
| Atlas Copco B                          | 2,919,869 | 32,166             | 1.19                  |
| Epiroc B                               | 1,405,379 | 17,367             | 0.64                  |
| Spotify Technology SA                  | 99,810    | 16,879             | 0.63                  |
| <b>Switzerland - 1.19% (1.32%)</b>     |           |                    |                       |
| Richemont                              | 272,248   | 32,150             | 1.19                  |
| <b>Taiwan - 1.63% (1.50%)</b>          |           |                    |                       |
| TSMC                                   | 2,792,000 | 43,990             | 1.63                  |
| <b>UK - 0.83% (4.72%)</b>              |           |                    |                       |
| Bellway                                | 104,246   | 2,875              | 0.11                  |
| Prudential                             | 2,390,101 | 19,561             | 0.72                  |
| <b>United States - 59.53% (54.55%)</b> |           |                    |                       |
| Adobe Systems                          | 34,696    | 16,821             | 0.62                  |
| Advanced Drainage Systems              | 247,221   | 25,298             | 0.94                  |
| Advanced Micro Devices Inc             | 122,058   | 16,056             | 0.60                  |
| AJ Gallagher & Co                      | 181,405   | 33,057             | 1.22                  |
| Albemarle                              | 167,979   | 15,131             | 0.56                  |
| Alnylam Pharmaceuticals                | 203,818   | 27,651             | 1.02                  |
| Alphabet Inc Class C                   | 492,510   | 54,807             | 2.03                  |
| Amazon.com                             | 765,261   | 93,205             | 3.45                  |
| Analog Devices                         | 241,812   | 36,517             | 1.35                  |
| Block Inc                              | 453,824   | 23,157             | 0.86                  |
| Broadridge Financial Solutions         | 133,781   | 21,451             | 0.80                  |
| Cbre Group Inc                         | 373,573   | 25,311             | 0.94                  |
| Certara                                | 744,008   | 9,436              | 0.35                  |
| Charles Schwab                         | 533,511   | 26,352             | 0.98                  |
| Chewy                                  | 1,005,237 | 14,051             | 0.52                  |
| Cloudflare Inc                         | 451,458   | 28,028             | 1.04                  |
| Comfort Systems USA                    | 92,278    | 15,748             | 0.58                  |
| CoStar Group                           | 354,962   | 23,258             | 0.86                  |
| Datadog                                | 186,139   | 18,182             | 0.67                  |



## Portfolio Statement as at 31 January 2024 cont.

| Stock description               | Holding   | Market value £'000 | % of total net assets |
|---------------------------------|-----------|--------------------|-----------------------|
| Doordash Inc                    | 456,419   | 37,332             | 1.38                  |
| Eaton                           | 144,422   | 27,906             | 1.03                  |
| Elevance Health Inc             | 245,131   | 94,984             | 3.52                  |
| Entegris Inc                    | 291,299   | 26,935             | 1.00                  |
| Estee Lauder                    | 126,004   | 13,054             | 0.48                  |
| Exact Sciences                  | 153,219   | 7,869              | 0.29                  |
| Floor & Decor Holdings          | 179,558   | 14,173             | 0.53                  |
| Howard Hughes                   | 200,689   | 12,620             | 0.47                  |
| Markel                          | 21,543    | 25,332             | 0.94                  |
| Martin Marietta Materials       | 240,709   | 96,059             | 3.56                  |
| Mastercard                      | 169,174   | 59,628             | 2.21                  |
| Meta Platforms Inc              | 308,099   | 94,349             | 3.50                  |
| Microsoft                       | 335,727   | 104,748            | 3.88                  |
| Moderna Inc                     | 231,275   | 18,347             | 0.68                  |
| Moody's                         | 273,118   | 84,070             | 3.11                  |
| Neogen Corp                     | 978,437   | 11,901             | 0.44                  |
| Netflix Inc                     | 49,066    | 21,729             | 0.81                  |
| Novocure Ltd                    | 204,560   | 2,236              | 0.08                  |
| NVIDIA                          | 73,649    | 35,564             | 1.32                  |
| Royalty Pharma                  | 1,341,432 | 29,906             | 1.11                  |
| S&P Global Inc                  | 82,312    | 28,973             | 1.07                  |
| SCP Pool Corporation            | 47,010    | 13,704             | 0.51                  |
| Service Corp.Intl.              | 1,097,004 | 57,803             | 2.14                  |
| SiteOne Landscape Supply        | 164,834   | 19,997             | 0.74                  |
| Snowflake Inc                   | 94,604    | 14,532             | 0.54                  |
| Staar Surgical                  | 164,640   | 3,621              | 0.13                  |
| Teradyne                        | 346,629   | 26,289             | 0.97                  |
| Tesla Inc                       | 118,377   | 17,404             | 0.65                  |
| Texas Instruments               | 100,133   | 12,585             | 0.47                  |
| The Trade Desk                  | 506,736   | 27,222             | 1.01                  |
| Thermo Fisher Scientific        | 48,819    | 20,655             | 0.77                  |
| Wayfair Inc                     | 137,592   | 5,428              | 0.20                  |
| YETI Holdings                   | 472,825   | 16,315             | 0.60                  |
| <b>Portfolio of investments</b> |           | <b>2,653,922</b>   | <b>98.32</b>          |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                       | Holding | Market value £'000 | % of total net assets |
|---|---------|--------------------|-----------------------|
| <b>Net other assets - 1.68% (1.42%)</b> |         | <b>45,439</b>      | <b>1.68</b>           |
| <b>Net assets</b>                       |         | <b>2,699,361</b>   | <b>100.00</b>         |

<sup>1</sup>This stock was valued at nil at the year end amid the ongoing conflict in Ukraine. It has been valued at the Investment Adviser's valuation and therefore is categorised as level 3 in note 13.

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 31 January 2023.

## Comparative Tables

### Comparative Table: A Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 366.63   | 386.94   | 401.07   |
| Return before operating charges*              | 16.43  | (15.23)  | (7.90)   |
| Operating charges                             | (5.18)   | (5.08)   | (6.23)   |
| Return after operating charges*               | 11.25  | (20.31)  | (14.13)  |
| Distributions                                 | 0.00   | 0.00   | 0.00   |
| Retained distributions on accumulation shares | 0.00   | 0.00   | 0.00   |
| <b>Closing net asset value per share</b>      | <b>377.88</b>  | <b>366.63</b>  | <b>386.94</b>  |
| *After direct transaction costs of:           | 0.11   | 0.11   | 0.09   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 3.07%  | (5.25)%  | (3.52)%  |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 1,798  | 2,264  | 2,651  |
| Closing number of shares                      | 475,695  | 617,427  | 685,027  |
| Operating charges                             | 1.44%  | 1.45%  | 1.44%  |
| Direct transaction costs <sup>1</sup>         | 0.03%  | 0.03%  | 0.02%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 385.5  | 394.8  | 466.3  |
| Lowest share price (pence)                    | 332.5  | 312.0  | 368.5  |

## Comparative Tables cont.

### Comparative Table: B Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 410.73   | 429.80   | 441.71   |
| Return before operating charges*              | 18.61  | (16.72)  | (9.07)   |
| Operating charges                             | (2.39)   | (2.35)   | (2.84)   |
| Return after operating charges*               | 16.22  | (19.07)  | (11.91)  |
| Distributions                                 | (2.09)   | (2.18)   | (1.17)   |
| Retained distributions on accumulation shares | 2.09   | 2.18   | 1.17   |
| <b>Closing net asset value per share</b>      | <b>426.95</b>  | <b>410.73</b>  | <b>429.80</b>  |
| *After direct transaction costs of:           | 0.12   | 0.12   | 0.09   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 3.95%  | (4.44)%  | (2.70)%  |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 1,057,777  | 1,148,329  | 2,096,977  |
| Closing number of shares                      | 247,753,637  | 279,583,928  | 487,898,847  |
| Operating charges                             | 0.59%  | 0.60%  | 0.60%  |
| Direct transaction costs <sup>1</sup>         | 0.03%  | 0.03%  | 0.02%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 435.6  | 438.7  | 517.0  |
| Lowest share price (pence)                    | 374.8  | 347.7  | 409.3  |

## Comparative Tables cont.

### Comparative Table: B Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 375.46   | 395.03   | 407.05   |
| Return before operating charges*         | 16.98  | (15.41)  | (8.33)   |
| Operating charges                        | (2.18)   | (2.16)   | (2.62)   |
| Return after operating charges*          | 14.80  | (17.57)  | (10.95)  |
| Distributions on income shares           | (1.91)   | (2.00)   | (1.07)   |
| <b>Closing net asset value per share</b> | <b>388.35</b>  | <b>375.46</b>  | <b>395.03</b>  |
| *After direct transaction costs of:      | 0.11   | 0.11   | 0.09   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 3.94%  | (4.45)%  | (2.69)%  |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 189,528  | 210,829  | 280,243  |
| Closing number of shares                 | 48,803,600   | 56,152,324   | 70,941,846   |
| Operating charges                        | 0.59%  | 0.60%  | 0.60%  |
| Direct transaction costs <sup>1</sup>    | 0.03%  | 0.03%  | 0.02%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 397.9  | 403.1  | 476.2  |
| Lowest share price (pence)               | 342.4  | 319.5  | 377.0  |

## Comparative Tables cont.

### Comparative Table: C Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 444.35   | 462.34   | 472.44   |
| Return before operating charges*              | 20.28  | (17.86)  | (10.00)  |
| Operating charges                             | (0.09)   | (0.13)   | (0.10)   |
| Return after operating charges*               | 20.19  | (17.99)  | (10.10)  |
| Distributions                                 | (4.78)   | (4.74)   | (4.16)   |
| Retained distributions on accumulation shares | 4.78   | 4.74   | 4.16   |
| <b>Closing net asset value per share</b>      | <b>464.54</b>  | <b>444.35</b>  | <b>462.34</b>  |
| *After direct transaction costs of:           | 0.13   | 0.13   | 0.10   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 4.54%  | (3.89)%  | (2.14)%  |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 1,422,956  | 1,323,766  | 1,603,914  |
| Closing number of shares                      | 306,317,459  | 297,910,721  | 346,909,527  |
| Operating charges                             | 0.02%  | 0.03%  | 0.02%  |
| Direct transaction costs <sup>1</sup>         | 0.03%  | 0.03%  | 0.02%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 473.9  | 471.9  | 555.5  |
| Lowest share price (pence)                    | 407.2  | 374.8  | 440.3  |

## Comparative Tables cont.

### Comparative Table: C Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 422.13   | 444.09   | 457.78   |
| Return before operating charges*         | 19.19  | (17.28)  | (9.56)   |
| Operating charges                        | (0.08)   | (0.12)   | (0.10)   |
| Return after operating charges*          | 19.11  | (17.40)  | (9.66)   |
| Distributions on income shares           | (4.53)   | (4.56)   | (4.03)   |
| <b>Closing net asset value per share</b> | <b>436.71</b>  | <b>422.13</b>  | <b>444.09</b>  |
| *After direct transaction costs of:      | 0.12   | 0.12   | 0.10   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 4.53%  | (3.92)%  | (2.11)%  |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 27,300   | 82,591   | 103,943  |
| Closing number of shares                 | 6,251,206  | 19,565,430   | 23,405,643   |
| Operating charges                        | 0.02%  | 0.03%  | 0.02%  |
| Direct transaction costs <sup>1</sup>    | 0.03%  | 0.03%  | 0.02%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 449.5  | 453.2  | 537.1  |
| Lowest share price (pence)               | 386.2  | 359.9  | 425.7  |

## Comparative Tables cont.

### Comparative Table: L Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Period Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 410.65   | 429.42   | 476.00 <sup>2</sup>  |
| Return before operating charges*              | 18.65  | (16.74)  | (45.74)  |
| Operating charges                             | (2.15)   | (2.03)   | (0.84)   |
| Return after operating charges*               | 16.50  | (18.77)  | (46.58)  |
| Distributions                                 | (2.35)   | (2.45)   | 0.00   |
| Retained distributions on accumulation shares | 2.35   | 2.45   | 0.00   |
| <b>Closing net asset value per share</b>      | <b>427.15</b>  | <b>410.65</b>  | <b>429.42</b>  |
| *After direct transaction costs of:           | 0.12   | 0.12   | 0.03   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 4.02%  | (4.37)%  | (9.79)%  |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 1  | 1  | 1  |
| Closing number of shares                      | 200  | 200  | 200  |
| Operating charges                             | 0.53%  | 0.52%  | 0.52%  |
| Direct transaction costs <sup>1</sup>         | 0.03%  | 0.03%  | 0.02%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 435.8  | 438.3  | 516.5  |
| Lowest share price (pence)                    | 375.0  | 347.5  | 409.0  |



## Comparative Tables cont.

### Comparative Table: L Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Period Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 374.73   | 394.23   | 437.00 <sup>2</sup>  |
| Return before operating charges*         | 16.98  | (15.38)  | (42.00)  |
| Operating charges                        | (1.96)   | (1.90)   | (0.77)   |
| Return after operating charges*          | 15.02  | (17.28)  | (42.77)  |
| Distributions on income shares           | (2.14)   | (2.22)   | 0.00   |
| <b>Closing net asset value per share</b> | <b>387.61</b>  | <b>374.73</b>  | <b>394.23</b>  |
| *After direct transaction costs of:      | 0.11   | 0.11   | 0.03   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 4.01%  | (4.38)%  | (9.79)%  |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 1  | 1  | 1  |
| Closing number of shares                 | 250  | 250  | 250  |
| Operating charges                        | 0.53%  | 0.53%  | 0.52%  |
| Direct transaction costs <sup>1</sup>    | 0.03%  | 0.03%  | 0.02%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 397.3  | 402.4  | 474.2  |
| Lowest share price (pence)               | 341.8  | 319.0  | 375.4  |

<sup>1</sup>The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website [www.bailliegifford.com](http://www.bailliegifford.com).

<sup>2</sup>Class L shares were launched on 1 October 2021.

# Financial Statements

## Statement of Total Return for the year ended 31 January 2024

|   | Notes | 2024    |               | 2023     |                  |
|---|-------|---------|---------------|----------|------------------|
|   |       | £'000   | £'000         | £'000    | £'000            |
| <b>Income</b>   |       |         |               |          |                  |
| Net capital gains/(losses)  | 1     |         | 87,748        |          | (289,021)        |
| Revenue   | 3     | 29,754  |               | 42,098   |                  |
| Expenses  | 4     | (7,170) |               | (11,094) |                  |
| Net revenue before taxation   |       | 22,584  |               | 31,004   |                  |
| Taxation  | 5     | (1,267) |               | (2,452)  |                  |
| Net revenue after taxation  |       |         | 21,317        |          | 28,552           |
| Total return before distributions   |       |         | 109,065       |          | (260,469)        |
| Distributions   | 6     |         | (21,346)      |          | (28,564)         |
| <b>Change in net assets attributable to shareholders from investment activities</b> |       |         | <b>87,719</b> |          | <b>(289,033)</b> |

## Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 January 2024

|  | 2024      |                  | 2023        |                  |
|--|-----------|------------------|-------------|------------------|
|  | £'000     | £'000            | £'000       | £'000            |
| <b>Opening net assets attributable to shareholders</b>                       |           | <b>2,767,781</b> |             | <b>4,087,730</b> |
| Amounts receivable on issue of shares  | 361,220   |                  | 227,614     |                  |
| Amounts payable on cancellation of shares                                    | (504,766) |                  | (1,252,275) |                  |
| Creation of shares settled by transfer of stocks                             | 9,564     |                  | -           |                  |
| Stocks transferred out on cancellation of shares                             | (42,878)  |                  | (28,854)    |                  |
|  |           | (176,860)        |             | (1,053,515)      |
| Dilution adjustment  |           | 899              |             | 1,726            |
| Change in net assets attributable to shareholders from investment activities |           | 87,719           |             | (289,033)        |
| Retained distributions on accumulation shares                                |           | 19,822           |             | 20,873           |
| <b>Closing net assets attributable to shareholders</b>                       |           | <b>2,699,361</b> |             | <b>2,767,781</b> |

## Financial Statements cont.

### Balance Sheet as at 31 January 2024

|  | Notes | 2024<br>£'000    | 2023<br>£'000    |
|--|-------|------------------|------------------|
| <b>Assets:</b>                                 |       |                  |                  |
| Fixed assets:                                  |       |                  |                  |
| Investments                                    | 13    | 2,653,922        | 2,728,465        |
| Current assets:                                |       |                  |                  |
| Debtors  | 8     | 68,279           | 20,349           |
| Cash and bank balances                         | 9     | 51,373           | 38,544           |
| <b>Total assets</b>                            |       | <b>2,773,574</b> | <b>2,787,358</b> |
| <b>Liabilities:</b>                            |       |                  |                  |
| Creditors:                                     |       |                  |                  |
| Bank overdrafts                                | 9     | (8,462)          | (8,667)          |
| Distributions payable                          |       | (1,025)          | (1,710)          |
| Other creditors                                | 10    | (64,726)         | (9,200)          |
| <b>Total liabilities</b>                       |       | <b>(74,213)</b>  | <b>(19,577)</b>  |
| <b>Net assets attributable to shareholders</b> |       | <b>2,699,361</b> | <b>2,767,781</b> |

## Notes to the Financial Statements

### 1 Net capital

|                                   | 2024          | 2023             |
|-----------------------------------|---------------|------------------|
|                                   | £'000         | £'000            |
| Non-derivative securities         | 87,375        | (291,625)        |
| Currency gains/(losses)           | 384           | 2,616            |
| Transaction costs                 | (11)          | (12)             |
| <b>Net capital gains/(losses)</b> | <b>87,748</b> | <b>(289,021)</b> |

### 2 Purchases, sales and transaction costs

|  | 2024           | 2023           |
|--|----------------|----------------|
|  | £'000          | £'000          |
| <b>Purchases and transaction costs</b>                   |                |                |
| Purchases of equities                                    | 631,493        | 405,922        |
| Equities transferred in                                  | 9,509          | -              |
| Gross purchases of equities excluding transaction costs  | 641,002        | 405,922        |
| Commissions  | 194            | 134            |
| Taxes  | 212            | 180            |
| Total transaction costs on equity purchases <sup>1</sup> | 406            | 314            |
| <b>Purchases including transaction costs</b>             | <b>641,408</b> | <b>406,236</b> |

<sup>1</sup>These amounts have been deducted in determining net capital gains/(losses).

|  | 2024 | 2023 |
|--|------|------|
|  | %    | %    |
| <b>Transaction costs as a percentage of principal amount</b> |      |      |
| Commission on equity purchases                               | 0.03 | 0.03 |
| Taxes on equity purchases                                    | 0.03 | 0.04 |

## Notes to the Financial Statements cont.

### 2 Purchases, sales and transaction costs (continued)

|  | 2024           | 2023             |
|--|----------------|------------------|
|  | £'000          | £'000            |
| <b>Sales and transaction costs</b>                   |                |                  |
| Sales of equity                                      | 766,368        | 1,407,959        |
| Equities transferred out                             | 37,100         | 25,367           |
| Gross sales of equities excluding transaction costs  | 803,468        | 1,433,326        |
| Commissions  | (236)          | (384)            |
| Taxes  | (97)           | (301)            |
| Total transaction costs on equity sales <sup>1</sup> | (333)          | (685)            |
| <b>Sales net of transaction costs</b>                | <b>803,135</b> | <b>1,432,641</b> |

<sup>1</sup>These amounts have been deducted in determining net capital gains/(losses).

|  | 2024   | 2023   |
|--|--------|--------|
|  | %      | %      |
| <b>Transaction costs as a percentage of principal amount</b> |        |        |
| Commission on equity sales                                   | (0.03) | (0.03) |
| Taxes on equity sales  | (0.01) | (0.02) |

|                                       | 2024       |                  | 2023       |                  |
|---------------------------------------|------------|------------------|------------|------------------|
|                                       | £'000      | % of average NAV | £'000      | % of average NAV |
| <b>Portfolio transaction costs</b>    |            |                  |            |                  |
| Commissions                           | 430        | 0.02             | 518        | 0.02             |
| Taxes                                 | 309        | 0.01             | 481        | 0.01             |
| <b>Total direct transaction costs</b> | <b>739</b> | <b>0.03</b>      | <b>999</b> | <b>0.03</b>      |

|                                  | 2024 | 2023 |
|----------------------------------|------|------|
|                                  | %    | %    |
| Average portfolio dealing spread | 0.10 | 0.11 |

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying funds. For further details on dilution adjustment charges please see the General Information section.

## Notes to the Financial Statements cont.

### 2 Purchases, sales and transaction costs (continued)

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

### 3 Revenue

|                      | 2024          | 2023          |
|----------------------|---------------|---------------|
|                      | £'000         | £'000         |
| UK dividends         | 2,942         | 7,294         |
| Overseas dividends   | 26,064        | 34,627        |
| Bank interest        | 743           | 177           |
| Other income         | 5             | -             |
| <b>Total revenue</b> | <b>29,754</b> | <b>42,098</b> |

### 4 Expenses

|  | 2024         | 2023          |
|--|--------------|---------------|
|  | £'000        | £'000         |
| <b>Payable to the ACD, associates of the ACD and agents of either of them:</b>               |              |               |
| Annual management charge   | 6,755        | 10,448        |
| <b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b> |              |               |
| Depositary's fee   | 172          | 215           |
| Bank charges   | 200          | 376           |
|  | <b>372</b>   | <b>591</b>    |
| <b>Other expenses:</b>   |              |               |
| Audit fee  | 10           | 9             |
| Non-audit fees paid to auditors  | 15           | 19            |
| Professional fees  | 18           | 27            |
|  | <b>43</b>    | <b>55</b>     |
| <b>Total expenses</b>  | <b>7,170</b> | <b>11,094</b> |

## Notes to the Financial Statements cont.

### 5 Taxation

|                                       | 2024         | 2023         |
|---------------------------------------|--------------|--------------|
|                                       | £'000        | £'000        |
| <b>Analysis of charge in the year</b> |              |              |
| Corporation tax                       | -            | -            |
| Overseas tax                          | 2,065        | 2,488        |
| Prior year tax reclaims written off   | 70           | 144          |
| Tax recoverable on overseas dividends | (868)        | (180)        |
| <b>Total taxation</b>                 | <b>1,267</b> | <b>2,452</b> |

The Fund is subject to corporation tax at 20% (2023: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses substantially exceed the taxable income of the Fund and, as a result, there is no corporation tax charge.

At 31 January 2024, the Fund had excess management expenses of £78,778,000 (2023: £72,722,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing excess expenses.

The tax charge is explained as follows:

|   | 2024         | 2023         |
|---|--------------|--------------|
|   | £'000        | £'000        |
| Net revenue before taxation   | 22,584       | 31,004       |
| Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2023: 20%) | 4,517        | 6,201        |
| Effects of:   |              |              |
| Non-taxable UK dividends  | (588)        | (1,459)      |
| Non-taxable overseas dividends  | (5,125)      | (6,821)      |
| Overseas tax on dividends   | 2,065        | 2,488        |
| Excess management expenses  | 1,210        | 2,095        |
| Prior year tax reclaims written off   | 70           | 144          |
| Tax recoverable on overseas dividends   | (868)        | (180)        |
| Expense relief claimed on overseas tax  | (14)         | (16)         |
| <b>Total taxation</b>   | <b>1,267</b> | <b>2,452</b> |

## Notes to the Financial Statements cont.

### 6 Distributions

|  | 2024          | 2023          |
|--|---------------|---------------|
|  | £'000         | £'000         |
| Interim to 31 July                         | 3,083         | 3,953         |
| Final to 31 January                        | 17,958        | 19,002        |
|  | <b>21,041</b> | <b>22,955</b> |
| Amounts deducted on cancellation of shares | 1,597         | 6,523         |
| Amounts added on issue of shares           | (1,292)       | (914)         |
| <b>Total distributions</b>                 | <b>21,346</b> | <b>28,564</b> |

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distributions per share are set out in the Distribution Tables.

### 7 Reconciliation of net revenue to net distributions for the year

|  | 2024          | 2023          |
|--|---------------|---------------|
|  | £'000         | £'000         |
| Net revenue after taxation for the year      | 21,317        | 28,552        |
| Add capital transfers for deficits of income | 6             | 6             |
| Add distributable revenue brought forward    | 33            | 39            |
| Less distributable revenue carried forward   | (10)          | (33)          |
| <b>Net distributions for the year</b>        | <b>21,346</b> | <b>28,564</b> |

### 8 Debtors

|                                | 2024          | 2023          |
|--------------------------------|---------------|---------------|
|                                | £'000         | £'000         |
| Receivable for issue of shares | 24,445        | 469           |
| Sales awaiting settlement      | 40,106        | 16,787        |
| Accrued income                 | 1,197         | 467           |
| Overseas tax recoverable       | 2,481         | 2,607         |
| VAT recoverable                | 7             | 12            |
| Other debtors                  | 43            | 7             |
| <b>Total debtors</b>           | <b>68,279</b> | <b>20,349</b> |



## Notes to the Financial Statements cont.

### 9 Cash and bank balances

|                                     | 2024          | 2023          |
|-------------------------------------|---------------|---------------|
|                                     | £'000         | £'000         |
| Sterling bank accounts              | 14,952        | 16,663        |
| Foreign currency bank accounts      | 36,421        | 21,881        |
|                                     | 51,373        | 38,544        |
| Sterling bank accounts overdrawn    | (8,462)       | (8,667)       |
| <b>Total cash and bank balances</b> | <b>42,911</b> | <b>29,877</b> |

### 10 Other creditors

|                                     | 2024          | 2023         |
|-------------------------------------|---------------|--------------|
|                                     | £'000         | £'000        |
| Payable for cancellation of shares  | 1,379         | 173          |
| Purchases awaiting settlement       | 62,629        | 8,300        |
| Due to the ACD or associates        | 654           | 663          |
| Due to the Depositary or associates | 51            | 56           |
| Other accrued expenses              | 13            | 8            |
| <b>Total other creditors</b>        | <b>64,726</b> | <b>9,200</b> |

### 11 Related party transactions

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts receivable and payable on the issue and cancellation of shares have been disclosed in notes 8 and 10 respectively.

Amounts paid to Baillie Gifford & Co Limited in respect of ACD fees are disclosed in note 4 with amounts due at the year end given in note 10.

#### Shares held by the ACD and associates of the ACD

The shares held by the ACD and associates of the ACD as a percentage of the Fund's NAV were:

|                               | 2024 | 2023 |
|-------------------------------|------|------|
|                               | %    | %    |
| ACD and associates of the ACD | 0.00 | 1.59 |

## Notes to the Financial Statements cont.

### 12 Reconciliation of shares in issue

|                       | Shares in issue as at<br>31.01.23 | Shares issued | Shares cancelled | Shares converted | Shares in issue as at<br>31.01.24 |
|-----------------------|-----------------------------------|---------------|------------------|------------------|-----------------------------------|
| A Accumulation Shares | 617,427                           | 30            | (81,070)         | (60,692)         | 475,695                           |
| B Accumulation Shares | 279,583,928                       | 46,469,240    | (76,524,881)     | (1,774,650)      | 247,753,637                       |
| B Income Shares       | 56,152,324                        | 84,717        | (5,858,197)      | (1,575,244)      | 48,803,600                        |
| C Accumulation Shares | 297,910,721                       | 41,451,471    | (34,685,243)     | 1,640,510        | 306,317,459                       |
| C Income Shares       | 19,565,430                        | 500           | (14,763,926)     | 1,449,202        | 6,251,206                         |
| L Accumulation Shares | 200                               | 200           | (200)            | -                | 200                               |
| L Income Shares       | 250                               | 250           | (250)            | -                | 250                               |

### 13 Basis of valuation

|   | 2024<br>Assets<br>£'000 | 2023<br>Assets<br>£'000 |
|---|-------------------------|-------------------------|
| Level 1: Quoted prices                  | 2,653,922               | 2,728,465               |
| Level 2: Observable market data         | -                       | -                       |
| Level 3: Unobservable data <sup>1</sup> | -                       | -                       |
| <b>Total</b>                            | <b>2,653,922</b>        | <b>2,728,465</b>        |

<sup>1</sup>For further information on the assets included in Level 3, as at 31 January 2024, please refer to the Portfolio Statement.

## Notes to the Financial Statements cont.

### 14 Derivatives and other financial instruments

#### Currency exposures

A proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

| Currency               | Net currency assets/(liabilities) |                                 |                | Net currency assets/(liabilities) |                                 |                |
|------------------------|-----------------------------------|---------------------------------|----------------|-----------------------------------|---------------------------------|----------------|
|                        | 2024                              |                                 |                | 2023                              |                                 |                |
|                        | Monetary exposures<br>£'000       | Non-monetary exposures<br>£'000 | Total<br>£'000 | Monetary exposures<br>£'000       | Non-monetary exposures<br>£'000 | Total<br>£'000 |
| Brazilian real         | -                                 | 23,083                          | 23,083         | -                                 | 25,381                          | 25,381         |
| Chinese yuan (onshore) | -                                 | 13,326                          | 13,326         | -                                 | -                               | -              |
| Danish krone           | -                                 | 42,296                          | 42,296         | -                                 | 20,913                          | 20,913         |
| Euro                   | 2,299                             | 207,017                         | 209,315        | -                                 | 254,931                         | 254,931        |
| Hong Kong dollar       | 1,688                             | 74,361                          | 76,049         | -                                 | 154,584                         | 154,584        |
| Indian rupee           | -                                 | 26,244                          | 26,244         | -                                 | 32,912                          | 32,912         |
| Japanese yen           | -                                 | 118,848                         | 118,848        | -                                 | 160,223                         | 160,223        |
| Norwegian krona        | -                                 | 33,941                          | 33,941         | -                                 | 28,029                          | 28,029         |
| South Korean won       | -                                 | 12,769                          | 12,769         | -                                 | -                               | -              |
| Swedish krona          | 1,691                             | 49,534                          | 51,224         | -                                 | 47,367                          | 47,367         |
| Swiss franc            | -                                 | 32,149                          | 32,149         | -                                 | 36,480                          | 36,480         |
| Taiwanese dollar       | -                                 | 43,990                          | 43,990         | -                                 | 41,603                          | 41,603         |
| UK sterling            | 6,490                             | 138,065                         | 144,555        | 7,996                             | 247,263                         | 255,259        |
| US dollar              | 30,743                            | 1,838,300                       | 1,869,042      | 21,881                            | 1,678,779                       | 1,700,660      |

Short-term debtors and creditors have not been disclosed.

Totals may not sum due to rounding.

The Fund invests in a generally diversified portfolio of assets. Consequently the ACD considers that a single measure of market sensitivity does not accurately reflect the risks faced by the Fund.

## Distribution Tables

### Interim distribution for the period ended 31 July 2023

Group 1 : shares purchased prior to 1 February 2023

Group 2 : shares purchased 1 February 2023 to 31 July 2023

|                       | Net Revenue<br>(dividend<br>distribution) | Equalisation                | Distribution<br>(paid/accumulated<br>30.09.23) | Distribution<br>(paid/accumulated<br>30.09.22) |
|-----------------------|---|-----------------------------|--|--|
|                       | 31.07.23<br>pence per share               | 31.07.23<br>pence per share | 31.07.23<br>pence per share                    | 31.07.22<br>pence per share                    |
| <b>A Accumulation</b> |   |                             |  |  |
| Group 1               | -   | -                           | -  | -  |
| Group 2               | -   | -                           | -  | -  |
| <b>B Accumulation</b> |   |                             |  |  |
| Group 1               | 0.30000                                   | -                           | 0.30000  | 0.30000  |
| Group 2               | -   | 0.30000                     | 0.30000  | 0.30000  |
| <b>B Income</b>       |   |                             |  |  |
| Group 1               | 0.30000                                   | -                           | 0.30000  | 0.30000  |
| Group 2               | -   | 0.30000                     | 0.30000  | 0.30000  |
| <b>C Accumulation</b> |   |                             |  |  |
| Group 1               | 0.70000                                   | -                           | 0.70000  | 0.70000  |
| Group 2               | -   | 0.70000                     | 0.70000  | 0.70000  |
| <b>C Income</b>       |   |                             |  |  |
| Group 1               | 0.70000                                   | -                           | 0.70000  | 0.70000  |
| Group 2               | 0.70000                                   | -                           | 0.70000  | 0.70000  |
| <b>L Accumulation</b> |   |                             |  |  |
| Group 1               | 0.35000                                   | -                           | 0.35000  | 0.35000  |
| Group 2               | 0.35000                                   | -                           | 0.35000  | 0.35000  |
| <b>L Income</b>       |   |                             |  |  |
| Group 1               | 0.35000                                   | -                           | 0.35000  | 0.35000  |
| Group 2               | 0.35000                                   | -                           | 0.35000  | 0.35000  |

## Distribution Tables cont.

Final distribution for the period ended 31 January 2024

Group 1 : shares purchased prior to 1 August 2023

Group 2 : shares purchased 1 August 2023 to 31 January 2024

|                | Net Revenue<br>(dividend<br>distribution) | Equalisation                | Distribution<br>(paid/accumulated<br>31.03.24) | Distribution<br>(paid/accumulated<br>31.03.23) |
|----------------|---|-----------------------------|--|--|
|                | 31.01.24<br>pence per share               | 31.01.24<br>pence per share | 31.01.24<br>pence per share                    | 31.01.23<br>pence per share                    |
| A Accumulation |   |                             |  |  |
| Group 1        | -   | -                           | -  | -  |
| Group 2        | -   | -                           | -  | -  |
| B Accumulation |   |                             |  |  |
| Group 1        | 1.79000                                   | -                           | 1.79000  | 1.88000  |
| Group 2        | 0.48625                                   | 1.30375                     | 1.79000  | 1.88000  |
| B Income       |   |                             |  |  |
| Group 1        | 1.61000                                   | -                           | 1.61000  | 1.70000  |
| Group 2        | 0.32921                                   | 1.28079                     | 1.61000  | 1.70000  |
| C Accumulation |   |                             |  |  |
| Group 1        | 4.08000                                   | -                           | 4.08000  | 4.04000  |
| Group 2        | 0.22575                                   | 3.85425                     | 4.08000  | 4.04000  |
| C Income       |   |                             |  |  |
| Group 1        | 3.83000                                   | -                           | 3.83000  | 3.86000  |
| Group 2        | 3.83000                                   | -                           | 3.83000  | 3.86000  |
| L Accumulation |   |                             |  |  |
| Group 1        | 2.00000                                   | -                           | 2.00000  | 2.10000  |
| Group 2        | 2.00000                                   | -                           | 2.00000  | 2.10000  |
| L Income       |   |                             |  |  |
| Group 1        | 1.79000                                   | -                           | 1.79000  | 1.87000  |
| Group 2        | 1.79000                                   | -                           | 1.79000  | 1.87000  |



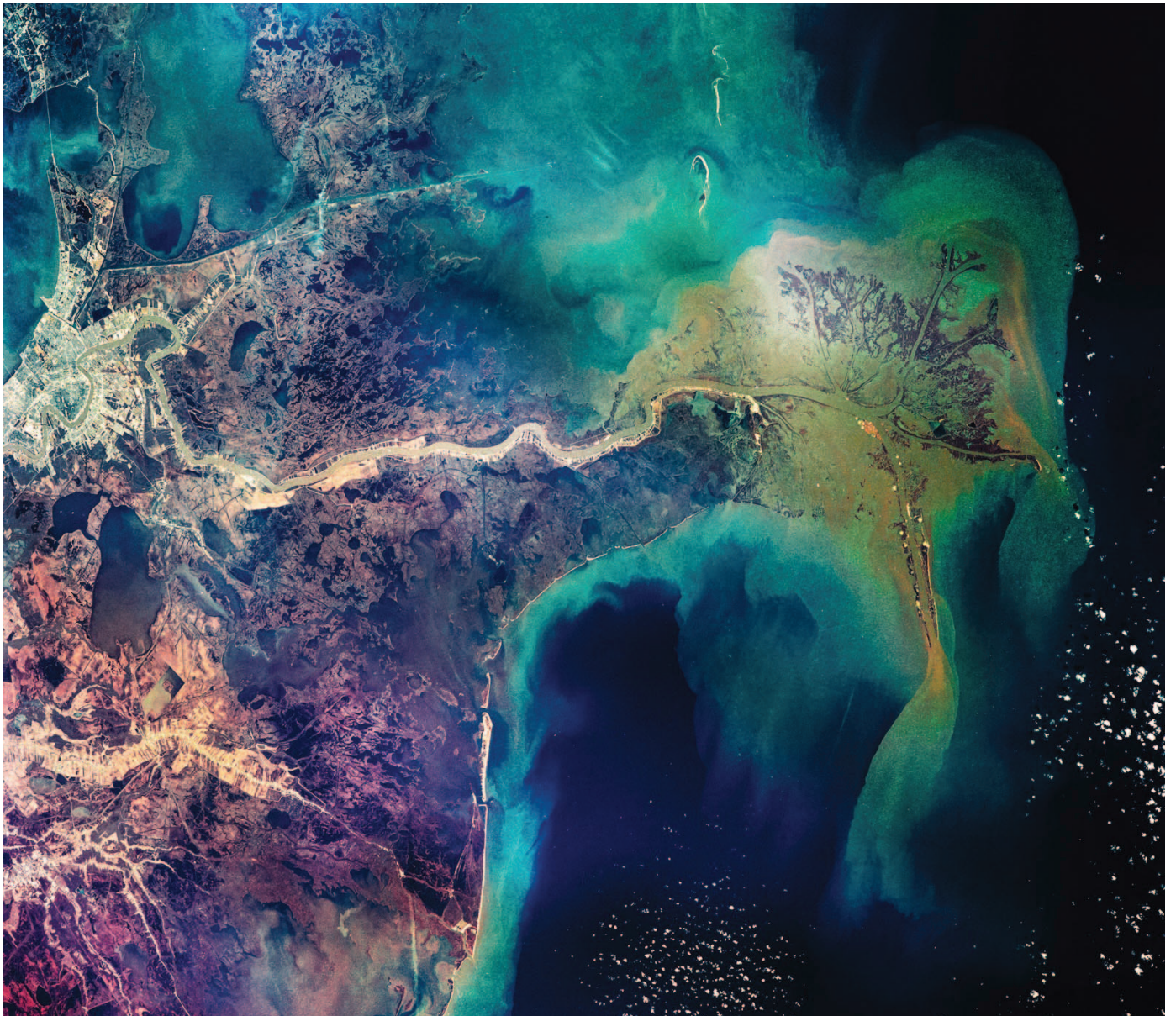
# Baillie Gifford™

Baillie Gifford Global Alpha Paris-Aligned Fund

---

a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Annual Report & Financial Statements  
for the year ended 31 January 2024*



# Baillie Gifford Global Alpha Paris-Aligned Fund

## Investment Objective

The Fund aims to outperform (after deduction of costs) the MSCI ACWI Index, as stated in sterling, by at least 2% per annum over rolling five-year periods, and aims to have a weighted average greenhouse gas intensity that is lower than that of the MSCI ACWI EU Paris Aligned Requirements Index.

## Investment Policy

The Fund will invest at least 90% in shares of companies anywhere in the world and in any sector, subject to the application of a quantitative and qualitative screening process. The purpose of the screening process is to ensure that the Fund invests in a way which is, in the ACD’s opinion, in alignment with the Paris Climate Agreement by excluding carbon intensive companies that do not, or will not, play a role in the transition to a low-carbon future. More information regarding the screening process is included in the prospectus. The Fund will be actively managed.

## Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund’s ranking on the Risk and Reward Indicator.



Market conditions can change rapidly and a fund in any rank can lose you your investment. The Fund is classified as above as it invests in company shares.

As returns are not available for all of the past five years we’ve used the comparative index in their place to calculate the indicator.

The indicator does not take into account the following relevant material risks:

The Fund is actively managed meaning the Investment Manager selects investments of their own choosing with the aim of achieving the Fund’s objectives. This is done without seeking to replicate any index in either of performance or portfolio composition. This investment style, selecting companies with perceived greater long-term growth potential ahead of any short-term returns, in combination with the relative concentration of the Fund, may lead to prolonged periods of underperformance in certain market conditions, both in relation to the Fund’s benchmark and in absolute terms.

Over shorter time periods the Fund’s share price can be volatile and returns can be much higher or lower than our five-year average target. There is no guarantee this objective will be achieved over any time period.

The Fund’s ESG investment policy limits the type of companies it can hold. The Fund may have different returns from funds with no such restrictions.

The Fund’s measure of weighted average greenhouse gas intensity is at portfolio level. As such, the Fund may invest in single companies that are high emitters. Only those investments that have available data will be included in the calculation. Carbon data uses the methodology of only one provider and some data may be estimated.

The limitations of third party data, which may be backward looking or estimated, may impact on the Fund’s ability to achieve any non-financial considerations.

In adverse market conditions it may be difficult to sell investments held by the Fund in a timely manner and their value may fall significantly. This could affect how much money you receive and even delay the selling of your shares if dealing in the Fund is suspended.

Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.



## Baillie Gifford Global Alpha Paris-Aligned Fund cont.

You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

Where possible, charges are taken from income. If insufficient, the rest will be taken from capital, reducing the capital value of the Fund.

For a more detailed explanation of the risks, please see the “Risk Warnings” section of the prospectus.

### **Adoption of Net Zero Asset Managers initiative**

---

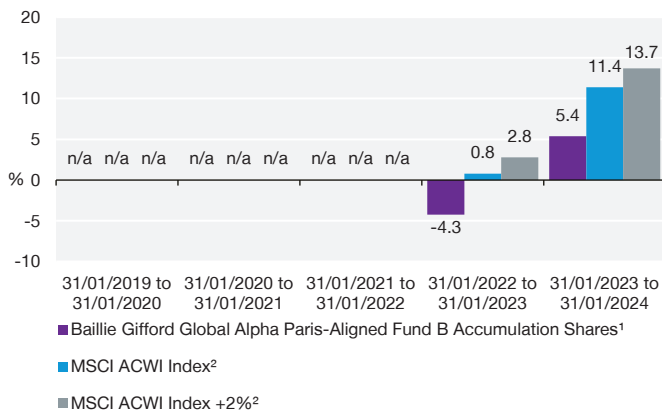
Baillie Gifford & Co, the Fund’s Investment Manager, has joined the Net Zero Asset Managers initiative (NZAM), as part of the Investment Manager’s commitment to support the goal of net zero greenhouse gas emissions by 2050, in line with global efforts to limit warming to 1.5°C.

This commitment includes supporting investing aligned with net zero emissions by 2050 or sooner, and the Fund has been managed in line with and counted towards the Investment Manager’s net zero commitment.

As a long-term investor, the Investment Manager’s investment process takes into account the long-term prospects (including long-term sustainability) of an investment. Consideration of climate-related factors, including NZAM commitments, and the impact of these on a company’s competitive positioning form an integral part of this process.

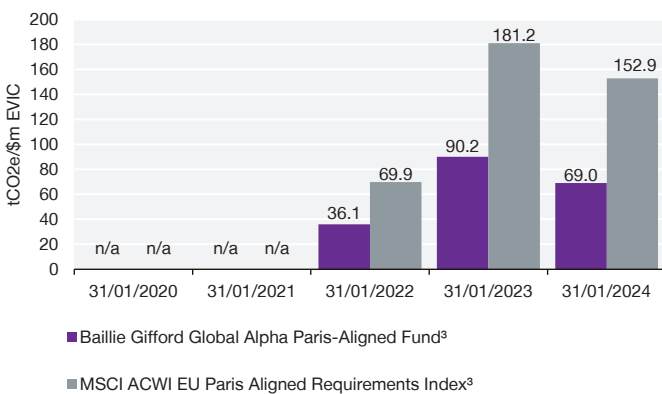
# Investment Report

## Past Performance



The performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the annual management charge of 0.57%. There are not five full years of performance shown as the Fund launched on 15 April 2021. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

## Weighted Average Greenhouse Gas Intensity



## Past Performance

The investment objective of the Fund is to outperform (after deduction of costs) the MSCI ACWI Index (the 'Index') by at least 2% per annum (the 'target return') over rolling five-year periods. For the year to 31 January 2024 the return on B Accumulation Shares was 5.4%<sup>1</sup> compared to the Index of 11.4%<sup>2</sup> and the target return of 13.7%<sup>2</sup>. We believe that short-term performance

measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance, a period in line with the Fund's objectives. We look forward to reporting to you on more meaningful performance time periods over the years to come. The Fund also aims to have a weighted average greenhouse gas intensity (WAGHGI) that is lower than that of the MSCI ACWI EU Paris Aligned Requirements Index. The above chart shows positioning as at 31 January 2024.

<sup>1</sup>Source: FE, 10am dealing prices, income accumulated. <sup>2</sup>Source: Revolution and MSCI, total return in sterling terms. The target return outperformance is compounded daily therefore the index return plus the outperformance will not equal the target return. Please see Disclaimer on page 318. <sup>3</sup>Source: MSCI Barra. Tonnes of Carbon Dioxide equivalent per \$ million of Enterprise Value including cash. You should be aware that past performance is not a guide to future performance.

# Investment Report cont.

## Market Environment

---

Global stock markets made a strong comeback over the last 12 months. Breakthroughs in artificial intelligence (AI) earlier in 2023 restored a sense of optimism, and the widely forecast recession failed to materialise. In the latter part of the year, the market looked forward to pricing-in interest rate cuts in 2024 rather than increases. As long-term investors focused on fundamentals, the more material driver to performance at the end of the year was the announcement of several strong company results, which subsequently boosted share prices.

## Performance

---

The Fund lagged the index over the 12-month period, with the third quarter of 2023 feeling most of this weakness. Further rate hikes by the Fed caused long-duration assets to continue to sell off, along with consumer discretionary names. However, the final quarter of 2023 saw strong outperformance for the Fund. Many companies reported record results including CRH and Meta, which were top contributors over the period.

Building materials company CRH has proven to be flexible to rising costs, having responded to significant increases in energy prices. During the year, it delivered earnings and sales growth, reflecting positive momentum and strong commercial progress across its key markets of North America and Europe. We have long admired CRH's skilful capital allocation under the leadership of Albert Manifold and believe that these strategic portfolio management decisions have the potential to unlock further growth opportunities for the company.

One of the strongest examples of adaptability and efficiency in the portfolio is Meta. The tech giant has been showcasing strong execution and cost discipline which, combined with a reacceleration in growth, continues to be positively received by the market. The average watch time on Reels and other videos across its family of apps is increasing and, in turn, ad impressions and price per ad have also grown. Meta has been using AI tools to improve ad quality and target them more

effectively. We believe the company may be unique in having the engineering resources needed to take full advantage of the growing opportunity in AI.

Two areas in particular have detracted from performance. Firstly, healthcare. The sector has struggled over the period, experiencing the worst performance in 20 years, wiping out a decade of cumulative outperformance. A combination of lingering post-pandemic effects and a tougher funding environment for biotech companies are to blame.

Moderna is one of the top detractors for the Fund over the period. Alongside the headwinds mentioned above for biotech companies, Moderna also saw weakness after a competitor cut billions from its full-year 2023 outlook citing slowing demand for Covid-19 products. We think the market is wrongly focused on its Covid-19 vaccination success and is broadly ignoring its pipeline of treatments and progress in other areas. This pipeline has been significantly derisked due to the breakthroughs and success of the technology in creating a Covid-19 vaccine. Moderna continues to make strides in the development of other vaccines including a combination vaccine that prevents against flu and Covid-19, and further research and development in cancer treatments through a strong line-up of partnerships with other biotechs. Our conviction in Moderna's ability to be one of the leading biotech companies of the future, solving health challenges for millions of people, remains intact.

Second, companies with a certain amount of revenue exposure to Chinese consumers have also detracted. Asian insurance companies in particular have been weak and shares of AIA have come under pressure as a result of ongoing concerns surrounding China's lacklustre economic recovery and were further impacted towards the end of the year owing to the market's reaction to changing interest rates. Despite this, the Asian insurer posted a strong set of results in November. Growth re-accelerated, fuelled by broad-based sales momentum growing new business. New premiums grew over 50% and margins improved as mainland China figures surprised on the upside.

# Investment Report cont.

## Notable Transactions

---

Over the period, turnover remained in line with historically low levels – reflecting our long-term, patient, investment style. A diverse set of new names entered the portfolio. Companies such as the trusted paint company, Nippon Paint; the highly regarded luxury conglomerate LVMH; and the Chinese platform that is rapidly growing due to its differentiated model that is redefining ecommerce as a socially driven experience – PDD Holdings – have all seen share price declines due to negative sentiment towards China and Chinese equities. While we remain alert to the changing landscape in China, all three of these companies have strong global positions, and should benefit from a normalisation in Chinese spending over the long term.

Another area of enthusiasm has been increasing exposure to beneficiaries of the ‘repair, renew, revitalise’ theme. Countries across the globe are facing outdated, inefficient, and energy-intensive electrical grids, buildings, and transport networks. We therefore think that there exists a material opportunity for companies with strong track-records, pricing power, and hard-to-replicate asset bases, to lead the way in this shift towards upgrading infrastructure. Comfort Systems is a new holding in this space. It is a leading industrial mechanical, electrical, and plumbing contractor in the US. The investment case is underpinned by powerful structural growth drivers including the reshoring of US manufacturing, recent legislation to replace and upgrade US infrastructure, and the green energy transition. It also has a distinctive culture centred on delivering high-quality projects and excellent customer service, which is a further source of edge.

These purchases have been funded from a combination of selling holdings either where our investment case has played out, or, where growth has been disappointing and as a result, our conviction has waned. Examples of the former include selling out of German financial exchange Deutsche Boerse and online travel agency Booking Holdings. Both saw strong share price gains over the holding period, so we decided to take profits and reinvest in new ideas. On the latter, we have sold positions in Farfetch, the online luxury platform that continued to

struggle to return to growth after its pandemic boom; and gene sequencing company, Illumina, where we lost confidence in management following its failed acquisition of Grail and lack of focus on its core business.

## Outlook

---

While we remain absolutely focused on the long-term outlook, we are acutely aware that recent performance will have continued to disappoint. However, the Fund is in very robust health and there are several reasons for optimism including, accelerating earnings growth versus the broader market, committed investment to future innovation, and the flexibility and adaptability demonstrated by a number of companies in the portfolio against a difficult backdrop.

*Baillie Gifford & Co, 13 February 2024*

## Principal Holdings as at 31 January 2024

| Investment           | Percentage of total Fund |
|----------------------|--------------------------|
| Microsoft            | 5.05                     |
| Amazon.com           | 4.05                     |
| Meta Platforms Inc   | 3.87                     |
| Elevance Health Inc  | 3.71                     |
| Moody's              | 3.35                     |
| Mastercard           | 2.68                     |
| Service Corp.Intl.   | 2.34                     |
| Prosus N.V.          | 2.28                     |
| Alphabet Inc Class C | 2.25                     |
| CRH                  | 2.16                     |

## Material Portfolio Changes for the year ended 31 January 2024

| Largest Purchases         | Cost<br>£'000 | Largest Sales        | Proceeds<br>£'000 |
|---------------------------|---------------|----------------------|-------------------|
| Meta Platforms Inc        | 4,401         | Booking Holdings Inc | 5,191             |
| NVIDIA                    | 3,494         | Prosus N.V.          | 5,105             |
| Novo Nordisk              | 3,302         | Alphabet Inc Class C | 4,202             |
| Amazon.com                | 2,725         | AJ Gallagher & Co    | 3,865             |
| Advanced Drainage Systems | 2,602         | Pernod Ricard SA     | 3,461             |
| Block Inc                 | 2,450         | Moody's              | 3,417             |
| CRH                       | 2,300         | Tesla Inc            | 3,208             |
| Analog Devices            | 2,033         | Elevance Health Inc  | 3,124             |
| Floor & Decor Holdings    | 2,024         | Prudential           | 3,060             |
| Doordash Inc              | 1,983         | Deutsche Boerse      | 2,854             |

## Portfolio Statement as at 31 January 2024

| Stock description                | Holding   | Market value £'000 | % of total net assets |
|----------------------------------|-----------|--------------------|-----------------------|
| <b>Brazil - 2.48% (1.66%)</b>    |           |                    |                       |
| B3 S.A.                          | 1,327,300 | 2,759              | 0.95                  |
| MercadoLibre                     | 3,316     | 4,456              | 1.53                  |
| <b>Canada - 1.45% (0.95%)</b>    |           |                    |                       |
| Shopify 'A'                      | 66,962    | 4,210              | 1.45                  |
| <b>China - 2.30% (3.38%)</b>     |           |                    |                       |
| Alibaba Group Holding            | 303,592   | 2,121              | 0.73                  |
| CATL 'A'                         | 97,500    | 1,616              | 0.55                  |
| Li Auto 'H'                      | 117,100   | 1,247              | 0.43                  |
| PDD Holdings Inc                 | 17,277    | 1,721              | 0.59                  |
| <b>Denmark - 1.74% (0.81%)</b>   |           |                    |                       |
| Genmab                           | 7,467     | 1,646              | 0.57                  |
| Novo Nordisk                     | 38,449    | 3,405              | 1.17                  |
| <b>France - 2.89% (3.06%)</b>    |           |                    |                       |
| LVMH                             | 2,539     | 1,675              | 0.57                  |
| Nexans                           | 26,932    | 1,946              | 0.67                  |
| Pernod Ricard SA                 | 25,052    | 3,259              | 1.12                  |
| Sartorius Stedim Biotech         | 7,157     | 1,532              | 0.53                  |
| <b>Germany - 0.76% (1.74%)</b>   |           |                    |                       |
| adidas                           | 12,377    | 1,861              | 0.64                  |
| HelloFresh SE Ordinary           | 33,378    | 352                | 0.12                  |
| <b>Hong Kong - 1.80% (2.81%)</b> |           |                    |                       |
| AIA Group                        | 597,800   | 3,660              | 1.26                  |
| Sands China                      | 770,800   | 1,587              | 0.54                  |
| <b>India - 1.09% (1.27%)</b>     |           |                    |                       |
| HDFC Bank                        | 229,662   | 3,176              | 1.09                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                  | Holding | Market value £'000 | % of total net assets |
|------------------------------------|---------|--------------------|-----------------------|
| <b>Ireland - 2.16% (0.99%)</b>     |         |                    |                       |
| CRH                                | 111,771 | 6,286              | 2.16                  |
| <b>Japan - 4.86% (5.85%)</b>       |         |                    |                       |
| CyberAgent Inc                     | 194,900 | 1,001              | 0.34                  |
| Hoshizaki Corp                     | 31,700  | 919                | 0.32                  |
| Nippon Paint                       | 254,400 | 1,597              | 0.55                  |
| Olympus                            | 306,400 | 3,621              | 1.25                  |
| Shiseido                           | 82,600  | 1,833              | 0.63                  |
| SMC                                | 7,000   | 3,118              | 1.07                  |
| Sysmex Corp                        | 47,500  | 2,043              | 0.70                  |
| <b>Netherlands - 3.57% (4.91%)</b> |         |                    |                       |
| Adyen N.V.                         | 1,573   | 1,571              | 0.54                  |
| ASM International N.V.             | 4,982   | 2,193              | 0.75                  |
| Prosus N.V.                        | 282,401 | 6,632              | 2.28                  |
| <b>Norway - 1.50% (1.16%)</b>      |         |                    |                       |
| Adevinta                           | 179,243 | 1,521              | 0.52                  |
| Schibsted                          | 117,430 | 2,851              | 0.98                  |
| <b>Russia - 0.00% (0.00%)</b>      |         |                    |                       |
| Sberbank Of Russia <sup>1</sup>    | 491,340 | -                  | 0.00                  |
| <b>Singapore - 0.44% (0.80%)</b>   |         |                    |                       |
| Sea Ltd ADR                        | 42,911  | 1,285              | 0.44                  |
| <b>South Korea - 1.00% (0.65%)</b> |         |                    |                       |
| Coupang                            | 136,913 | 1,504              | 0.52                  |
| Samsung Electronics                | 32,575  | 1,394              | 0.48                  |
| <b>Sweden - 2.81% (2.63%)</b>      |         |                    |                       |
| Atlas Copco B                      | 352,932 | 3,888              | 1.34                  |
| Epiroc B                           | 183,883 | 2,273              | 0.78                  |



## Portfolio Statement as at 31 January 2024 cont.

| Stock description                      | Holding | Market value £'000 | % of total net assets |
|--|---------|--------------------|-----------------------|
| Spotify Technology SA                  | 11,963  | 2,023              | 0.69                  |
| <b>Switzerland - 1.32% (1.39%)</b>     |         |                    |                       |
| Richemont                              | 32,587  | 3,848              | 1.32                  |
| <b>Taiwan - 1.79% (1.61%)</b>          |         |                    |                       |
| TSMC                                   | 330,000 | 5,199              | 1.79                  |
| <b>UK - 0.93% (3.67%)</b>              |         |                    |                       |
| Bellway                                | 12,549  | 346                | 0.12                  |
| Prudential                             | 288,833 | 2,364              | 0.81                  |
| <b>United States - 64.47% (59.29%)</b> |         |                    |                       |
| Adobe Systems                          | 4,197   | 2,035              | 0.70                  |
| Advanced Drainage Systems              | 29,016  | 2,969              | 1.02                  |
| Advanced Micro Devices Inc             | 15,827  | 2,082              | 0.71                  |
| AJ Gallagher & Co                      | 21,885  | 3,988              | 1.37                  |
| Albemarle                              | 16,777  | 1,511              | 0.52                  |
| Anylam Pharmaceuticals                 | 24,119  | 3,272              | 1.12                  |
| Alphabet Inc Class C                   | 58,731  | 6,536              | 2.25                  |
| Amazon.com                             | 96,826  | 11,793             | 4.05                  |
| Analog Devices                         | 29,577  | 4,467              | 1.53                  |
| Block Inc                              | 54,554  | 2,784              | 0.96                  |
| Broadridge Financial Solutions         | 16,834  | 2,699              | 0.93                  |
| Cbre Group Inc                         | 40,962  | 2,775              | 0.95                  |
| Certara                                | 84,128  | 1,067              | 0.37                  |
| Charles Schwab                         | 63,407  | 3,132              | 1.08                  |
| Chewy                                  | 121,096 | 1,693              | 0.58                  |
| Cloudflare Inc                         | 52,470  | 3,258              | 1.12                  |
| Comfort Systems USA                    | 10,210  | 1,742              | 0.60                  |
| CoStar Group                           | 41,436  | 2,715              | 0.93                  |
| Datadog                                | 23,822  | 2,327              | 0.80                  |
| Doordash Inc                           | 55,463  | 4,537              | 1.56                  |
| Eaton                                  | 17,515  | 3,384              | 1.16                  |
| Elevance Health Inc                    | 27,867  | 10,798             | 3.71                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description         | Holding | Market value £'000 | % of total net assets |
|---------------------------|---------|--------------------|-----------------------|
| Entegris Inc              | 35,241  | 3,259              | 1.12                  |
| Estee Lauder              | 14,357  | 1,487              | 0.51                  |
| Exact Sciences            | 22,497  | 1,155              | 0.40                  |
| Floor & Decor Holdings    | 21,529  | 1,699              | 0.58                  |
| Howard Hughes             | 22,950  | 1,443              | 0.50                  |
| Markel                    | 2,661   | 3,129              | 1.07                  |
| Martin Marietta Materials | 9,814   | 3,916              | 1.35                  |
| Mastercard                | 22,172  | 7,815              | 2.68                  |
| Meta Platforms Inc        | 36,739  | 11,251             | 3.87                  |
| Microsoft                 | 47,083  | 14,690             | 5.05                  |
| Moderna Inc               | 29,870  | 2,370              | 0.81                  |
| Moody's                   | 31,681  | 9,752              | 3.35                  |
| Neogen Corp               | 111,548 | 1,357              | 0.47                  |
| Netflix Inc               | 5,884   | 2,606              | 0.90                  |
| Novocure Ltd              | 20,969  | 229                | 0.08                  |
| NVIDIA                    | 8,861   | 4,279              | 1.47                  |
| Royalty Pharma            | 163,538 | 3,646              | 1.25                  |
| S&P Global Inc            | 9,834   | 3,461              | 1.19                  |
| SCP Pool Corporation      | 5,684   | 1,657              | 0.57                  |
| Service Corp.Intl.        | 129,504 | 6,824              | 2.34                  |
| SiteOne Landscape Supply  | 20,857  | 2,530              | 0.87                  |
| Snowflake Inc             | 11,798  | 1,812              | 0.62                  |
| Staar Surgical            | 20,854  | 459                | 0.16                  |
| Teradyne                  | 44,646  | 3,386              | 1.16                  |
| Tesla Inc                 | 14,229  | 2,092              | 0.72                  |
| Texas Instruments         | 12,147  | 1,527              | 0.52                  |
| The Trade Desk            | 62,187  | 3,341              | 1.15                  |
| Thermo Fisher Scientific  | 5,988   | 2,533              | 0.87                  |
| Wayfair Inc               | 14,631  | 577                | 0.20                  |
| YETI Holdings             | 52,268  | 1,803              | 0.62                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                       | Holding | Market value £'000 | % of total net assets |
|---|---------|--------------------|-----------------------|
| <b>Portfolio of investments</b>         |         | <b>289,188</b>     | <b>99.36</b>          |
| <b>Net other assets - 0.64% (1.37%)</b> |         | <b>1,877</b>       | <b>0.64</b>           |
| <b>Net assets</b>                       |         | <b>291,065</b>     | <b>100.00</b>         |

<sup>1</sup>This stock was valued at nil at the year end amid the ongoing conflict in Ukraine. It has been valued at the Investment Adviser's valuation and therefore is categorised as level 3 in note 13.

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 31 January 2023.

## Comparative Tables

### Comparative Table: B Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Period Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 84.37  | 89.71  | 100.00 <sup>1</sup>  |
| Return before operating charges*              | 2.18   | (4.87)   | (9.81)   |
| Operating charges                             | (0.49)   | (0.47)   | (0.48)   |
| Return after operating charges*               | 1.69   | (5.34)   | (10.29)  |
| Distributions                                 | (0.24)   | (0.20)   | 0.00   |
| Retained distributions on accumulation shares | 0.24   | 0.20   | 0.00   |
| <b>Closing net asset value per share</b>      | <b>86.06</b>   | <b>84.37</b>   | <b>89.71</b>   |
| *After direct transaction costs of:           | 0.03   | 0.02   | 0.02   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 2.00%  | (5.95)%  | (10.29)%   |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 1,867  | 1,779  | 1  |
| Closing number of shares                      | 2,168,967  | 2,108,174  | 1,000  |
| Operating charges                             | 0.59%  | 0.59% <sup>2</sup>   | 0.59%  |
| Direct transaction costs <sup>3</sup>         | 0.04%  | 0.03%  | 0.02%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 88.02  | 91.29  | 109.7  |
| Lowest share price (pence)                    | 76.10  | 71.33  | 84.85  |

## Comparative Tables cont.

### Comparative Table: B Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Period Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 84.17  | 89.71  | 100.00 <sup>1</sup>  |
| Return before operating charges*         | 2.17   | (4.88)   | (9.81)   |
| Operating charges                        | (0.49)   | (0.46)   | (0.48)   |
| Return after operating charges*          | 1.68   | (5.34)   | (10.29)  |
| Distributions on income shares           | (0.24)   | (0.20)   | 0.00   |
| <b>Closing net asset value per share</b> | <b>85.61</b>   | <b>84.17</b>   | <b>89.71</b>   |
| *After direct transaction costs of:      | 0.03   | 0.02   | 0.02   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 2.00%  | (5.95)%  | (10.29)%   |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 4,708  | 4,627  | 1  |
| Closing number of shares                 | 5,499,689  | 5,497,605  | 1,000  |
| Operating charges                        | 0.59%  | 0.58% <sup>2</sup>   | 0.59%  |
| Direct transaction costs <sup>3</sup>    | 0.04%  | 0.03%  | 0.02%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 87.79  | 91.29  | 109.7  |
| Lowest share price (pence)               | 75.90  | 71.33  | 84.85  |

## Comparative Tables cont.

### Comparative Table: C Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Period Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 85.24  | 90.13  | 100.30 <sup>1</sup>  |
| Return before operating charges*              | 2.23   | (4.87)   | (10.15)  |
| Operating charges                             | (0.02)   | (0.02)   | (0.02)   |
| Return after operating charges*               | 2.21   | (4.89)   | (10.17)  |
| Distributions                                 | (0.71)   | (0.67)   | (0.45)   |
| Retained distributions on accumulation shares | 0.71   | 0.67   | 0.45   |
| <b>Closing net asset value per share</b>      | <b>87.45</b>   | <b>85.24</b>   | <b>90.13</b>   |
| *After direct transaction costs of:           | 0.03   | 0.02   | 0.02   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 2.59%  | (5.43)%  | (10.14)%   |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 242,374  | 289,281  | 335,614  |
| Closing number of shares                      | 277,155,799  | 339,358,457  | 372,387,313  |
| Operating charges                             | 0.02%  | 0.02%  | 0.02%  |
| Direct transaction costs <sup>3</sup>         | 0.04%  | 0.03%  | 0.02%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 89.44  | 91.72  | 110.0  |
| Lowest share price (pence)                    | 77.21  | 71.81  | 85.24  |

## Comparative Tables cont.

### Comparative Table: C Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Period Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 84.15  | 89.99  | 100.00 <sup>1</sup>  |
| Return before operating charges*         | 2.19   | (5.15)   | (9.55)   |
| Operating charges                        | (0.02)   | (0.02)   | (0.02)   |
| Return after operating charges*          | 2.17   | (5.17)   | (9.57)   |
| Distributions on income shares           | (0.70)   | (0.67)   | (0.44)   |
| <b>Closing net asset value per share</b> | <b>85.62</b>   | <b>84.15</b>   | <b>89.99</b>   |
| *After direct transaction costs of:      | 0.03   | 0.02   | 0.02   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 2.58%  | (5.75)%  | (9.57)%  |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 42,116   | 1  | 1  |
| Closing number of shares                 | 49,191,229   | 1,000  | 1,000  |
| Operating charges                        | 0.02%  | 0.03%  | 0.02%  |
| Direct transaction costs <sup>3</sup>    | 0.04%  | 0.03%  | 0.02%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 88.16  | 91.27  | 109.9  |
| Lowest share price (pence)               | 76.11  | 71.46  | 85.11  |

<sup>1</sup>The Fund launched on 15 April 2021.

<sup>2</sup>As at 31 January 2023 the ACD considered 0.60% to be a more indicative rate for the ongoing charges figure for Class B Shares.

<sup>3</sup>The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website [www.bailliegifford.com](http://www.bailliegifford.com).

# Financial Statements

## Statement of Total Return for the year ended 31 January 2024

|   | Notes | 2024  |              | 2023  |                 |
|---|-------|-------|--------------|-------|-----------------|
|   |       | £'000 | £'000        | £'000 | £'000           |
| <b>Income</b>   |       |       |              |       |                 |
| Net capital gains/(losses)  | 1     |       | 6,807        |       | (22,887)        |
| Revenue   | 3     | 2,946 |              | 2,778 |                 |
| Expenses  | 4     | (77)  |              | (58)  |                 |
| Net revenue before taxation   |       | 2,869 |              | 2,720 |                 |
| Taxation  | 5     | (291) |              | (276) |                 |
| Net revenue after taxation  |       |       | 2,578        |       | 2,444           |
| Total return before distributions   |       |       | 9,385        |       | (20,443)        |
| Distributions   | 6     |       | (2,566)      |       | (2,436)         |
| <b>Change in net assets attributable to shareholders from investment activities</b> |       |       | <b>6,819</b> |       | <b>(22,879)</b> |

## Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 January 2024

|  | 2024     |                | 2023     |                |
|--|----------|----------------|----------|----------------|
|  | £'000    | £'000          | £'000    | £'000          |
| <b>Opening net assets attributable to shareholders</b>                       |          | <b>295,688</b> |          | <b>335,617</b> |
| Amounts receivable on issue of shares  | 8,799    |                | 15,130   |                |
| Amounts payable on cancellation of shares                                    | (65,247) |                | (63,494) |                |
| Creation of shares settled by transfer of stocks                             | 42,924   |                | 28,909   |                |
|  |          | (13,524)       |          | (19,455)       |
| Dilution adjustment  |          | 62             |          | 92             |
| Change in net assets attributable to shareholders from investment activities |          | 6,819          |          | (22,879)       |
| Retained distributions on accumulation shares                                |          | 2,020          |          | 2,313          |
| <b>Closing net assets attributable to shareholders</b>                       |          | <b>291,065</b> |          | <b>295,688</b> |



## Financial Statements cont.

Balance Sheet as at 31 January 2024

|  | Notes | 2024<br>£'000   | 2023<br>£'000  |
|--|-------|-----------------|----------------|
| <b>Assets:</b>                                 |       |                 |                |
| Fixed assets:                                  |       |                 |                |
| Investments                                    | 13    | 289,188         | 291,628        |
| Current assets:                                |       |                 |                |
| Debtors  | 8     | 8,458           | 3,104          |
| Cash and bank balances                         | 9     | 5,060           | 3,695          |
| <b>Total assets</b>                            |       | <b>302,706</b>  | <b>298,427</b> |
| <b>Liabilities:</b>                            |       |                 |                |
| Creditors:                                     |       |                 |                |
| Bank overdrafts                                | 9     | (350)           | (1,624)        |
| Distributions payable                          |       | (297)           | (9)            |
| Other creditors                                | 10    | (10,994)        | (1,106)        |
| <b>Total liabilities</b>                       |       | <b>(11,641)</b> | <b>(2,739)</b> |
| <b>Net assets attributable to shareholders</b> |       | <b>291,065</b>  | <b>295,688</b> |

## Notes to the Financial Statements

### 1 Net capital

|                                   | 2024         | 2023            |
|-----------------------------------|--------------|-----------------|
|                                   | £'000        | £'000           |
| Non-derivative securities         | 6,842        | (22,760)        |
| Currency gains/(losses)           | (27)         | (119)           |
| Transaction costs                 | (8)          | (8)             |
| <b>Net capital gains/(losses)</b> | <b>6,807</b> | <b>(22,887)</b> |

### 2 Purchases, sales and transaction costs

|  | 2024          | 2023          |
|--|---------------|---------------|
|  | £'000         | £'000         |
| <b>Purchases and transaction costs</b>                   |               |               |
| Purchases of equities                                    | 60,567        | 53,381        |
| Equities transferred in                                  | 37,100        | 25,367        |
| Gross purchases of equities excluding transaction costs  | 97,667        | 78,748        |
| Commissions  | 21            | 18            |
| Taxes  | 33            | 16            |
| Total transaction costs on equity purchases <sup>1</sup> | 54            | 34            |
| <b>Purchases including transaction costs</b>             | <b>97,721</b> | <b>78,782</b> |

<sup>1</sup>These amounts have been deducted in determining net capital gains/(losses).

|  | 2024 | 2023 |
|--|------|------|
|  | %    | %    |
| <b>Transaction costs as a percentage of principal amount</b> |      |      |
| Commission on equity purchases                               | 0.02 | 0.02 |
| Taxes on equity purchases                                    | 0.03 | 0.02 |

## Notes to the Financial Statements cont.

### 2 Purchases, sales and transaction costs (continued)

|  | 2024           | 2023          |
|--|----------------|---------------|
|  | £'000          | £'000         |
| <b>Sales and transaction costs</b>                   |                |               |
| Gross sales of equities excluding transaction costs  | 106,972        | 98,149        |
| Commissions  | (31)           | (30)          |
| Taxes  | (15)           | (24)          |
| Total transaction costs on equity sales <sup>1</sup> | (46)           | (54)          |
| <b>Sales net of transaction costs</b>                | <b>106,926</b> | <b>98,095</b> |

<sup>1</sup>These amounts have been deducted in determining net capital gains/(losses).

|  | 2024   | 2023   |
|--|--------|--------|
|  | %      | %      |
| <b>Transaction costs as a percentage of principal amount</b> |        |        |
| Commission on equity sales                                   | (0.03) | (0.03) |
| Taxes on equity sales  | (0.01) | (0.02) |

|                                       | 2024       |                  | 2023      |                  |
|---------------------------------------|------------|------------------|-----------|------------------|
|                                       | £'000      | % of average NAV | £'000     | % of average NAV |
| <b>Portfolio transaction costs</b>    |            |                  |           |                  |
| Commissions                           | 52         | 0.02             | 48        | 0.02             |
| Taxes                                 | 48         | 0.02             | 40        | 0.01             |
| <b>Total direct transaction costs</b> | <b>100</b> | <b>0.04</b>      | <b>88</b> | <b>0.03</b>      |

|                                  | 2024 | 2023 |
|----------------------------------|------|------|
|                                  | %    | %    |
| Average portfolio dealing spread | 0.09 | 0.10 |

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

## Notes to the Financial Statements cont.

### 3 Revenue

|                      | 2024         | 2023         |
|----------------------|--------------|--------------|
|                      | £'000        | £'000        |
| UK dividends         | 177          | 358          |
| Overseas dividends   | 2,709        | 2,410        |
| Bank interest        | 60           | 10           |
| <b>Total revenue</b> | <b>2,946</b> | <b>2,778</b> |

### 4 Expenses

|  | 2024      | 2023      |
|--|-----------|-----------|
|  | £'000     | £'000     |
| <b>Payable to the ACD, associates of the ACD and agents of either of them:</b>               |           |           |
| Annual management charge   | 36        | 17        |
| Expenses rebate  | (41)      | (29)      |
|  | (5)       | (12)      |
| <b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b> |           |           |
| Depositary's fee   | 20        | 21        |
| Bank charges   | 23        | 35        |
|  | 43        | 56        |
| <b>Other expenses:</b>   |           |           |
| Audit fee  | 9         | 6         |
| Non-audit fees paid to auditors  | 7         | 4         |
| Professional fees  | 23        | 4         |
|  | 39        | 14        |
| <b>Total expenses</b>  | <b>77</b> | <b>58</b> |

### 5 Taxation

|                                       | 2024       | 2023       |
|---------------------------------------|------------|------------|
|                                       | £'000      | £'000      |
| <b>Analysis of charge in the year</b> |            |            |
| Corporation tax                       | -          | -          |
| Overseas tax                          | 291        | 276        |
| <b>Total taxation</b>                 | <b>291</b> | <b>276</b> |

The Fund is subject to corporation tax at 20% (2023: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses substantially exceed the taxable income of the Fund and, as a result, there is no corporation tax charge.

## Notes to the Financial Statements cont.

### 5 Taxation (continued)

At 31 January 2024, the Fund had excess management expenses of £6,000 (2023: £26,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing excess expenses.

The tax charge is explained as follows:

|   | 2024       | 2023       |
|---|------------|------------|
|   | £'000      | £'000      |
| Net revenue before taxation   | 2,869      | 2,720      |
| Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2023: 20%) | 574        | 544        |
| Effects of:   |            |            |
| Non-taxable UK dividends  | (35)       | (72)       |
| Non-taxable overseas dividends  | (531)      | (471)      |
| Overseas tax on dividends   | 291        | 276        |
| Excess management expenses  | -          | 1          |
| Utilisation of excess management expenses   | (6)        | -          |
| Expense relief claimed on overseas tax  | (2)        | (2)        |
| <b>Total taxation</b>   | <b>291</b> | <b>276</b> |

### 6 Distributions

|  | 2024         | 2023         |
|--|--------------|--------------|
|  | £'000        | £'000        |
| Interim to 31 July                         | 446          | 409          |
| Final to 31 January                        | 1,937        | 1,913        |
|  | <b>2,383</b> | <b>2,322</b> |
| Amounts deducted on cancellation of shares | 306          | 229          |
| Amounts added on issue of shares           | (123)        | (115)        |
| <b>Total distributions</b>                 | <b>2,566</b> | <b>2,436</b> |

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distributions per share are set out in the Distribution Tables.

### 7 Reconciliation of net revenue to net distributions for the year

|  | 2024         | 2023         |
|--|--------------|--------------|
|  | £'000        | £'000        |
| Net revenue after taxation for the year    | 2,578        | 2,444        |
| Add distributable revenue brought forward  | 16           | 8            |
| Less distributable revenue carried forward | (28)         | (16)         |
| <b>Net distributions for the year</b>      | <b>2,566</b> | <b>2,436</b> |

## Notes to the Financial Statements cont.

### 8 Debtors

|                                | 2024         | 2023         |
|--------------------------------|--------------|--------------|
|                                | £'000        | £'000        |
| Receivable for issue of shares | 280          | 299          |
| Sales awaiting settlement      | 7,854        | 2,628        |
| Accrued income                 | 61           | 52           |
| Overseas tax recoverable       | 183          | 95           |
| VAT recoverable                | 5            | 1            |
| Amounts due from ACD           | 70           | 28           |
| Other debtors                  | 5            | 1            |
| <b>Total debtors</b>           | <b>8,458</b> | <b>3,104</b> |

### 9 Cash and bank balances

|                                     | 2024         | 2023         |
|-------------------------------------|--------------|--------------|
|                                     | £'000        | £'000        |
| Sterling bank accounts              | 1,667        | 1,781        |
| Foreign currency bank accounts      | 3,393        | 1,914        |
|                                     | 5,060        | 3,695        |
| Sterling bank accounts overdrawn    | (350)        | (1,624)      |
| <b>Total cash and bank balances</b> | <b>4,710</b> | <b>2,071</b> |

### 10 Other creditors

|                                     | 2024          | 2023         |
|-------------------------------------|---------------|--------------|
|                                     | £'000         | £'000        |
| Payable for cancellation of shares  | 487           | 13           |
| Purchases awaiting settlement       | 10,475        | 965          |
| Due to the ACD or associates        | 3             | 3            |
| Due to the Depository or associates | 5             | 5            |
| Capital gains tax provision         | 8             | 101          |
| Other accrued expenses              | 16            | 19           |
| <b>Total other creditors</b>        | <b>10,994</b> | <b>1,106</b> |

### 11 Related party transactions

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts receivable and payable on the issue and cancellation of shares have been disclosed in notes 8 and 10 respectively.

## Notes to the Financial Statements cont.

### 11 Related party transactions (continued)

Amounts paid to Baillie Gifford & Co Limited in respect of ACD fees are disclosed in note 4 with amounts due at the year end given in note 10. During the year Baillie Gifford & Co Limited deemed it appropriate to reimburse expenses to the Fund. The amount of expenses reimbursed is given in note 4 with amounts receivable at the year end given in note 8.

#### Shares held by the ACD and associates of the ACD

The shares held by the ACD and associates of the ACD as a percentage of the Fund's NAV were:

|                               | 2024 | 2023 |
|-------------------------------|------|------|
|                               | %    | %    |
| ACD and associates of the ACD | 1.72 | 2.80 |

### 12 Reconciliation of shares in issue

|                       | Shares in issue as at<br>31.01.23 | Shares issued | Shares cancelled | Shares converted | Shares in issue as at<br>31.01.24 |
|-----------------------|-----------------------------------|---------------|------------------|------------------|-----------------------------------|
| B Accumulation Shares | 2,108,174                         | 75,004        | (14,211)         | -                | 2,168,967                         |
| B Income Shares       | 5,497,605                         | 2,600         | (516)            | -                | 5,499,689                         |
| C Accumulation Shares | 339,358,457                       | 10,588,744    | (72,791,402)     | -                | 277,155,799                       |
| C Income Shares       | 1,000                             | 53,838,090    | (4,647,861)      | -                | 49,191,229                        |

### 13 Basis of valuation

|   | 2024           | 2023           |
|---|----------------|----------------|
|   | Assets         | Assets         |
|   | £'000          | £'000          |
| Level 1: Quoted prices                  | 289,188        | 291,628        |
| Level 2: Observable market data         | -              | -              |
| Level 3: Unobservable data <sup>1</sup> | -              | -              |
| <b>Total</b>                            | <b>289,188</b> | <b>291,628</b> |

<sup>1</sup>For further information on the assets included in Level 3, as at 31 January 2024, please refer to the Portfolio Statement.

## Notes to the Financial Statements cont.

### 14 Derivatives and other financial instruments

#### Currency exposures

A proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

| Currency               | Net currency assets/(liabilities) |                                 |                | Net currency assets/(liabilities) |                                 |                |
|------------------------|-----------------------------------|---------------------------------|----------------|-----------------------------------|---------------------------------|----------------|
|                        | 2024                              |                                 |                | 2023                              |                                 |                |
|                        | Monetary exposures<br>£'000       | Non-monetary exposures<br>£'000 | Total<br>£'000 | Monetary exposures<br>£'000       | Non-monetary exposures<br>£'000 | Total<br>£'000 |
| Brazilian real         | -                                 | 2,759                           | 2,759          | -                                 | 2,950                           | 2,950          |
| Chinese yuan (onshore) | -                                 | 1,617                           | 1,617          | -                                 | -                               | -              |
| Danish krone           | -                                 | 5,051                           | 5,051          | -                                 | 2,408                           | 2,408          |
| Euro                   | 390                               | 21,021                          | 21,411         | -                                 | 28,716                          | 28,716         |
| Hong Kong dollar       | 973                               | 8,615                           | 9,588          | -                                 | 18,291                          | 18,291         |
| Indian rupee           | -                                 | 3,176                           | 3,176          | -                                 | 3,769                           | 3,769          |
| Japanese yen           | -                                 | 14,132                          | 14,132         | -                                 | 17,282                          | 17,282         |
| Norwegian krona        | -                                 | 4,372                           | 4,372          | -                                 | 3,423                           | 3,423          |
| South Korean won       | -                                 | 1,393                           | 1,393          | -                                 | -                               | -              |
| Swedish krona          | -                                 | 6,160                           | 6,160          | -                                 | 6,984                           | 6,984          |
| Swiss franc            | -                                 | 3,848                           | 3,848          | -                                 | 4,095                           | 4,095          |
| Taiwanese dollar       | -                                 | 5,199                           | 5,199          | -                                 | 4,759                           | 4,759          |
| UK sterling            | 1,317                             | 8,996                           | 10,313         | 157                               | 12,515                          | 12,672         |
| US dollar              | 2,030                             | 202,847                         | 204,877        | 1,914                             | 186,437                         | 188,351        |

Short-term debtors and creditors have not been disclosed.

Totals may not sum due to rounding.

The Fund invests in a generally diversified portfolio of assets. Consequently the ACD considers that a single measure of market sensitivity does not accurately reflect the risks faced by the Fund.



## Distribution Tables

Interim distribution for the period ended 31 July 2023

Group 1 : shares purchased prior to 1 February 2023

Group 2 : shares purchased 1 February 2023 to 31 July 2023

|                       | Net Revenue<br>(dividend<br>distribution) | Equalisation                | Distribution<br>(paid/accumulated<br>30.09.23) | Distribution<br>(paid/accumulated<br>30.09.22) |
|-----------------------|---|-----------------------------|--|--|
|                       | 31.07.23<br>pence per share               | 31.07.23<br>pence per share | 31.07.23<br>pence per share                    | 31.07.22<br>pence per share                    |
| <b>B Accumulation</b> |   |                             |  |  |
| Group 1               | 0.02000                                   | -                           | 0.02000  | 0.04000  |
| Group 2               | -   | 0.02000                     | 0.02000  | 0.04000  |
| <b>B Income</b>       |   |                             |  |  |
| Group 1               | 0.02000                                   | -                           | 0.02000  | 0.04000  |
| Group 2               | -   | 0.02000                     | 0.02000  | 0.04000  |
| <b>C Accumulation</b> |   |                             |  |  |
| Group 1               | 0.12000                                   | -                           | 0.12000  | 0.11000  |
| Group 2               | -   | 0.12000                     | 0.12000  | 0.11000  |
| <b>C Income</b>       |   |                             |  |  |
| Group 1               | 0.12000                                   | -                           | 0.12000  | 0.11000  |
| Group 2               | -   | 0.12000                     | 0.12000  | 0.11000  |

## Distribution Tables cont.

Final distribution for the period ended 31 January 2024

Group 1 : shares purchased prior to 1 August 2023

Group 2 : shares purchased 1 August 2023 to 31 January 2024

|                       | Net Revenue<br>(dividend<br>distribution) | Equalisation                | Distribution<br>(paid/accumulated<br>31.03.24) | Distribution<br>(paid/accumulated<br>31.03.23) |
|-----------------------|---|-----------------------------|--|--|
|                       | 31.01.24<br>pence per share               | 31.01.24<br>pence per share | 31.01.24<br>pence per share                    | 31.01.23<br>pence per share                    |
| <b>B Accumulation</b> |   |                             |  |  |
| Group 1               | 0.22000                                   | -                           | 0.22000  | 0.16000  |
| Group 2               | 0.02925                                   | 0.19075                     | 0.22000  | 0.16000  |
| <b>B Income</b>       |   |                             |  |  |
| Group 1               | 0.22000                                   | -                           | 0.22000  | 0.16000  |
| Group 2               | 0.05601                                   | 0.16399                     | 0.22000  | 0.16000  |
| <b>C Accumulation</b> |   |                             |  |  |
| Group 1               | 0.59000                                   | -                           | 0.59000  | 0.56000  |
| Group 2               | 0.13776                                   | 0.45224                     | 0.59000  | 0.56000  |
| <b>C Income</b>       |   |                             |  |  |
| Group 1               | 0.58000                                   | -                           | 0.58000  | 0.56000  |
| Group 2               | 0.58000                                   | -                           | 0.58000  | 0.56000  |

# Baillie Gifford™

Baillie Gifford Global Income Growth Fund

---

a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Annual Report & Financial Statements  
for the year ended 31 January 2024*



# Baillie Gifford Global Income Growth Fund

## Investment Objective

The Fund aims to achieve (after deduction of costs) growth in both income and capital over rolling five-year periods, whilst delivering a yield higher than that of the MSCI ACWI Index over rolling five-year periods.

## Investment Policy

The Fund will invest at least 90% in shares of companies anywhere in the world. The Fund will be actively managed and invest in companies of any size and in any sector.

## Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Market conditions can change rapidly and a fund in any rank can lose you your investment. The Fund is classified as above as it invests in company shares.

The indicator does not take into account the following relevant material risks:

The Fund is actively managed meaning the Investment Manager selects investments of their own choosing with the aim of achieving the Fund's objectives. This is done without seeking to replicate any index in either of performance or portfolio composition. This investment style, selecting companies with perceived greater long-term growth potential ahead of any short-term returns, in combination with the relative concentration of

the Fund, may lead to prolonged periods of underperformance in certain market conditions, both in relation to the Fund's benchmark and in absolute terms.

Over shorter time periods the Fund's share price can be volatile and returns can be much higher or lower than our five-year average target. There is no guarantee this objective will be achieved over any time period.

Investing in China may harm your investment due to difficulties with market volatility, political and economic instability including the risk of market shutdown, trading, liquidity, settlement, corporate governance, regulation, legislation and taxation.

In adverse market conditions it may be difficult to sell investments held by the Fund in a timely manner and their value may fall significantly. This could affect how much money you receive and even delay the selling of your shares if dealing in the Fund is suspended.

Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.

You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

The manager can charge some, or all, expenses to the Fund's capital, reducing its value. This amount can vary from year to year.

For a more detailed explanation of the risks, please see the "Risk Warnings" section of the prospectus.

## Fees Allocated to Capital

For distribution purposes the ACD has the facility to allocate some or all expenses to capital. For the year to 31 January 2024 100% of expenses were allocated to capital (year to 31 January 2023: 97%). This will reduce the capital value of the Fund. This number will vary from year to year.

# Investment Report

## Past Performance



The performance figures shown in this graph are for Class B Income Shares. Performance figures reflect the annual management charge of 0.50% (until 30 September 2020, the annual management charge on Class B Shares was 0.57%). Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

## Past Performance

The investment objective of the Fund is to achieve (after deduction of costs) growth in both income and capital over rolling five-year periods, whilst delivering a yield higher than that of the MSCI ACWI Index (the ‘target benchmark’) over rolling five-year periods. For the year to 31 January 2024 the return on B Income Shares was 9.7%<sup>1</sup> compared to the target benchmark of 11.4%<sup>2</sup> and the Fund declared income totalling 23.70 pence per share. We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance, a period in line with the Fund’s objectives. Over that period, the annualised return on B Income Shares was 11.6%<sup>1</sup> compared to the target benchmark of 11.4%<sup>2</sup>. The increase in income was 20.0%<sup>3</sup> and the capital return was 53.8%<sup>4</sup>. The calculated annualised five-year yield was 2.4%<sup>3,5</sup> compared to the Index of 2.0%<sup>5,6</sup>.

## Market Environment

The period was a strong one for global equity markets.

Stock markets remained volatile during 2023, sensitive to the prevailing view on interest rates. Despite this backdrop, 2023 saw a welcome pick-up in equity returns. This was in part driven by a rally in shares towards the end of the year. But it was also a result of very strong returns from a very small subset of businesses, the ‘Magnificent Seven’ tech companies conspicuous among them. To cap off the 12 months, January 2024 saw gains being pared back once more with investor sentiment around the likely path of interest rates seeming once again to shift back and forth.

## Performance

The Fund underperformed its benchmark index but delivered a positive absolute return. Part of the underperformance can be explained by not having more exposure to the so-called ‘Magnificent Seven’. While the Fund does have positions in two, Apple and Microsoft,

<sup>1</sup>Source: FE, 10am dealing prices, income reinvested. <sup>2</sup>Source: Revolution and MSCI, total return in sterling terms. Please see Disclaimer on page 318. <sup>3</sup>Source: Baillie Gifford & Co Limited. <sup>4</sup>Source: Baillie Gifford & Co Limited, 10am capital return. <sup>5</sup>The annualised yield is calculated as the average of historic yields at each period end. <sup>6</sup>Source: Factset and MSCI. You should be aware that past performance is not a guide to future performance.

## Investment Report cont.

we are prevented from owning more by the fact that others, such as NVIDIA, do not yet pay dividends and are unlikely to do so in a reasonable time frame, making them poor fits for the Fund.

In terms of positions held over the period, the Chinese sportswear company ANTA Sports detracted. The company delivered revenue growth which fell short of full year guidance over 2023 and its share price has been negatively impacted by sentiment towards Chinese equities. Lithium miner Albemarle also detracted. Its share price was hit by concerns around the Chinese economy, where more than half of electric vehicles are sold. Strong demand in 2022 had driven both lithium and Albemarle share prices to record highs but both have since reversed a large part of that move.

On the positive side, Novo Nordisk, the Danish pharmaceutical company, contributed to performance. The share price performed strongly as enthusiasm for its obesity drugs, which have a very large potential addressable market, grows. Swiss alternative asset manager Partners Group also contributed. Its strong private equity franchise is a prime beneficiary of lower interest rates with markets anticipating a recovery in private equity valuations.

### **Notable Transactions**

---

We took a new position in drinks company Diageo over the period. We expect global spirit consumption to continue its steady growth in the coming years and Diageo is well positioned to capture a large share of this growth. We also took a new holding in Home Depot, the American DIY retailer. Home Depot is beginning a new venture to cater to construction professionals in addition to its traditional homeowner customer base. This is something which we believe could contribute strongly to profit and free cash flow growth over the coming years.

We sold China Mobile, the Chinese telecoms company. Earnings growth has been underwhelming and we are cognisant of the downside risks attached to investing in this company, for example from government regulation of mobile charges. Given the pedestrian earnings growth, and the ongoing downside risks, we

decided there are better investments available to us around the world and we divested. We also sold Want Want. This Chinese rice cracker and soft drink manufacturer has been a disappointing investment, with low earnings growth and a dividend which has not been particularly dependable. The underlying issue seems to be the Board's focus on profit margins, which has made the company slow to recognise changing consumer preferences in China. It has resisted the shift towards modern distribution channels and has failed to develop key new products. With limited prospects for change, we have sold our position.

*Baillie Gifford & Co, 14 February 2024*

## Principal Holdings as at 31 January 2024

| Investment            | Percentage of total Fund |
|-----------------------|--------------------------|
| Novo Nordisk          | 4.97                     |
| Microsoft             | 4.39                     |
| Watsco Inc            | 3.77                     |
| Fastenal              | 3.69                     |
| TSMC                  | 3.16                     |
| Procter & Gamble      | 3.10                     |
| Partners Group        | 2.93                     |
| Atlas Copco A         | 2.75                     |
| Apple                 | 2.69                     |
| Schneider Electric SE | 2.54                     |

## Material Portfolio Changes for the year ended 31 January 2024

| Largest Purchases   | Cost<br>£'000 | Largest Sales                 | Proceeds<br>£'000 |
|---------------------|---------------|-------------------------------|-------------------|
| Coloplast AS        | 8,383         | Novo Nordisk                  | 15,261            |
| Diageo              | 6,176         | UPS                           | 7,111             |
| Texas Instruments   | 6,036         | China Mobile                  | 6,790             |
| Atlas Copco A       | 4,124         | National Instruments Corp     | 6,779             |
| Amadeus IT Group SA | 3,558         | Rio Tinto                     | 6,449             |
| Partners Group      | 3,381         | Cullen/Frost Bankers          | 6,350             |
| Eurofins            | 3,344         | Want Want China               | 5,629             |
| Home Depot          | 3,153         | Silicon Motion Technology ADR | 5,381             |
| Valmet Oyj          | 2,989         | Watsco Inc                    | 5,278             |
| Admiral Group       | 2,830         | Microsoft                     | 5,181             |



## Portfolio Statement as at 31 January 2024

| Stock description                | Holding   | Market value £'000 | % of total net assets |
|----------------------------------|-----------|--------------------|-----------------------|
| <b>Australia - 4.58% (4.41%)</b> |           |                    |                       |
| Carsales.com                     | 904,583   | 15,500             | 2.45                  |
| Sonic Healthcare                 | 813,349   | 13,515             | 2.13                  |
| <b>Brazil - 1.53% (1.47%)</b>    |           |                    |                       |
| B3 S.A.                          | 4,665,650 | 9,699              | 1.53                  |
| <b>China - 2.15% (3.66%)</b>     |           |                    |                       |
| Midea Group 'A'                  | 924,000   | 5,886              | 0.93                  |
| NetEase HK Line                  | 506,100   | 7,697              | 1.22                  |
| <b>Denmark - 6.12% (4.71%)</b>   |           |                    |                       |
| Coloplast AS                     | 79,811    | 7,296              | 1.15                  |
| Novo Nordisk                     | 354,881   | 31,422             | 4.97                  |
| <b>Finland - 1.19% (0.93%)</b>   |           |                    |                       |
| Valmet Oyj                       | 336,301   | 7,536              | 1.19                  |
| <b>France - 7.47% (7.33%)</b>    |           |                    |                       |
| Edenred                          | 236,835   | 11,196             | 1.77                  |
| Kering                           | 14,841    | 4,850              | 0.77                  |
| L'Oreal                          | 27,390    | 10,390             | 1.64                  |
| Pernod Ricard SA                 | 36,525    | 4,752              | 0.75                  |
| Schneider Electric SE            | 103,340   | 16,116             | 2.54                  |
| <b>Germany - 3.85% (3.37%)</b>   |           |                    |                       |
| Deutsche Boerse                  | 100,383   | 15,807             | 2.50                  |
| SAP                              | 62,622    | 8,589              | 1.35                  |
| <b>Hong Kong - 2.78% (4.97%)</b> |           |                    |                       |
| ANTA Sports Products             | 1,227,327 | 8,088              | 1.28                  |
| Hong Kong Exchanges & Clearing   | 206,200   | 4,901              | 0.77                  |
| Man Wah Holdings Ltd             | 9,415,200 | 4,596              | 0.73                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                   | Holding   | Market value £'000 | % of total net assets |
|-------------------------------------|-----------|--------------------|-----------------------|
| <b>Japan - 0.94% (0.84%)</b>        |           |                    |                       |
| USS Co                              | 395,400   | 5,949              | 0.94                  |
| <b>Luxembourg - 0.49% (0.00%)</b>   |           |                    |                       |
| Eurofins                            | 64,510    | 3,086              | 0.49                  |
| <b>Netherlands - 2.26% (1.78%)</b>  |           |                    |                       |
| Wolters Kluwer N.V.                 | 122,920   | 14,302             | 2.26                  |
| <b>Singapore - 1.37% (1.51%)</b>    |           |                    |                       |
| United Overseas Bank                | 519,600   | 8,662              | 1.37                  |
| <b>South Africa - 0.80% (0.77%)</b> |           |                    |                       |
| AVI                                 | 1,443,140 | 5,074              | 0.80                  |
| <b>Spain - 0.99% (1.10%)</b>        |           |                    |                       |
| Amadeus IT Group SA                 | 113,306   | 6,288              | 0.99                  |
| <b>Sweden - 2.75% (1.72%)</b>       |           |                    |                       |
| Atlas Copco A                       | 1,368,036 | 17,374             | 2.75                  |
| <b>Switzerland - 8.56% (7.96%)</b>  |           |                    |                       |
| Kuehne & Nagel                      | 34,185    | 9,191              | 1.45                  |
| Nestle                              | 132,127   | 11,921             | 1.88                  |
| Partners Group                      | 17,264    | 18,538             | 2.93                  |
| Roche                               | 64,225    | 14,527             | 2.30                  |
| <b>Taiwan - 3.89% (4.60%)</b>       |           |                    |                       |
| TCI Co                              | 1,062,000 | 4,583              | 0.73                  |
| TSMC                                | 1,271,000 | 20,025             | 3.16                  |
| <b>UK - 8.04% (7.91%)</b>           |           |                    |                       |
| Admiral Group                       | 502,354   | 12,634             | 2.00                  |
| Diageo                              | 202,670   | 5,796              | 0.92                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                      | Holding   | Market value £'000 | % of total net assets |
|--|-----------|--------------------|-----------------------|
| Experian                               | 413,840   | 13,640             | 2.15                  |
| Fevertree Drinks                       | 392,929   | 3,969              | 0.63                  |
| Greencoat UK Wind                      | 4,854,631 | 6,976              | 1.10                  |
| GSK PLC                                | 271,266   | 4,254              | 0.67                  |
| Hargreaves Lansdown                    | 473,028   | 3,622              | 0.57                  |
| <b>United States - 40.13% (40.77%)</b> |           |                    |                       |
| AJ Gallagher & Co                      | 58,417    | 10,645             | 1.68                  |
| Albemarle                              | 61,935    | 5,579              | 0.88                  |
| Analog Devices                         | 101,228   | 15,287             | 2.42                  |
| Apple                                  | 117,386   | 16,996             | 2.69                  |
| Cisco Systems                          | 201,342   | 7,932              | 1.25                  |
| Coca Cola                              | 271,492   | 12,677             | 2.00                  |
| Cognex Corp                            | 152,640   | 4,331              | 0.68                  |
| Dolby Laboratories                     | 87,197    | 5,692              | 0.90                  |
| Fastenal                               | 436,049   | 23,346             | 3.69                  |
| Home Depot                             | 12,080    | 3,347              | 0.53                  |
| Intuit                                 | 25,149    | 12,464             | 1.97                  |
| McDonald's                             | 41,891    | 9,625              | 1.52                  |
| Medtronic                              | 95,215    | 6,545              | 1.03                  |
| Microsoft                              | 88,946    | 27,751             | 4.39                  |
| Pepsico                                | 120,535   | 15,945             | 2.52                  |
| Procter & Gamble                       | 159,254   | 19,644             | 3.10                  |
| Starbucks Corp                         | 88,336    | 6,453              | 1.02                  |
| T. Rowe Price                          | 76,123    | 6,483              | 1.02                  |
| Texas Instruments                      | 47,478    | 5,967              | 0.94                  |
| UPS                                    | 120,837   | 13,465             | 2.13                  |
| Watsco Inc                             | 77,707    | 23,840             | 3.77                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                       | Holding | Market value £'000 | % of total net assets |
|---|---------|--------------------|-----------------------|
| <b>Portfolio of investments</b>         |         | <b>632,261</b>     | <b>99.89</b>          |
| <b>Net other assets - 0.11% (0.19%)</b> |         | <b>708</b>         | <b>0.11</b>           |
| <b>Net assets</b>                       |         | <b>632,969</b>     | <b>100.00</b>         |

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 31 January 2023.

## Comparative Tables

### Comparative Table: A Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 1,933.26   | 1,891.87   | 1,659.12   |
| Return before operating charges*              | 155.71   | 67.24  | 258.32   |
| Operating charges                             | (27.35)  | (25.85)  | (25.57)  |
| Return after operating charges*               | 128.36   | 41.39  | 232.75   |
| Distributions                                 | (46.87)  | (46.09)  | (41.22)  |
| Retained distributions on accumulation shares | 46.87  | 46.09  | 41.22  |
| <b>Closing net asset value per share</b>      | <b>2,061.62</b>  | <b>1,933.26</b>  | <b>1,891.87</b>  |
| *After direct transaction costs of:           | 0.59   | 0.74   | 0.37   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 6.64%  | 2.19%  | 14.03%   |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 2,817  | 5,036  | 5,123  |
| Closing number of shares                      | 136,657  | 260,465  | 270,812  |
| Operating charges                             | 1.38% <sup>2</sup>   | 1.39% <sup>3</sup>   | 1.38%  |
| Direct transaction costs <sup>1</sup>         | 0.03%  | 0.04%  | 0.02%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 2,088  | 1,976  | 2,024  |
| Lowest share price (pence)                    | 1,889  | 1,728  | 1,624  |

## Comparative Tables cont.

### Comparative Table: A Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 828.07   | 830.58   | 744.74   |
| Return before operating charges*         | 65.95  | 28.84  | 115.56   |
| Operating charges                        | (11.63)  | (11.25)  | (11.34)  |
| Return after operating charges*          | 54.32  | 17.59  | 104.22   |
| Distributions on income shares           | (19.94)  | (20.10)  | (18.38)  |
| <b>Closing net asset value per share</b> | <b>862.45</b>  | <b>828.07</b>  | <b>830.58</b>  |
| *After direct transaction costs of:      | 0.25   | 0.32   | 0.16   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 6.56%  | 2.12%  | 13.99%   |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 1,771  | 5,403  | 5,439  |
| Closing number of shares                 | 205,363  | 652,502  | 654,884  |
| Operating charges                        | 1.38% <sup>2</sup>   | 1.39% <sup>3</sup>   | 1.38%  |
| Direct transaction costs <sup>1</sup>    | 0.03%  | 0.04%  | 0.02%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 879.4  | 857.8  | 894.0  |
| Lowest share price (pence)               | 806.8  | 754.3  | 728.9  |

## Comparative Tables cont.

### Comparative Table: B Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 2,148.18   | 2,084.39   | 1,812.43   |
| Return before operating charges*              | 173.93   | 74.90  | 282.71   |
| Operating charges                             | (11.75)  | (11.11)  | (10.75)  |
| Return after operating charges*               | 162.18   | 63.79  | 271.96   |
| Distributions                                 | (52.26)  | (50.95)  | (45.19)  |
| Retained distributions on accumulation shares | 52.26  | 50.95  | 45.19  |
| <b>Closing net asset value per share</b>      | <b>2,310.36</b>  | <b>2,148.18</b>  | <b>2,084.39</b>  |
| *After direct transaction costs of:           | 0.66   | 0.82   | 0.41   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 7.55%  | 3.06%  | 15.01%   |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 246,338  | 247,114  | 256,836  |
| Closing number of shares                      | 10,662,286   | 11,503,422   | 12,321,838   |
| Operating charges                             | 0.53% <sup>2</sup>   | 0.54% <sup>3</sup>   | 0.53%  |
| Direct transaction costs <sup>1</sup>         | 0.03%  | 0.04%  | 0.02%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 2,338  | 2,187  | 2,227  |
| Lowest share price (pence)                    | 2,101  | 1,910  | 1,775  |

## Comparative Tables cont.

### Comparative Table: B Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 981.50   | 976.08   | 867.75   |
| Return before operating charges*         | 78.54  | 34.37  | 134.94   |
| Operating charges                        | (5.32)   | (5.25)   | (5.11)   |
| Return after operating charges*          | 73.22  | 29.12  | 129.83   |
| Distributions on income shares           | (23.70)  | (23.70)  | (21.50)  |
| <b>Closing net asset value per share</b> | <b>1,031.02</b>  | <b>981.50</b>  | <b>976.08</b>  |
| *After direct transaction costs of:      | 0.30   | 0.38   | 0.19   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 7.46%  | 2.98%  | 14.96%   |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 313,772  | 304,722  | 283,205  |
| Closing number of shares                 | 30,433,233   | 31,046,619   | 29,014,591   |
| Operating charges                        | 0.53% <sup>2</sup>   | 0.55% <sup>3</sup>   | 0.53%  |
| Direct transaction costs <sup>1</sup>    | 0.03%  | 0.04%  | 0.02%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 1,050  | 1,013  | 1,049  |
| Lowest share price (pence)               | 960.0  | 889.3  | 850.0  |



## Comparative Tables cont.

### Comparative Table: C Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 2,313.10   | 2,233.22   | 1,931.96   |
| Return before operating charges*              | 187.58   | 80.54  | 301.69   |
| Operating charges                             | (0.48)   | (0.66)   | (0.43)   |
| Return after operating charges*               | 187.10   | 79.88  | 301.26   |
| Distributions                                 | (56.39)  | (55.09)  | (49.47)  |
| Retained distributions on accumulation shares | 56.39  | 55.09  | 49.47  |
| <b>Closing net asset value per share</b>      | <b>2,500.20</b>  | <b>2,313.10</b>  | <b>2,233.22</b>  |
| *After direct transaction costs of:           | 0.72   | 0.88   | 0.43   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 8.09%  | 3.58%  | 15.59%   |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 58,197   | 104,005  | 249,295  |
| Closing number of shares                      | 2,327,705  | 4,496,355  | 11,163,043   |
| Operating charges                             | 0.03% <sup>2</sup>   | 0.03% <sup>3</sup>   | 0.02%  |
| Direct transaction costs <sup>1</sup>         | 0.03%  | 0.04%  | 0.02%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 2,530  | 2,350  | 2,385  |
| Lowest share price (pence)                    | 2,264  | 2,050  | 1,893  |

## Comparative Tables cont.

### Comparative Table: C Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 1,103.52   | 1,092.11   | 966.48   |
| Return before operating charges*         | 88.55  | 38.60  | 150.53   |
| Operating charges                        | (0.34)   | (0.43)   | (0.32)   |
| Return after operating charges*          | 88.21  | 38.17  | 150.21   |
| Distributions on income shares           | (26.71)  | (26.76)  | (24.58)  |
| <b>Closing net asset value per share</b> | <b>1,165.02</b>  | <b>1,103.52</b>  | <b>1,092.11</b>  |
| *After direct transaction costs of:      | 0.34   | 0.43   | 0.21   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 7.99%  | 3.50%  | 15.54%   |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 1,057  | 1,001  | 1,064  |
| Closing number of shares                 | 90,681   | 90,681   | 97,450   |
| Operating charges                        | 0.03% <sup>2</sup>   | 0.04% <sup>3</sup>   | 0.03%  |
| Direct transaction costs <sup>1</sup>    | 0.03%  | 0.04%  | 0.02%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 1,187  | 1,136  | 1,174  |
| Lowest share price (pence)               | 1,080  | 996.9  | 947.2  |

## Comparative Tables cont.

### Comparative Table: J Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 2,155.27   | 2,088.14   | 1,813.01   |
| Return before operating charges*              | 174.66   | 75.38  | 282.93   |
| Operating charges                             | (8.46)   | (8.25)   | (7.80)   |
| Return after operating charges*               | 166.20   | 67.13  | 275.13   |
| Distributions                                 | (52.46)  | (51.08)  | (45.23)  |
| Retained distributions on accumulation shares | 52.46  | 51.08  | 45.23  |
| <b>Closing net asset value per share</b>      | <b>2,321.47</b>  | <b>2,155.27</b>  | <b>2,088.14</b>  |
| *After direct transaction costs of:           | 0.67   | 0.83   | 0.41   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 7.71%  | 3.21%  | 15.18%   |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 3,243  | 3,353  | 3,080  |
| Closing number of shares                      | 139,686  | 155,577  | 147,491  |
| Operating charges                             | 0.38% <sup>2</sup>   | 0.40% <sup>3</sup>   | 0.38%  |
| Direct transaction costs <sup>1</sup>         | 0.03%  | 0.04%  | 0.02%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 2,349  | 2,193  | 2,231  |
| Lowest share price (pence)                    | 2,109  | 1,914  | 1,776  |

## Comparative Tables cont.

### Comparative Table: J Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 983.90   | 977.00   | 867.27   |
| Return before operating charges*         | 78.80  | 34.47  | 134.90   |
| Operating charges                        | (3.83)   | (3.83)   | (3.68)   |
| Return after operating charges*          | 74.97  | 30.64  | 131.22   |
| Distributions on income shares           | (23.78)  | (23.74)  | (21.49)  |
| <b>Closing net asset value per share</b> | <b>1,035.09</b>  | <b>983.90</b>  | <b>977.00</b>  |
| *After direct transaction costs of:      | 0.30   | 0.38   | 0.19   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 7.62%  | 3.14%  | 15.13%   |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 5,772  | 6,136  | 5,364  |
| Closing number of shares                 | 557,667  | 623,631  | 548,989  |
| Operating charges                        | 0.38% <sup>2</sup>   | 0.40% <sup>3</sup>   | 0.38%  |
| Direct transaction costs <sup>1</sup>    | 0.03%  | 0.04%  | 0.02%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 1,055  | 1,015  | 1,050  |
| Lowest share price (pence)               | 962.6  | 890.6  | 849.7  |

## Comparative Tables cont.

### Comparative Table: P Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 2,154.46   | 2,089.52   | 1,816.14   |
| Return before operating charges*              | 174.45   | 75.05  | 283.12   |
| Operating charges                             | (10.67)  | (10.11)  | (9.74)   |
| Return after operating charges*               | 163.78   | 64.94  | 273.38   |
| Distributions                                 | (52.40)  | (51.08)  | (45.29)  |
| Retained distributions on accumulation shares | 52.40  | 51.08  | 45.29  |
| <b>Closing net asset value per share</b>      | <b>2,318.24</b>  | <b>2,154.46</b>  | <b>2,089.52</b>  |
| *After direct transaction costs of:           | 0.67   | 0.83   | 0.41   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 7.60%  | 3.11%  | 15.05%   |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 1  | 1  | 1  |
| Closing number of shares                      | 50   | 50   | 50   |
| Operating charges                             | 0.48% <sup>2</sup>   | 0.49% <sup>3</sup>   | 0.48%  |
| Direct transaction costs <sup>1</sup>         | 0.03%  | 0.04%  | 0.02%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 2,346  | 2,193  | 2,233  |
| Lowest share price (pence)                    | 2,108  | 1,915  | 1,779  |

## Comparative Tables cont.

### Comparative Table: P Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 982.47   | 976.56   | 867.80   |
| Return before operating charges*         | 78.61  | 34.30  | 134.87   |
| Operating charges                        | (4.83)   | (4.68)   | (4.61)   |
| Return after operating charges*          | 73.78  | 29.62  | 130.26   |
| Distributions on income shares           | (23.74)  | (23.71)  | (21.50)  |
| <b>Closing net asset value per share</b> | <b>1,032.51</b>  | <b>982.47</b>  | <b>976.56</b>  |
| *After direct transaction costs of:      | 0.30   | 0.38   | 0.19   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 7.51%  | 3.03%  | 15.01%   |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 1  | 1  | 1  |
| Closing number of shares                 | 120  | 120  | 120  |
| Operating charges                        | 0.48% <sup>2</sup>   | 0.49% <sup>3</sup>   | 0.48%  |
| Direct transaction costs <sup>1</sup>    | 0.03%  | 0.04%  | 0.02%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 1,052  | 1,014  | 1,050  |
| Lowest share price (pence)               | 961.0  | 889.9  | 850.1  |

<sup>1</sup>The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website [www.bailliegifford.com](http://www.bailliegifford.com).

<sup>2</sup>In November 2023, following the FCA's statement regarding communications related to PRIIPs and UCITS, the Investment Association amended its Guidance on Disclosure of Fund Charges and Costs, removing the requirement to include indirect costs associated with holding closed-ended investment funds from Ongoing Charges figures. Consequently, these costs are no longer included in the Ongoing Charges figures to 31 January 2024. Had the indirect costs associated with holding closed-ended investment funds been included, the Ongoing Charges figure would have been 0.01% higher.

<sup>3</sup>In July 2020, the Investment Association issued Guidance on Disclosure of Fund Charges and Costs effective from 30 June 2022 which updated the Ongoing Charges disclosure requirements to include indirect costs associated with funds' holdings of closed-ended investment funds. This resulted in an increase of 0.01% in the Ongoing Charges figures disclosed as at 31 January 2023.

# Financial Statements

## Statement of Total Return for the year ended 31 January 2024

|   | Notes | 2024    |               | 2023    |                |
|---|-------|---------|---------------|---------|----------------|
|   |       | £'000   | £'000         | £'000   | £'000          |
| <b>Income</b>   |       |         |               |         |                |
| Net capital gains/(losses)  | 1     |         | 36,335        |         | (737)          |
| Revenue   | 3     | 17,573  |               | 24,087  |                |
| Expenses  | 4     | (3,081) |               | (3,073) |                |
| Net revenue before taxation   |       | 14,492  |               | 21,014  |                |
| Taxation  | 5     | (1,923) |               | (2,266) |                |
| Net revenue after taxation  |       |         | 12,569        |         | 18,748         |
| Total return before distributions   |       |         | 48,904        |         | 18,011         |
| Distributions   | 6     |         | (15,649)      |         | (21,723)       |
| <b>Change in net assets attributable to shareholders from investment activities</b> |       |         | <b>33,255</b> |         | <b>(3,712)</b> |

## Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 January 2024

|  | 2024      |                | 2023      |                |
|--|-----------|----------------|-----------|----------------|
|  | £'000     | £'000          | £'000     | £'000          |
| <b>Opening net assets attributable to shareholders</b>                       |           | <b>676,772</b> |           | <b>809,408</b> |
| Amounts receivable on issue of shares  | 64,502    |                | 216,524   |                |
| Amounts payable on cancellation of shares                                    | (149,444) |                | (357,870) |                |
|  |           | (84,942)       |           | (141,346)      |
| Dilution adjustment  |           | 164            |           | 692            |
| Change in net assets attributable to shareholders from investment activities |           | 33,255         |           | (3,712)        |
| Retained distributions on accumulation shares                                |           | 7,720          |           | 11,730         |
| <b>Closing net assets attributable to shareholders</b>                       |           | <b>632,969</b> |           | <b>676,772</b> |

## Financial Statements cont.

### Balance Sheet as at 31 January 2024

|  | Notes | 2024<br>£'000  | 2023<br>£'000  |
|--|-------|----------------|----------------|
| <b>Assets:</b>                                 |       |                |                |
| Fixed assets:                                  |       |                |                |
| Investments                                    | 13    | 632,261        | 675,500        |
| Current assets:                                |       |                |                |
| Debtors  | 8     | 2,939          | 3,923          |
| Cash and bank balances                         | 9     | 4,259          | 4,593          |
| <b>Total assets</b>                            |       | <b>639,459</b> | <b>684,016</b> |
| <b>Liabilities:</b>                            |       |                |                |
| Creditors:                                     |       |                |                |
| Bank overdrafts                                | 9     | (2,190)        | (1,773)        |
| Distributions payable                          |       | (2,158)        | (2,166)        |
| Other creditors                                | 10    | (2,142)        | (3,305)        |
| <b>Total liabilities</b>                       |       | <b>(6,490)</b> | <b>(7,244)</b> |
| <b>Net assets attributable to shareholders</b> |       | <b>632,969</b> | <b>676,772</b> |



## Notes to the Financial Statements

### 1 Net capital

|                                   | 2024          | 2023         |
|-----------------------------------|---------------|--------------|
|                                   | £'000         | £'000        |
| Non-derivative securities         | 36,315        | 576          |
| Currency gains/(losses)           | 29            | (1,301)      |
| Transaction costs                 | (9)           | (12)         |
| <b>Net capital gains/(losses)</b> | <b>36,335</b> | <b>(737)</b> |

### 2 Purchases, sales and transaction costs

|  | 2024          | 2023           |
|--|---------------|----------------|
|  | £'000         | £'000          |
| <b>Purchases and transaction costs</b>                   |               |                |
| Gross purchases of equities excluding transaction costs  | 92,065        | 223,029        |
| Commissions  | 28            | 54             |
| Taxes  | 82            | 138            |
| Total transaction costs on equity purchases <sup>1</sup> | 110           | 192            |
| <b>Purchases including transaction costs</b>             | <b>92,175</b> | <b>223,221</b> |

<sup>1</sup>These amounts have been deducted in determining net capital gains/(losses).

|  | 2024 | 2023 |
|--|------|------|
|  | %    | %    |
| <b>Transaction costs as a percentage of principal amount</b> |      |      |
| Commission on equity purchases                               | 0.03 | 0.02 |
| Taxes on equity purchases                                    | 0.09 | 0.06 |

## Notes to the Financial Statements cont.

### 2 Purchases, sales and transaction costs (continued)

|  | 2024           | 2023           |
|--|----------------|----------------|
|  | £'000          | £'000          |
| <b>Sales and transaction costs</b>                   |                |                |
| Gross sales of equities excluding transaction costs  | 171,811        | 357,981        |
| Commissions  | (44)           | (86)           |
| Taxes  | (40)           | (67)           |
| Total transaction costs on equity sales <sup>1</sup> | (84)           | (153)          |
| <b>Sales net of transaction costs</b>                | <b>171,727</b> | <b>357,828</b> |

<sup>1</sup>These amounts have been deducted in determining net capital gains/(losses).

|  | 2024   | 2023   |
|--|--------|--------|
|  | %      | %      |
| <b>Transaction costs as a percentage of principal amount</b> |        |        |
| Commission on equity sales                                   | (0.03) | (0.02) |
| Taxes on equity sales  | (0.02) | (0.02) |

|                                       | 2024       |                  | 2023       |                  |
|---------------------------------------|------------|------------------|------------|------------------|
|                                       | £'000      | % of average NAV | £'000      | % of average NAV |
| <b>Portfolio transaction costs</b>    |            |                  |            |                  |
| Commissions                           | 72         | 0.01             | 140        | 0.02             |
| Taxes                                 | 122        | 0.02             | 205        | 0.02             |
| <b>Total direct transaction costs</b> | <b>194</b> | <b>0.03</b>      | <b>345</b> | <b>0.04</b>      |

|                                  | 2024 | 2023 |
|----------------------------------|------|------|
|                                  | %    | %    |
| Average portfolio dealing spread | 0.06 | 0.08 |

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

## Notes to the Financial Statements cont.

### 3 Revenue

|                      | 2024          | 2023          |
|----------------------|---------------|---------------|
|                      | £'000         | £'000         |
| UK dividends         | 1,791         | 3,249         |
| Overseas dividends   | 15,738        | 20,822        |
| Bank interest        | 44            | 16            |
| <b>Total revenue</b> | <b>17,573</b> | <b>24,087</b> |

### 4 Expenses

|  | 2024         | 2023         |
|--|--------------|--------------|
|  | £'000        | £'000        |
| <b>Payable to the ACD, associates of the ACD and agents of either of them:</b>               |              |              |
| Annual management charge   | 2,940        | 2,880        |
| <b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b> |              |              |
| Depositary's fee   | 42           | 58           |
| Bank charges   | 53           | 94           |
|  | 95           | 152          |
| <b>Other expenses:</b>   |              |              |
| Audit fee  | 12           | 9            |
| Non-audit fees paid to auditors  | 8            | 9            |
| Professional fees  | 26           | 23           |
|  | 46           | 41           |
| <b>Total expenses</b>  | <b>3,081</b> | <b>3,073</b> |

### 5 Taxation

|                                       | 2024         | 2023         |
|---------------------------------------|--------------|--------------|
|                                       | £'000        | £'000        |
| <b>Analysis of charge in the year</b> |              |              |
| Corporation tax                       | -            | -            |
| Overseas tax                          | 1,597        | 2,021        |
| Prior year tax reclaims written off   | 349          | 412          |
| Tax recoverable on overseas dividends | (23)         | (167)        |
| <b>Total taxation</b>                 | <b>1,923</b> | <b>2,266</b> |

The Fund is subject to corporation tax at 20% (2023: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses substantially exceed the taxable income of the Fund and, as a result, there is no corporation tax charge.

## Notes to the Financial Statements cont.

### 5 Taxation (continued)

At 31 January 2024, the Fund had excess management expenses of £11,847,000 (2023: £9,004,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing excess expenses.

The tax charge is explained as follows:

|   | 2024         | 2023         |
|---|--------------|--------------|
|   | £'000        | £'000        |
| Net revenue before taxation   | 14,492       | 21,014       |
| Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2023: 20%) | 2,898        | 4,204        |
| Effects of:   |              |              |
| Non-taxable UK dividends  | (358)        | (650)        |
| Non-taxable overseas dividends  | (3,103)      | (4,119)      |
| Overseas tax on dividends   | 1,597        | 2,021        |
| Excess management expenses  | 569          | 572          |
| Prior year tax reclaims written off   | 349          | 412          |
| Tax recoverable on overseas dividends   | (23)         | (167)        |
| Expense relief claimed on overseas tax  | (6)          | (7)          |
| <b>Total taxation</b>   | <b>1,923</b> | <b>2,266</b> |

### 6 Distributions

|  | 2024          | 2023          |
|--|---------------|---------------|
|  | £'000         | £'000         |
| Interim to 30 April                        | 3,733         | 5,296         |
| Interim to 31 July                         | 3,615         | 5,037         |
| Interim to 31 October                      | 3,680         | 4,465         |
| Final to 31 January                        | 4,215         | 4,604         |
|  | <b>15,243</b> | <b>19,402</b> |
| Amounts deducted on cancellation of shares | 841           | 2,951         |
| Amounts added on issue of shares           | (435)         | (630)         |
| <b>Total distributions</b>                 | <b>15,649</b> | <b>21,723</b> |

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distributions per share are set out in the Distribution Tables.

## Notes to the Financial Statements cont.

### 7 Reconciliation of net revenue to net distributions for the year

|  | 2024          | 2023          |
|--|---------------|---------------|
|  | £'000         | £'000         |
| Net revenue after taxation for the year    | 12,569        | 18,748        |
| Add expenses allocated to capital          | 3,081         | 2,975         |
| Add distributable revenue brought forward  | 1             | 1             |
| Less distributable revenue carried forward | (2)           | (1)           |
| <b>Net distributions for the year</b>      | <b>15,649</b> | <b>21,723</b> |

### 8 Debtors

|                                | 2024         | 2023         |
|--------------------------------|--------------|--------------|
|                                | £'000        | £'000        |
| Receivable for issue of shares | 57           | 155          |
| Sales awaiting settlement      | 1,176        | 2,107        |
| Accrued income                 | 448          | 333          |
| Overseas tax recoverable       | 1,254        | 1,320        |
| VAT recoverable                | 2            | 6            |
| Other debtors                  | 2            | 2            |
| <b>Total debtors</b>           | <b>2,939</b> | <b>3,923</b> |

### 9 Cash and bank balances

|                                     | 2024         | 2023         |
|-------------------------------------|--------------|--------------|
|                                     | £'000        | £'000        |
| Sterling bank accounts              | 2,515        | 2,952        |
| Foreign currency bank accounts      | 1,744        | 1,641        |
|                                     | 4,259        | 4,593        |
| Sterling bank accounts overdrawn    | (2,190)      | (1,773)      |
| <b>Total cash and bank balances</b> | <b>2,069</b> | <b>2,820</b> |

### 10 Other creditors

|                                     | 2024         | 2023         |
|-------------------------------------|--------------|--------------|
|                                     | £'000        | £'000        |
| Payable for cancellation of shares  | 864          | 2,584        |
| Purchases awaiting settlement       | 983          | 438          |
| Due to the ACD or associates        | 267          | 255          |
| Due to the Depositary or associates | 14           | 19           |
| Other accrued expenses              | 14           | 9            |
| <b>Total other creditors</b>        | <b>2,142</b> | <b>3,305</b> |

## Notes to the Financial Statements cont.

### 11 Related party transactions

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts receivable and payable on the issue and cancellation of shares have been disclosed in notes 8 and 10 respectively.

Amounts paid to Baillie Gifford & Co Limited in respect of ACD fees are disclosed in note 4 with amounts due at the year end given in note 10.

#### Shares held by the ACD and associates of the ACD

The shares held by the ACD and associates of the ACD as a percentage of the Fund's NAV were:

|                               | 2024 | 2023  |
|-------------------------------|------|-------|
|                               | %    | %     |
| ACD and associates of the ACD | 9.19 | 15.37 |

### 12 Reconciliation of shares in issue

|                       | Shares in issue as at<br>31.01.23 | Shares issued | Shares cancelled | Shares converted | Shares in issue as at<br>31.01.24 |
|-----------------------|-----------------------------------|---------------|------------------|------------------|-----------------------------------|
| A Accumulation Shares | 260,465                           | 72,307        | (51,112)         | (145,003)        | 136,657                           |
| A Income Shares       | 652,502                           | 24,333        | (58,581)         | (412,891)        | 205,363                           |
| B Accumulation Shares | 11,503,422                        | 888,161       | (1,855,612)      | 126,315          | 10,662,286                        |
| B Income Shares       | 31,046,619                        | 1,883,289     | (2,852,964)      | 356,289          | 30,433,233                        |
| C Accumulation Shares | 4,496,355                         | 975,526       | (3,144,176)      | -                | 2,327,705                         |
| C Income Shares       | 90,681                            | -             | -                | -                | 90,681                            |
| J Accumulation Shares | 155,577                           | 36,933        | (48,206)         | (4,618)          | 139,686                           |
| J Income Shares       | 623,631                           | 133,506       | (209,225)        | 9,755            | 557,667                           |
| P Accumulation Shares | 50                                | 50            | (50)             | -                | 50                                |
| P Income Shares       | 120                               | 120           | (120)            | -                | 120                               |

### 13 Basis of valuation

|                                 | 2024           | 2023           |
|---------------------------------|----------------|----------------|
|                                 | Assets         | Assets         |
|                                 | £'000          | £'000          |
| Level 1: Quoted prices          | 632,261        | 675,500        |
| Level 2: Observable market data | -              | -              |
| Level 3: Unobservable data      | -              | -              |
| <b>Total</b>                    | <b>632,261</b> | <b>675,500</b> |

## Notes to the Financial Statements cont.

### 14 Derivatives and other financial instruments

#### Currency exposures

A proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

| Currency                | Net currency assets/(liabilities) |                                 |                | Net currency assets/(liabilities) |                                 |                |
|-------------------------|-----------------------------------|---------------------------------|----------------|-----------------------------------|---------------------------------|----------------|
|                         | 2024                              |                                 |                | 2023                              |                                 |                |
|                         | Monetary exposures<br>£'000       | Non-monetary exposures<br>£'000 | Total<br>£'000 | Monetary exposures<br>£'000       | Non-monetary exposures<br>£'000 | Total<br>£'000 |
| Australian dollar       | -                                 | 29,016                          | 29,016         | -                                 | 29,834                          | 29,834         |
| Brazilian real          | -                                 | 9,699                           | 9,699          | -                                 | 9,967                           | 9,967          |
| Chinese yuan (offshore) | 161                               | -                               | 161            | -                                 | -                               | -              |
| Chinese yuan (onshore)  | -                                 | 5,886                           | 5,886          | -                                 | 6,096                           | 6,096          |
| Danish krone            | -                                 | 38,718                          | 38,718         | -                                 | 31,880                          | 31,880         |
| Euro                    | 383                               | 102,912                         | 103,295        | -                                 | 98,219                          | 98,219         |
| Hong Kong dollar        | -                                 | 25,282                          | 25,282         | -                                 | 52,303                          | 52,303         |
| Japanese yen            | -                                 | 5,949                           | 5,949          | -                                 | 5,661                           | 5,661          |
| Singapore dollar        | -                                 | 8,662                           | 8,662          | -                                 | 10,252                          | 10,252         |
| South African rand      | -                                 | 5,074                           | 5,074          | -                                 | 5,191                           | 5,191          |
| Swedish krona           | -                                 | 17,374                          | 17,374         | -                                 | 11,634                          | 11,634         |
| Swiss franc             | 194                               | 54,177                          | 54,371         | -                                 | 53,850                          | 53,850         |
| Taiwanese dollar        | -                                 | 24,608                          | 24,608         | -                                 | 25,956                          | 25,956         |
| UK sterling             | 325                               | 50,891                          | 51,216         | 1,179                             | 53,516                          | 54,695         |
| US dollar               | 1,007                             | 254,014                         | 255,021        | 1,641                             | 281,143                         | 282,784        |

Short-term debtors and creditors have not been disclosed.

Totals may not sum due to rounding.

The Fund invests in a generally diversified portfolio of assets. Consequently the ACD considers that a single measure of market sensitivity does not accurately reflect the risks faced by the Fund.

# Distribution Tables

Interim distribution for the period ended 30 April 2023

Group 1 : shares purchased prior to 1 February 2023

Group 2 : shares purchased 1 February 2023 to 30 April 2023

|                       | Net Revenue                 | Equalisation                | Distribution<br>(paid/accumulated<br>30.06.23) | Distribution<br>(paid/accumulated<br>30.06.22) |
|-----------------------|-----------------------------|-----------------------------|--|--|
|                       | 30.04.23<br>pence per share | 30.04.23<br>pence per share | 30.04.23<br>pence per share                    | 30.04.22<br>pence per share                    |
| <b>A Accumulation</b> |                             |                             |  |  |
| Group 1               | 10.82000                    | -                           | 10.82000                                       | 10.35000                                       |
| Group 2               | 6.91839                     | 3.90161                     | 10.82000                                       | 10.35000                                       |
| <b>A Income</b>       |                             |                             |  |  |
| Group 1               | 4.63000                     | -                           | 4.63000  | 4.55000  |
| Group 2               | 2.32853                     | 2.30147                     | 4.63000  | 4.55000  |
| <b>B Accumulation</b> |                             |                             |  |  |
| Group 1               | 12.04000                    | -                           | 12.04000                                       | 11.43000                                       |
| Group 2               | 7.26882                     | 4.77118                     | 12.04000                                       | 11.43000                                       |
| <b>B Income</b>       |                             |                             |  |  |
| Group 1               | 5.50000                     | -                           | 5.50000  | 5.35000  |
| Group 2               | 2.69340                     | 2.80660                     | 5.50000  | 5.35000  |
| <b>C Accumulation</b> |                             |                             |  |  |
| Group 1               | 12.97000                    | -                           | 12.97000                                       | 12.25000                                       |
| Group 2               | 12.97000                    | -                           | 12.97000                                       | 12.25000                                       |
| <b>C Income</b>       |                             |                             |  |  |
| Group 1               | 6.19000                     | -                           | 6.19000  | 5.99000  |
| Group 2               | 6.19000                     | -                           | 6.19000  | 5.99000  |
| <b>J Accumulation</b> |                             |                             |  |  |
| Group 1               | 12.08000                    | -                           | 12.08000                                       | 11.45000                                       |
| Group 2               | 4.34918                     | 7.73082                     | 12.08000                                       | 11.45000                                       |
| <b>J Income</b>       |                             |                             |  |  |
| Group 1               | 5.51000                     | -                           | 5.51000  | 5.36000  |
| Group 2               | 1.95041                     | 3.55959                     | 5.51000  | 5.36000  |
| <b>P Accumulation</b> |                             |                             |  |  |
| Group 1               | 12.07000                    | -                           | 12.07000                                       | 11.43000                                       |
| Group 2               | 12.07000                    | -                           | 12.07000                                       | 11.43000                                       |



## Distribution Tables cont.

Interim distribution for the period ended 30 April 2023

Group 1 : shares purchased prior to 1 February 2023

Group 2 : shares purchased 1 February 2023 to 30 April 2023

|          | Net Revenue     | Equalisation    | Distribution<br>(paid/accumulated<br>30.06.23) | Distribution<br>(paid/accumulated<br>30.06.22) |
|----------|-----------------|-----------------|--|--|
|          | 30.04.23        | 30.04.23        | 30.04.23                                       | 30.04.22                                       |
|          | pence per share | pence per share | pence per share                                | pence per share                                |
| P Income |                 |                 |  |  |
| Group 1  | 5.50000         | -               | 5.50000  | 5.34000  |
| Group 2  | 5.50000         | -               | 5.50000  | 5.34000  |

## Distribution Tables cont.

Interim distributions for the period ended 31 July 2023

Group 1 : shares purchased prior to prior to 1 May 2023

Group 2 : shares purchased prior to 1 May 2023 to 31 July 2023

|                       | Net Revenue                 | Equalisation                | Distribution<br>(paid/accumulated<br>30.09.23) | Distribution<br>(paid/accumulated<br>30.09.22) |
|-----------------------|-----------------------------|-----------------------------|--|--|
|                       | 31.07.23<br>pence per share | 31.07.23<br>pence per share | 31.07.23<br>pence per share                    | 31.07.22<br>pence per share                    |
| <b>A Accumulation</b> |                             |                             |  |  |
| Group 1               | 10.85000                    | -                           | 10.85000                                       | 10.97000                                       |
| Group 2               | -                           | 10.85000                    | 10.85000                                       | 10.97000                                       |
| <b>A Income</b>       |                             |                             |  |  |
| Group 1               | 4.63000                     | -                           | 4.63000  | 4.79000  |
| Group 2               | 0.06553                     | 4.56447                     | 4.63000  | 4.79000  |
| <b>B Accumulation</b> |                             |                             |  |  |
| Group 1               | 12.10000                    | -                           | 12.10000                                       | 12.12000                                       |
| Group 2               | -                           | 12.10000                    | 12.10000                                       | 12.12000                                       |
| <b>B Income</b>       |                             |                             |  |  |
| Group 1               | 5.50000                     | -                           | 5.50000  | 5.65000  |
| Group 2               | -                           | 5.50000                     | 5.50000  | 5.65000  |
| <b>C Accumulation</b> |                             |                             |  |  |
| Group 1               | 13.05000                    | -                           | 13.05000                                       | 13.02000                                       |
| Group 2               | -                           | 13.05000                    | 13.05000                                       | 13.02000                                       |
| <b>C Income</b>       |                             |                             |  |  |
| Group 1               | 6.19000                     | -                           | 6.19000  | 6.33000  |
| Group 2               | 6.19000                     | -                           | 6.19000  | 6.33000  |
| <b>J Accumulation</b> |                             |                             |  |  |
| Group 1               | 12.15000                    | -                           | 12.15000                                       | 12.15000                                       |
| Group 2               | -                           | 12.15000                    | 12.15000                                       | 12.15000                                       |
| <b>J Income</b>       |                             |                             |  |  |
| Group 1               | 5.52000                     | -                           | 5.52000  | 5.66000  |
| Group 2               | -                           | 5.52000                     | 5.52000  | 5.66000  |
| <b>P Accumulation</b> |                             |                             |  |  |
| Group 1               | 12.14000                    | -                           | 12.14000                                       | 12.16000                                       |
| Group 2               | 12.14000                    | -                           | 12.14000                                       | 12.16000                                       |

## Distribution Tables cont.

Interim distributions for the period ended 31 July 2023

Group 1 : shares purchased prior to prior to 1 May 2023

Group 2 : shares purchased prior to 1 May 2023 to 31 July 2023

|          | Net Revenue     | Equalisation    | Distribution<br>(paid/accumulated<br>30.09.23) | Distribution<br>(paid/accumulated<br>30.09.22) |
|----------|-----------------|-----------------|--|--|
|          | 31.07.23        | 31.07.23        | 31.07.23                                       | 31.07.22                                       |
|          | pence per share | pence per share | pence per share                                | pence per share                                |
| P Income |                 |                 |  |  |
| Group 1  | 5.50000         | -               | 5.50000  | 5.65000  |
| Group 2  | 5.50000         | -               | 5.50000  | 5.65000  |

## Distribution Tables cont.

Interim distribution for the period ended 31 October 2023

Group 1 : share purchased prior to 1 August 2023

Group 2 : share purchased 1 August 2023 to 31 October 2023

|                       | Net Revenue                 | Equalisation                | Distribution<br>(paid/accumulated<br>31.12.23) | Distribution<br>(paid/accumulated<br>31.12.22) |
|-----------------------|-----------------------------|-----------------------------|--|--|
|                       | 31.10.23<br>pence per share | 31.10.23<br>pence per share | 31.10.23<br>pence per share                    | 31.10.23<br>pence per share                    |
| <b>A Accumulation</b> |                             |                             |  |  |
| Group 1               | 11.49000                    | -                           | 11.49000                                       | 11.69000                                       |
| Group 2               | 2.07422                     | 9.41578                     | 11.49000                                       | 11.69000                                       |
| <b>A Income</b>       |                             |                             |  |  |
| Group 1               | 4.88000                     | -                           | 4.88000  | 5.09000  |
| Group 2               | -                           | 4.88000                     | 4.88000  | 5.09000  |
| <b>B Accumulation</b> |                             |                             |  |  |
| Group 1               | 12.81000                    | -                           | 12.81000                                       | 12.93000                                       |
| Group 2               | -                           | 12.81000                    | 12.81000                                       | 12.93000                                       |
| <b>B Income</b>       |                             |                             |  |  |
| Group 1               | 5.80000                     | -                           | 5.80000  | 6.00000  |
| Group 2               | -                           | 5.80000                     | 5.80000  | 6.00000  |
| <b>C Accumulation</b> |                             |                             |  |  |
| Group 1               | 13.84000                    | -                           | 13.84000                                       | 13.89000                                       |
| Group 2               | -                           | 13.84000                    | 13.84000                                       | 13.89000                                       |
| <b>C Income</b>       |                             |                             |  |  |
| Group 1               | 6.54000                     | -                           | 6.54000  | 6.74000  |
| Group 2               | 6.54000                     | -                           | 6.54000  | 6.74000  |
| <b>J Accumulation</b> |                             |                             |  |  |
| Group 1               | 12.87000                    | -                           | 12.87000                                       | 12.97000                                       |
| Group 2               | -                           | 12.87000                    | 12.87000                                       | 12.97000                                       |
| <b>J Income</b>       |                             |                             |  |  |
| Group 1               | 5.82000                     | -                           | 5.82000  | 6.01000  |
| Group 2               | -                           | 5.82000                     | 5.82000  | 6.01000  |
| <b>P Accumulation</b> |                             |                             |  |  |
| Group 1               | 12.85000                    | -                           | 12.85000                                       | 12.97000                                       |
| Group 2               | 12.85000                    | -                           | 12.85000                                       | 12.97000                                       |

## Distribution Tables cont.

Interim distribution for the period ended 31 October 2023

Group 1 : share purchased prior to 1 August 2023

Group 2 : share purchased 1 August 2023 to 31 October 2023

|          | Net Revenue                 | Equalisation                | Distribution<br>(paid/accumulated<br>31.12.23) | Distribution<br>(paid/accumulated<br>31.12.22) |
|----------|-----------------------------|-----------------------------|--|--|
|          | 31.10.23<br>pence per share | 31.10.23<br>pence per share | 31.10.23<br>pence per share                    | 31.10.23<br>pence per share                    |
| P Income |                             |                             |  |  |
| Group 1  | 5.81000                     | -                           | 5.81000  | 6.01000  |
| Group 2  | 5.81000                     | -                           | 5.81000  | 6.01000  |

## Distribution Tables cont.

Final distribution for the period ended 31 January 2024

Group 1 : shares purchased prior to 1 November 2023

Group 2 : shares purchased 1 November 2023 to 31 January 2024

|                       | Net Revenue<br>(dividend<br>distribution) | Equalisation                | Distribution<br>(paid/accumulated<br>31.03.24) | Distribution<br>(paid/accumulated<br>31.03.23) |
|-----------------------|---|-----------------------------|--|--|
|                       | 31.01.24<br>pence per share               | 31.01.24<br>pence per share | 31.01.24<br>pence per share                    | 31.01.23<br>pence per share                    |
| <b>A Accumulation</b> |   |                             |  |  |
| Group 1               | 13.71000                                  | -                           | 13.71000                                       | 13.08000                                       |
| Group 2               | 2.76846                                   | 10.94154                    | 13.71000                                       | 13.08000                                       |
| <b>A Income</b>       |   |                             |  |  |
| Group 1               | 5.80000                                   | -                           | 5.80000  | 5.67000  |
| Group 2               | 0.12081                                   | 5.67919                     | 5.80000  | 5.67000  |
| <b>B Accumulation</b> |   |                             |  |  |
| Group 1               | 15.31000                                  | -                           | 15.31000                                       | 14.47000                                       |
| Group 2               | 2.69408                                   | 12.61592                    | 15.31000                                       | 14.47000                                       |
| <b>B Income</b>       |   |                             |  |  |
| Group 1               | 6.90000                                   | -                           | 6.90000  | 6.70000  |
| Group 2               | 1.12924                                   | 5.77076                     | 6.90000  | 6.70000  |
| <b>C Accumulation</b> |   |                             |  |  |
| Group 1               | 16.53000                                  | -                           | 16.53000                                       | 15.93000                                       |
| Group 2               | 5.44750                                   | 11.08250                    | 16.53000                                       | 15.93000                                       |
| <b>C Income</b>       |   |                             |  |  |
| Group 1               | 7.79000                                   | -                           | 7.79000  | 7.70000  |
| Group 2               | 7.79000                                   | -                           | 7.79000  | 7.70000  |
| <b>J Accumulation</b> |   |                             |  |  |
| Group 1               | 15.36000                                  | -                           | 15.36000                                       | 14.51000                                       |
| Group 2               | 3.87821                                   | 11.48179                    | 15.36000                                       | 14.51000                                       |
| <b>J Income</b>       |   |                             |  |  |
| Group 1               | 6.93000                                   | -                           | 6.93000  | 6.71000  |
| Group 2               | 1.40605                                   | 5.52395                     | 6.93000  | 6.71000  |
| <b>P Accumulation</b> |   |                             |  |  |
| Group 1               | 15.34000                                  | -                           | 15.34000                                       | 14.52000                                       |
| Group 2               | 15.34000                                  | -                           | 15.34000                                       | 14.52000                                       |

## Distribution Tables cont.

Final distribution for the period ended 31 January 2024

Group 1 : shares purchased prior to 1 November 2023

Group 2 : shares purchased 1 November 2023 to 31 January 2024

|          | Net Revenue<br>(dividend<br>distribution)<br><br>31.01.24<br>pence per share | Equalisation<br><br>31.01.24<br>pence per share | Distribution<br>(paid/accumulated<br>31.03.24)<br><br>31.01.24<br>pence per share | Distribution<br>(paid/accumulated<br>31.03.23)<br><br>31.01.23<br>pence per share |
|----------|--|---|---|---|
| P Income |  |   |   |   |
| Group 1  | 6.93000  | -   | 6.93000   | 6.71000   |
| Group 2  | 6.93000  | -   | 6.93000   | 6.71000   |





# Baillie Gifford™

Baillie Gifford International Fund

---

a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Annual Report & Financial Statements  
for the year ended 31 January 2024*



# Baillie Gifford International Fund

## Investment Objective

The Fund aims to outperform (after deduction of costs) the MSCI ACWI ex UK Index, as stated in sterling, by at least 2% per annum over rolling five-year periods.

## Investment Policy

The Fund will invest at least 90% in shares of companies anywhere in the world (excluding the UK) and in any sector. The Fund will be actively managed.

## Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Market conditions can change rapidly and a fund in any rank can lose you your investment. The Fund is classified as above as it invests in company shares.

The indicator does not take into account the following relevant material risks:

The Fund is actively managed meaning the Investment Manager selects investments of their own choosing with the aim of achieving the Fund's objectives. This is done without seeking to replicate any index in either of performance or portfolio composition. This investment style, selecting companies with perceived greater long-term growth potential ahead of any short-term returns, in combination with the relative concentration of the Fund, may lead to prolonged periods of underperformance in certain market conditions, both in relation to the Fund's benchmark and in absolute terms.

Over shorter time periods the Fund's share price can be volatile and returns can be much higher or lower than our five-year average target. There is no guarantee this objective will be achieved over any time period.

In adverse market conditions it may be difficult to sell investments held by the Fund in a timely manner and their value may fall significantly. This could affect how much money you receive and even delay the selling of your shares if dealing in the Fund is suspended.

Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.

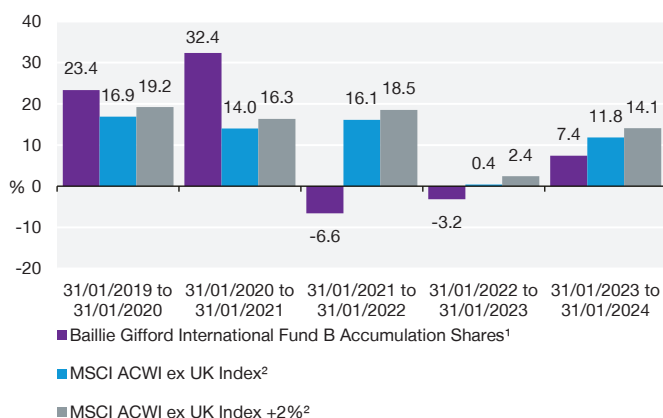
You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

Where possible, charges are taken from income. If insufficient, the rest will be taken from capital, reducing the capital value of the Fund.

For a more detailed explanation of the risks, please see the "Risk Warnings" section of the prospectus.

# Investment Report

## Past Performance



The performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the annual management charge of 0.57%. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

## Past Performance

The investment objective of the Fund is to outperform (after deduction of costs) the MSCI ACWI ex UK Index (the 'Index') by at least 2% per annum (the 'target return') over rolling five-year periods. For the year to 31 January 2024 the return on B Accumulation Shares was 7.4%<sup>1</sup> compared to the Index of 11.8%<sup>2</sup> and the target return of 14.1%<sup>2</sup>. We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance, a period in line with the Fund's objectives. Over that period, the annualised return on B Accumulation Shares was 9.7%<sup>1</sup> compared to the return on the Index of 11.7%<sup>2</sup> and the target return of 13.9%<sup>2</sup>. Although periods of underperformance are inevitable given our style of investment, we fully appreciate that returns over the past few years will have disappointed investors in the Fund. The Fund struggled during 2021 and 2022 against a backdrop of high inflation and rising interest rates but we remain confident that our long-term growth approach will add value over time.

## Market Environment

Global stock markets made a strong comeback over the last 12 months. Breakthroughs in artificial intelligence (AI) earlier in 2023 restored a sense of optimism, and the widely forecast US recession failed to materialise. In the latter part of the year, the market looked forward to pricing-in interest rate cuts in 2024 rather than increases. As long-term investors focused on fundamentals, the more material driver to performance at the end of the year was the announcement of several strong company results, which subsequently boosted share prices.

## Performance

The Fund lagged the index over the 12-month period, with the third quarter of 2023 feeling most of this weakness. Further rate hikes by the Fed caused long-duration assets to continue to sell off, along with consumer discretionary names. However, the final quarter of 2023 saw strong outperformance for the Fund. Many companies reported record results including CRH and Meta, which were top contributors over the period.

<sup>1</sup>Source: FE, 10am dealing prices, income accumulated. <sup>2</sup>Source: Revolution and MSCI, total return in sterling terms. The target return outperformance is compounded daily therefore the index return plus the outperformance will not equal the target return. Please see Disclaimer on page 318. You should be aware that past performance is not a guide to future performance.

## Investment Report cont.

Building materials company CRH has proven to be flexible to rising costs, having responded to significant increases in energy prices. During the year, it delivered earnings and sales growth, reflecting positive momentum and strong commercial progress across its key markets of North America and Europe. We have long admired CRH's skilful capital allocation under the leadership of Albert Manifold and believe that these strategic portfolio management decisions have the potential to unlock further growth opportunities for the company.

One of the strongest examples of adaptability and efficiency in the portfolio is Meta. The tech giant has been displaying strong execution and cost discipline which, combined with a reacceleration in growth, continues to be positively received by the market. The average watch time on Reels and other videos across its family of apps is increasing and, in turn, ad impressions and price per ad have also grown. Meta has been using AI tools to improve ad quality and target them more effectively. We believe the company may be unique in having the engineering resources needed to take full advantage of the growing opportunity in AI.

Two areas in particular have detracted from performance. Firstly, healthcare. The sector has struggled over the period, experiencing the worst performance in 20 years, wiping out a decade of cumulative outperformance. A combination of lingering post-pandemic effects and a tougher funding environment for biotech companies are to blame.

Moderna is one of the top detractors for the Fund over the period. Alongside the headwinds mentioned above for biotech companies, Moderna also saw weakness after a competitor cut billions from its full-year 2023 outlook citing slowing demand for Covid-19 products. We think the market is wrongly focused on its Covid-19 vaccination success and is broadly ignoring its pipeline of treatments and progress in other areas. This pipeline has been significantly derisked due to the breakthroughs and success of the technology in creating a Covid-19 vaccine. Moderna continues to make strides in the development of other vaccines including a combination vaccine that prevents against flu and Covid-19, and further research and development in cancer treatments through a strong line-up of partnerships with other

biotechs. Our conviction in Moderna's ability to be one of the leading biotech companies of the future, solving health challenges for millions of people, remains intact.

Second, companies with a certain amount of revenue exposure to Chinese consumers have also detracted. Asian insurance companies in particular have been weak and shares of AIA have come under pressure as a result of ongoing concerns surrounding China's lacklustre economic recovery and were further impacted towards the end of the year owing to the market's reaction to changing interest rates. Despite this, the Asian insurer posted a strong set of results in November. Growth re-accelerated, fuelled by broad-based sales momentum growing new business. New premiums grew over 50% and margins improved as mainland China figures surprised on the upside.

### Notable Transactions

Over the period, turnover remained in line with historically low levels – reflecting our long-term, patient, investment style. A diverse set of new names entered the portfolio. Companies such as the trusted paint company, Nippon Paint; the highly regarded luxury conglomerate LVMH; and the Chinese platform that is rapidly growing due to its differentiated model that is redefining ecommerce as a socially driven experience – PDD Holdings – have all seen share price declines due to negative sentiment towards China and Chinese equities. While we remain alert to the changing landscape in China, all three of these companies have strong global positions, and should benefit from a normalisation in Chinese spending over the long term.

Another area of enthusiasm has been increasing exposure to beneficiaries of the 'repair, renew, revitalise' theme. Countries across the globe are facing outdated, inefficient, and energy-intensive electrical grids, buildings, and transport networks. We therefore think that there exists a material opportunity for companies with strong track-records, pricing power, and hard-to-replicate asset bases, to lead the way in this shift towards upgrading infrastructure. Comfort Systems is a new holding in this space. It is a leading industrial mechanical, electrical, and plumbing contractor in the

## Investment Report cont.

US. The investment case is underpinned by powerful structural growth drivers including the reshoring of US manufacturing, recent legislation to replace and upgrade US infrastructure, and the green energy transition. It also has a distinctive culture centred on delivering high-quality projects and excellent customer service, which is a further source of edge.

These purchases have been funded from a combination of selling holdings either where our investment case has played out, or, where growth has been disappointing and as a result, our conviction has waned. Examples of the former include selling out of longstanding holding Deutsche Boerse - the German financial exchange purchased during the global financial crisis, Japanese auto-parts maker Denso, and online travel agency Booking Holdings. All saw strong share price gains over the holding period, so we decided to take profits and reinvest in new ideas. On the latter, we have sold positions in Farfetch, the online luxury platform that continued to struggle to return to growth after its pandemic boom; and gene sequencing company, Illumina, where we lost confidence in management following its failed acquisition of Grail and lack of focus on its core business.

### Outlook

---

While we remain absolutely focused on the long-term outlook, we are acutely aware that recent performance, which has dragged down the longer-term numbers, will have continued to disappoint. However, the Fund is in very robust health and there are several reasons for optimism including, accelerating earnings growth versus the broader market, committed investment to future innovation, and the flexibility and adaptability demonstrated by a number of companies in the portfolio against a difficult backdrop.

*Baillie Gifford & Co, 13 February 2024*

## Principal Holdings as at 31 January 2024

| Investment                | Percentage of total Fund |
|---------------------------|--------------------------|
| Microsoft                 | 3.97                     |
| Martin Marietta Materials | 3.62                     |
| Amazon.com                | 3.55                     |
| Elevance Health Inc       | 3.53                     |
| Meta Platforms Inc        | 3.53                     |
| Moody's                   | 3.19                     |
| Ryanair                   | 3.11                     |
| CRH                       | 2.67                     |
| Reliance Inds. GDR        | 2.66                     |
| Mastercard                | 2.21                     |

## Material Portfolio Changes for the year ended 31 January 2024

| Largest Purchases         | Cost<br>£'000 | Largest Sales                | Proceeds<br>£'000 |
|---------------------------|---------------|------------------------------|-------------------|
| Prudential                | 16,882        | Rio Tinto                    | 23,049            |
| Meta Platforms Inc        | 15,322        | Booking Holdings Inc         | 21,312            |
| Novo Nordisk              | 13,163        | Prosus N.V.                  | 15,456            |
| NVIDIA                    | 12,641        | AJ Gallagher & Co            | 15,001            |
| Advanced Drainage Systems | 10,014        | Alphabet Inc Class C         | 13,875            |
| Block Inc                 | 9,181         | Deutsche Boerse              | 10,841            |
| Floor & Decor Holdings    | 7,900         | Axon Enterprise Inc          | 10,810            |
| YETI Holdings             | 7,165         | BHP Group Ltd (Aus. listing) | 10,181            |
| Signature Bank            | 7,077         | Ping An Insurance            | 9,989             |
| Doordash Inc              | 6,962         | Li Auto 'H'                  | 9,887             |

## Portfolio Statement as at 31 January 2024

| Stock description                | Holding   | Market value £'000 | % of total net assets |
|----------------------------------|-----------|--------------------|-----------------------|
| <b>Australia - 1.65% (4.49%)</b> |           |                    |                       |
| BHP Group Ltd (Aus. listing)     | 717,697   | 17,607             | 1.41                  |
| Woodside Petroleum               | 182,057   | 3,063              | 0.24                  |
| <b>Brazil - 2.24% (1.56%)</b>    |           |                    |                       |
| B3 S.A.                          | 5,313,300 | 11,045             | 0.88                  |
| MercadoLibre                     | 12,714    | 17,082             | 1.36                  |
| <b>Canada - 1.39% (0.94%)</b>    |           |                    |                       |
| Shopify 'A'                      | 276,256   | 17,370             | 1.39                  |
| <b>China - 2.10% (3.20%)</b>     |           |                    |                       |
| Alibaba Group Holding            | 1,240,656 | 8,668              | 0.69                  |
| CATL 'A'                         | 382,700   | 6,345              | 0.51                  |
| Li Auto 'H'                      | 459,634   | 4,894              | 0.39                  |
| Pinduoduo Inc ADR                | 64,820    | 6,456              | 0.51                  |
| <b>Denmark - 1.62% (0.79%)</b>   |           |                    |                       |
| Genmab                           | 30,324    | 6,685              | 0.54                  |
| Novo Nordisk                     | 153,245   | 13,569             | 1.08                  |
| <b>France - 2.07% (1.96%)</b>    |           |                    |                       |
| LVMH                             | 9,643     | 6,360              | 0.51                  |
| Pernod Ricard SA                 | 106,144   | 13,808             | 1.10                  |
| Sartorius Stedim Biotech         | 26,820    | 5,742              | 0.46                  |
| <b>Germany - 0.58% (1.34%)</b>   |           |                    |                       |
| adidas                           | 48,480    | 7,287              | 0.58                  |
| <b>Hong Kong - 1.71% (2.72%)</b> |           |                    |                       |
| AIA Group                        | 2,540,000 | 15,552             | 1.24                  |
| Sands China                      | 2,890,800 | 5,953              | 0.47                  |
| <b>India - 3.64% (3.53%)</b>     |           |                    |                       |
| HDFC Bank                        | 886,600   | 12,262             | 0.98                  |



## Portfolio Statement as at 31 January 2024 cont.

| Stock description                  | Holding   | Market value £'000 | % of total net assets |
|------------------------------------|-----------|--------------------|-----------------------|
| Reliance Inds. GDR                 | 613,463   | 33,384             | 2.66                  |
| <b>Ireland - 5.78% (4.17%)</b>     |           |                    |                       |
| CRH                                | 594,385   | 33,428             | 2.67                  |
| Ryanair                            | 1,546,472 | 25,473             | 2.03                  |
| Ryanair ADR                        | 129,465   | 13,583             | 1.08                  |
| <b>Japan - 4.50% (5.92%)</b>       |           |                    |                       |
| CyberAgent Inc                     | 842,400   | 4,329              | 0.35                  |
| Hoshizaki Corp                     | 122,300   | 3,544              | 0.28                  |
| Nippon Paint                       | 1,048,300 | 6,580              | 0.52                  |
| Olympus                            | 1,260,000 | 14,891             | 1.19                  |
| Shiseido                           | 351,400   | 7,796              | 0.62                  |
| SMC                                | 26,600    | 11,848             | 0.95                  |
| Systemex Corp                      | 172,100   | 7,404              | 0.59                  |
| <b>Netherlands - 3.27% (4.29%)</b> |           |                    |                       |
| Adyen N.V.                         | 6,195     | 6,187              | 0.49                  |
| ASM International N.V.             | 18,933    | 8,335              | 0.67                  |
| Prosus N.V.                        | 1,128,722 | 26,507             | 2.11                  |
| <b>Norway - 1.31% (1.04%)</b>      |           |                    |                       |
| Adevinta                           | 684,251   | 5,807              | 0.46                  |
| Schibsted                          | 437,308   | 10,617             | 0.85                  |
| <b>Russia - 0.00% (0.00%)</b>      |           |                    |                       |
| Sberbank Of Russia <sup>1</sup>    | 2,287,284 | -                  | 0.00                  |
| <b>Singapore - 0.37% (0.71%)</b>   |           |                    |                       |
| Sea Ltd ADR                        | 156,983   | 4,702              | 0.37                  |
| <b>South Korea - 0.93% (0.63%)</b> |           |                    |                       |
| Coupang                            | 539,949   | 5,932              | 0.47                  |
| Samsung Electronics                | 133,921   | 5,728              | 0.46                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                      | Holding   | Market value £'000 | % of total net assets |
|--|-----------|--------------------|-----------------------|
| <b>Sweden - 2.50% (1.98%)</b>          |           |                    |                       |
| Atlas Copco B                          | 1,398,156 | 15,403             | 1.23                  |
| Epiroc B                               | 644,121   | 7,960              | 0.64                  |
| Spotify Technology SA                  | 46,983    | 7,945              | 0.63                  |
| <b>Switzerland - 1.22% (1.33%)</b>     |           |                    |                       |
| Richemont                              | 129,041   | 15,238             | 1.22                  |
| <b>Taiwan - 1.62% (1.57%)</b>          |           |                    |                       |
| TSMC                                   | 1,287,000 | 20,278             | 1.62                  |
| <b>UK - 0.72% (0.80%)</b>              |           |                    |                       |
| Prudential <sup>2</sup>                | 1,100,318 | 9,005              | 0.72                  |
| <b>United States - 60.38% (55.96%)</b> |           |                    |                       |
| Adobe Systems                          | 16,521    | 8,009              | 0.64                  |
| Advanced Drainage Systems              | 116,806   | 11,953             | 0.95                  |
| Advanced Micro Devices Inc             | 56,963    | 7,493              | 0.60                  |
| AJ Gallagher & Co                      | 87,456    | 15,937             | 1.27                  |
| Albemarle                              | 72,396    | 6,521              | 0.52                  |
| Alnylam Pharmaceuticals                | 96,380    | 13,075             | 1.04                  |
| Alphabet Inc Class C                   | 232,873   | 25,914             | 2.07                  |
| Amazon.com                             | 365,174   | 44,476             | 3.55                  |
| Analog Devices                         | 114,214   | 17,248             | 1.38                  |
| Block Inc                              | 216,097   | 11,027             | 0.88                  |
| Broadridge Financial Solutions         | 63,896    | 10,245             | 0.82                  |
| Cbre Group Inc                         | 177,110   | 12,000             | 0.96                  |
| Certara                                | 334,105   | 4,237              | 0.34                  |
| Charles Schwab                         | 252,338   | 12,464             | 0.99                  |
| Chewy                                  | 478,664   | 6,691              | 0.53                  |
| Cloudflare Inc                         | 214,195   | 13,298             | 1.06                  |
| Comfort Systems USA                    | 41,816    | 7,136              | 0.57                  |
| CoStar Group                           | 166,288   | 10,896             | 0.87                  |
| Datadog                                | 90,842    | 8,873              | 0.71                  |
| Doordash Inc                           | 216,762   | 17,730             | 1.41                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description               | Holding | Market value £'000 | % of total net assets |
|---------------------------------|---------|--------------------|-----------------------|
| Eaton                           | 68,311  | 13,199             | 1.05                  |
| Elevance Health Inc             | 114,301 | 44,290             | 3.53                  |
| Entegris Inc                    | 136,604 | 12,631             | 1.01                  |
| Estee Lauder                    | 56,933  | 5,898              | 0.47                  |
| Exact Sciences                  | 73,506  | 3,775              | 0.30                  |
| Floor & Decor Holdings          | 81,638  | 6,444              | 0.51                  |
| Howard Hughes                   | 91,064  | 5,726              | 0.46                  |
| Markel                          | 10,351  | 12,171             | 0.97                  |
| Martin Marietta Materials       | 113,588 | 45,329             | 3.62                  |
| Mastercard                      | 78,632  | 27,715             | 2.21                  |
| Meta Platforms Inc              | 144,544 | 44,264             | 3.53                  |
| Microsoft                       | 159,506 | 49,766             | 3.97                  |
| Moderna Inc                     | 109,427 | 8,681              | 0.69                  |
| Moody's                         | 129,782 | 39,949             | 3.19                  |
| Neogen Corp                     | 475,468 | 5,784              | 0.46                  |
| Netflix Inc                     | 22,808  | 10,101             | 0.81                  |
| Novocure Ltd                    | 102,438 | 1,120              | 0.09                  |
| NVIDIA                          | 35,070  | 16,935             | 1.35                  |
| Royalty Pharma                  | 623,839 | 13,908             | 1.11                  |
| S&P Global Inc                  | 39,101  | 13,763             | 1.10                  |
| SCP Pool Corporation            | 21,717  | 6,331              | 0.50                  |
| Service Corp.Intl.              | 512,046 | 26,980             | 2.15                  |
| SiteOne Landscape Supply        | 77,398  | 9,390              | 0.75                  |
| Snowflake Inc                   | 41,964  | 6,446              | 0.51                  |
| Staar Surgical                  | 79,370  | 1,746              | 0.14                  |
| Teradyne                        | 164,264 | 12,458             | 0.99                  |
| Tesla Inc                       | 56,367  | 8,287              | 0.66                  |
| Texas Instruments               | 47,680  | 5,993              | 0.48                  |
| The Trade Desk                  | 239,279 | 12,854             | 1.02                  |
| Thermo Fisher Scientific        | 23,017  | 9,738              | 0.78                  |
| Wayfair Inc                     | 67,417  | 2,660              | 0.21                  |
| YETI Holdings                   | 216,855 | 7,483              | 0.60                  |
| <b>Portfolio of investments</b> |         | <b>1,248,690</b>   | <b>99.60</b>          |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                       | Holding | Market<br>value £'000 | % of total<br>net assets |
|---|---------|-----------------------|--------------------------|
| <b>Net other assets - 0.40% (1.07%)</b> |         | <b>5,068</b>          | <b>0.40</b>              |
| <b>Net assets</b>                       |         | <b>1,253,758</b>      | <b>100.00</b>            |

<sup>1</sup>This stock was valued at nil at the year end amid the ongoing conflict in Ukraine. It has been valued at the Investment Adviser's valuation and therefore is categorised as level 3 in note 13.

<sup>2</sup>While this is a UK listed company, it conducts the majority of its business in Asia and Africa.

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 31 January 2023.

# Comparative Tables

## Comparative Table: A Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 7,724.76   | 8,183.28   | 8,492.78   |
| Return before operating charges*              | 362.82   | (350.74)   | (178.50)   |
| Operating charges                             | (110.00)   | (107.78)   | (131.00)   |
| Return after operating charges*               | 252.82   | (458.52)   | (309.50)   |
| Distributions                                 | 0.00   | 0.00   | 0.00   |
| Retained distributions on accumulation shares | 0.00   | 0.00   | 0.00   |
| <b>Closing net asset value per share</b>      | <b>7,977.58</b>  | <b>7,724.76</b>  | <b>8,183.28</b>  |
| *After direct transaction costs of:           | 3.03   | 1.49   | 1.81   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 3.27%  | (5.60)%  | (3.64)%  |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 5,293  | 9,880  | 15,924   |
| Closing number of shares                      | 66,343   | 127,899  | 194,587  |
| Operating charges                             | 1.45%  | 1.45%  | 1.45%  |
| Direct transaction costs <sup>1</sup>         | 0.04%  | 0.02%  | 0.02%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 8,143  | 8,347  | 9,842  |
| Lowest share price (pence)                    | 7,035  | 6,601  | 7,754  |

## Comparative Tables cont.

### Comparative Table: B Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 9,260.92   | 9,727.42   | 10,009.41  |
| Return before operating charges*              | 438.60   | (413.37)   | (217.75)   |
| Operating charges                             | (53.96)  | (53.13)  | (64.24)  |
| Return after operating charges*               | 384.64   | (466.50)   | (281.99)   |
| Distributions                                 | (43.39)  | (47.25)  | (20.69)  |
| Retained distributions on accumulation shares | 43.39  | 47.25  | 20.69  |
| <b>Closing net asset value per share</b>      | <b>9,645.56</b>  | <b>9,260.92</b>  | <b>9,727.42</b>  |
| *After direct transaction costs of:           | 3.66   | 1.77   | 2.14   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 4.15%  | (4.80)%  | (2.82)%  |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 813,303  | 915,342  | 1,104,708  |
| Closing number of shares                      | 8,431,891  | 9,883,923  | 11,356,636   |
| Operating charges                             | 0.59%  | 0.60%  | 0.60%  |
| Direct transaction costs <sup>1</sup>         | 0.04%  | 0.02%  | 0.02%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 9,845  | 9,924  | 11,680   |
| Lowest share price (pence)                    | 8,488  | 7,871  | 9,216  |

## Comparative Tables cont.

### Comparative Table: B Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 7,623.01   | 8,048.51   | 8,299.06   |
| Return before operating charges*         | 360.45   | (342.21)   | (180.24)   |
| Operating charges                        | (44.38)  | (44.17)  | (53.16)  |
| Return after operating charges*          | 316.07   | (386.38)   | (233.40)   |
| Distributions on income shares           | (35.71)  | (39.12)  | (17.15)  |
| <b>Closing net asset value per share</b> | <b>7,903.37</b>  | <b>7,623.01</b>  | <b>8,048.51</b>  |
| *After direct transaction costs of:      | 3.01   | 1.47   | 1.77   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 4.15%  | (4.80)%  | (2.81)%  |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 63,657   | 79,539   | 213,396  |
| Closing number of shares                 | 805,445  | 1,043,412  | 2,651,375  |
| Operating charges                        | 0.59%  | 0.60%  | 0.60%  |
| Direct transaction costs <sup>1</sup>    | 0.04%  | 0.02%  | 0.02%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 8,097  | 8,211  | 9,680  |
| Lowest share price (pence)               | 6,981  | 6,513  | 7,639  |

## Comparative Tables cont.

### Comparative Table: C Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 10,466.76  | 10,931.45  | 11,184.06  |
| Return before operating charges*              | 499.07   | (461.70)   | (250.21)   |
| Operating charges                             | (2.07)   | (2.99)   | (2.40)   |
| Return after operating charges*               | 497.00   | (464.69)   | (252.61)   |
| Distributions                                 | (108.27)   | (110.10)   | (91.78)  |
| Retained distributions on accumulation shares | 108.27   | 110.10   | 91.78  |
| <b>Closing net asset value per share</b>      | <b>10,963.76</b>   | <b>10,466.76</b>   | <b>10,931.45</b>   |
| *After direct transaction costs of:           | 4.15   | 1.99   | 2.40   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 4.75%  | (4.25)%  | (2.26)%  |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 301,891  | 309,093  | 326,221  |
| Closing number of shares                      | 2,753,534  | 2,953,088  | 2,984,237  |
| Operating charges                             | 0.02%  | 0.03%  | 0.02%  |
| Direct transaction costs <sup>1</sup>         | 0.04%  | 0.02%  | 0.02%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 11,190   | 11,150   | 13,110   |
| Lowest share price (pence)                    | 9,634  | 8,865  | 10,360   |



## Comparative Tables cont.

### Comparative Table: C Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 7,645.42   | 8,071.82   | 8,325.98   |
| Return before operating charges*         | 363.94   | (342.96)   | (184.10)   |
| Operating charges                        | (2.27)   | (2.21)   | (1.78)   |
| Return after operating charges*          | 361.67   | (345.17)   | (185.88)   |
| Distributions on income shares           | (78.85)  | (81.23)  | (68.28)  |
| <b>Closing net asset value per share</b> | <b>7,928.24</b>  | <b>7,645.42</b>  | <b>8,071.82</b>  |
| *After direct transaction costs of:      | 3.03   | 1.47   | 1.78   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 4.73%  | (4.28)%  | (2.23)%  |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 4  | 4  | 4  |
| Closing number of shares                 | 50   | 50   | 50   |
| Operating charges                        | 0.02%  | 0.03%  | 0.02%  |
| Direct transaction costs <sup>1</sup>    | 0.04%  | 0.02%  | 0.02%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 8,160  | 8,235  | 9,740  |
| Lowest share price (pence)               | 7,025  | 6,544  | 7,695  |

## Comparative Tables cont.

### Comparative Table: G Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 10,207.39  | 10,714.06  | 11,016.89  |
| Return before operating charges*              | 483.84   | (454.98)   | (240.40)   |
| Operating charges                             | (52.43)  | (51.69)  | (62.43)  |
| Return after operating charges*               | 431.41   | (506.67)   | (302.83)   |
| Distributions                                 | (54.91)  | (58.87)  | (31.06)  |
| Retained distributions on accumulation shares | 54.91  | 58.87  | 31.06  |
| <b>Closing net asset value per share</b>      | <b>10,638.80</b>   | <b>10,207.39</b>   | <b>10,714.06</b>   |
| *After direct transaction costs of:           | 4.03   | 1.95   | 2.36   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 4.23%  | (4.73)%  | (2.75)%  |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 69,610   | 83,149   | 89,223   |
| Closing number of shares                      | 654,301  | 814,599  | 832,769  |
| Operating charges                             | 0.52%  | 0.53%  | 0.53%  |
| Direct transaction costs <sup>1</sup>         | 0.04%  | 0.02%  | 0.02%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 10,860   | 10,930   | 12,860   |
| Lowest share price (pence)                    | 9,360  | 8,672  | 10,150   |

<sup>1</sup>The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website [www.bailliegifford.com](http://www.bailliegifford.com).

# Financial Statements

## Statement of Total Return for the year ended 31 January 2024

|   | Notes | 2024    |               | 2023    |                  |
|---|-------|---------|---------------|---------|------------------|
|   |       | £'000   | £'000         | £'000   | £'000            |
| <b>Income</b>   |       |         |               |         |                  |
| Net capital gains/(losses)  | 1     |         | 42,325        |         | (100,308)        |
| Revenue   | 3     | 14,415  |               | 17,369  |                  |
| Expenses  | 4     | (5,807) |               | (6,799) |                  |
| Net revenue before taxation   |       | 8,608   |               | 10,570  |                  |
| Taxation  | 5     | (782)   |               | (1,169) |                  |
| Net revenue after taxation  |       |         | 7,826         |         | 9,401            |
| Total return before distributions   |       |         | 50,151        |         | (90,907)         |
| Distributions   | 6     |         | (7,845)       |         | (9,432)          |
| <b>Change in net assets attributable to shareholders from investment activities</b> |       |         | <b>42,306</b> |         | <b>(100,339)</b> |

## Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 January 2024

|  | 2024      |                  | 2023      |                  |
|--|-----------|------------------|-----------|------------------|
|  | £'000     | £'000            | £'000     | £'000            |
| <b>Opening net assets attributable to shareholders</b>                       |           | <b>1,397,007</b> |           | <b>1,749,476</b> |
| Amounts receivable on issue of shares  | 46,279    |                  | 59,029    |                  |
| Amounts payable on cancellation of shares                                    | (239,142) |                  | (320,006) |                  |
|  |           | (192,863)        |           | (260,977)        |
| Dilution adjustment  |           | 234              |           | 377              |
| Change in net assets attributable to shareholders from investment activities |           | 42,306           |           | (100,339)        |
| Retained distributions on accumulation shares                                |           | 7,074            |           | 8,470            |
| <b>Closing net assets attributable to shareholders</b>                       |           | <b>1,253,758</b> |           | <b>1,397,007</b> |

## Financial Statements cont.

### Balance Sheet as at 31 January 2024

|  | Notes | 2024<br>£'000    | 2023<br>£'000    |
|--|-------|------------------|------------------|
| <b>Assets:</b>                                 |       |                  |                  |
| Fixed assets:                                  |       |                  |                  |
| Investments                                    | 13    | 1,248,690        | 1,382,088        |
| Current assets:                                |       |                  |                  |
| Debtors  | 8     | 23,533           | 9,996            |
| Cash and bank balances                         | 9     | 16,160           | 18,161           |
| <b>Total assets</b>                            |       | <b>1,288,383</b> | <b>1,410,245</b> |
| <b>Liabilities:</b>                            |       |                  |                  |
| Creditors:                                     |       |                  |                  |
| Bank overdrafts                                | 9     | (1,605)          | (2,946)          |
| Distributions payable                          |       | (238)            | (345)            |
| Other creditors                                | 10    | (32,782)         | (9,947)          |
| <b>Total liabilities</b>                       |       | <b>(34,625)</b>  | <b>(13,238)</b>  |
| <b>Net assets attributable to shareholders</b> |       | <b>1,253,758</b> | <b>1,397,007</b> |

# Notes to the Financial Statements

## 1 Net capital

|                                   | 2024          | 2023             |
|-----------------------------------|---------------|------------------|
|                                   | £'000         | £'000            |
| Non-derivative securities         | 42,960        | (100,627)        |
| Currency gains/(losses)           | (622)         | 330              |
| Transaction costs                 | (13)          | (11)             |
| <b>Net capital gains/(losses)</b> | <b>42,325</b> | <b>(100,308)</b> |

## 2 Purchases, sales and transaction costs

|  | 2024           | 2023           |
|--|----------------|----------------|
|  | £'000          | £'000          |
| <b>Purchases and transaction costs</b>                   |                |                |
| Gross purchases of equities excluding transaction costs  | 236,957        | 138,351        |
| Commissions  | 88             | 50             |
| Taxes  | 136            | 39             |
| Total transaction costs on equity purchases <sup>1</sup> | 224            | 89             |
| <b>Purchases including transaction costs</b>             | <b>237,181</b> | <b>138,440</b> |

<sup>1</sup>These amounts have been deducted in determining net capital gains/(losses).

|  | 2024 | 2023 |
|--|------|------|
|  | %    | %    |
| <b>Transaction costs as a percentage of principal amount</b> |      |      |
| Commission on equity purchases                               | 0.04 | 0.04 |
| Taxes on equity purchases                                    | 0.06 | 0.03 |

|  | 2024           | 2023           |
|--|----------------|----------------|
|  | £'000          | £'000          |
| <b>Sales and transaction costs</b>                   |                |                |
| Gross sales of equities excluding transaction costs  | 413,596        | 393,155        |
| Commissions  | (115)          | (118)          |
| Taxes  | (60)           | (105)          |
| Total transaction costs on equity sales <sup>1</sup> | (175)          | (223)          |
| <b>Sales net of transaction costs</b>                | <b>413,421</b> | <b>392,932</b> |

<sup>1</sup>These amounts have been deducted in determining net capital gains/(losses).

## Notes to the Financial Statements cont.

### 2 Purchases, sales and transaction costs (continued)

|  | 2024   | 2023   |
|--|--------|--------|
|  | %      | %      |
| <b>Transaction costs as a percentage of principal amount</b> |        |        |
| Commission on equity sales                                   | (0.03) | (0.03) |
| Taxes on equity sales  | (0.01) | (0.03) |

|                                       | 2024       |                     | 2023       |                     |
|---------------------------------------|------------|---------------------|------------|---------------------|
|                                       | £'000      | % of average<br>NAV | £'000      | % of average<br>NAV |
| <b>Portfolio transaction costs</b>    |            |                     |            |                     |
| Commissions                           | 203        | 0.02                | 168        | 0.01                |
| Taxes                                 | 196        | 0.02                | 144        | 0.01                |
| <b>Total direct transaction costs</b> | <b>399</b> | <b>0.04</b>         | <b>312</b> | <b>0.02</b>         |

|                                  | 2024 | 2023 |
|----------------------------------|------|------|
|                                  | %    | %    |
| Average portfolio dealing spread | 0.10 | 0.11 |

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

### 3 Revenue

|                      | 2024          | 2023          |
|----------------------|---------------|---------------|
|                      | £'000         | £'000         |
| UK dividends         | 76            | 1,527         |
| Overseas dividends   | 14,100        | 15,776        |
| Bank interest        | 238           | 66            |
| Other income         | 1             | -             |
| <b>Total revenue</b> | <b>14,415</b> | <b>17,369</b> |

## Notes to the Financial Statements cont.

### 4 Expenses

|  | 2024         | 2023         |
|--|--------------|--------------|
|  | £'000        | £'000        |
| <b>Payable to the ACD, associates of the ACD and agents of either of them:</b>               |              |              |
| Annual management charge   | 5,586        | 6,486        |
| <b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b> |              |              |
| Depositary's fee   | 82           | 97           |
| Bank charges   | 100          | 173          |
|  | 182          | 270          |
| <b>Other expenses:</b>   |              |              |
| Audit fee  | 8            | 8            |
| Non-audit fees paid to auditors  | 10           | 11           |
| Professional fees  | 21           | 24           |
|  | 39           | 43           |
| <b>Total expenses</b>  | <b>5,807</b> | <b>6,799</b> |

### 5 Taxation

|                                       | 2024       | 2023         |
|---------------------------------------|------------|--------------|
|                                       | £'000      | £'000        |
| <b>Analysis of charge in the year</b> |            |              |
| Corporation tax                       | -          | -            |
| Overseas tax                          | 1,037      | 1,065        |
| Prior year tax reclaims written off   | 53         | 124          |
| Tax recoverable on overseas dividends | (308)      | (20)         |
| <b>Total taxation</b>                 | <b>782</b> | <b>1,169</b> |

The Fund is subject to corporation tax at 20% (2023: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses substantially exceed the taxable income of the Fund and, as a result, there is no corporation tax charge.

At 31 January 2024, the Fund had excess management expenses of £59,528,000 (2023: £54,141,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing excess expenses.

## Notes to the Financial Statements cont.

### 5 Taxation (continued)

The tax charge is explained as follows:

|   | 2024       | 2023         |
|---|------------|--------------|
|   | £'000      | £'000        |
| Net revenue before taxation   | 8,608      | 10,570       |
| Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2023: 20%) | 1,722      | 2,114        |
| Effects of:   |            |              |
| Non-taxable UK dividends  | (15)       | (305)        |
| Non-taxable overseas dividends  | (2,777)    | (3,111)      |
| Overseas tax on dividends   | 1,037      | 1,065        |
| Excess management expenses  | 1,076      | 1,309        |
| Prior year tax reclaims written off   | 53         | 124          |
| Tax recoverable on overseas dividends   | (308)      | (20)         |
| Expense relief claimed on overseas tax  | (6)        | (7)          |
| <b>Total taxation</b>   | <b>782</b> | <b>1,169</b> |

### 6 Distributions

|  | 2024         | 2023         |
|--|--------------|--------------|
|  | £'000        | £'000        |
| Interim to 31 July                         | 1,268        | 1,432        |
| Final to 31 January                        | 6,098        | 7,452        |
|  | <b>7,366</b> | <b>8,884</b> |
| Amounts deducted on cancellation of shares | 643          | 749          |
| Amounts added on issue of shares           | (164)        | (201)        |
| <b>Total distributions</b>                 | <b>7,845</b> | <b>9,432</b> |

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distributions per share are set out in the Distribution Tables.

### 7 Reconciliation of net revenue to net distributions for the year

|  | 2024         | 2023         |
|--|--------------|--------------|
|  | £'000        | £'000        |
| Net revenue after taxation for the year      | 7,826        | 9,401        |
| Add capital transfers for deficits of income | 19           | 30           |
| Add distributable revenue brought forward    | -            | 1            |
| Less distributable revenue carried forward   | -            | -            |
| <b>Net distributions for the year</b>        | <b>7,845</b> | <b>9,432</b> |



## Notes to the Financial Statements cont.

### 8 Debtors

|                                | 2024          | 2023         |
|--------------------------------|---------------|--------------|
|                                | £'000         | £'000        |
| Receivable for issue of shares | 57            | 116          |
| Sales awaiting settlement      | 21,804        | 8,803        |
| Accrued income                 | 573           | 236          |
| Overseas tax recoverable       | 1,086         | 825          |
| VAT recoverable                | 4             | 9            |
| Other debtors                  | 9             | 7            |
| <b>Total debtors</b>           | <b>23,533</b> | <b>9,996</b> |

### 9 Cash and bank balances

|                                     | 2024          | 2023          |
|-------------------------------------|---------------|---------------|
|                                     | £'000         | £'000         |
| Sterling bank accounts              | 4,938         | 6,916         |
| Foreign currency bank accounts      | 11,222        | 11,245        |
|                                     | 16,160        | 18,161        |
| Sterling bank accounts overdrawn    | (1,605)       | (2,946)       |
| <b>Total cash and bank balances</b> | <b>14,555</b> | <b>15,215</b> |

### 10 Other creditors

|                                     | 2024          | 2023         |
|-------------------------------------|---------------|--------------|
|                                     | £'000         | £'000        |
| Payable for cancellation of shares  | 2,438         | 4,520        |
| Purchases awaiting settlement       | 29,581        | 4,411        |
| Due to the ACD or associates        | 495           | 532          |
| Due to the Depository or associates | 23            | 29           |
| Capital gains tax provision         | 234           | 446          |
| Other accrued expenses              | 11            | 9            |
| <b>Total other creditors</b>        | <b>32,782</b> | <b>9,947</b> |

### 11 Related party transactions

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts receivable and payable on the issue and cancellation of shares have been disclosed in notes 8 and 10 respectively.

Amounts paid to Baillie Gifford & Co Limited in respect of ACD fees are disclosed in note 4 with amounts due at the year end given in note 10.

## Notes to the Financial Statements cont.

### 11 Related party transactions (continued)

#### Shares held by the ACD and associates of the ACD

The shares held by the ACD and associates of the ACD as a percentage of the Fund's NAV were:

|                               | 2024 | 2023 |
|-------------------------------|------|------|
|                               | %    | %    |
| ACD and associates of the ACD | 0.00 | 0.00 |

### 12 Reconciliation of shares in issue

|                       | Shares in issue as at<br>31.01.23 | Shares issued | Shares cancelled | Shares converted | Shares in issue as at<br>31.01.24 |
|-----------------------|-----------------------------------|---------------|------------------|------------------|-----------------------------------|
| A Accumulation Shares | 127,899                           | 1,278         | (29,237)         | (33,597)         | 66,343                            |
| B Accumulation Shares | 9,883,923                         | 405,181       | (2,047,408)      | 190,195          | 8,431,891                         |
| B Income Shares       | 1,043,412                         | 28,476        | (271,895)        | 5,452            | 805,445                           |
| C Accumulation Shares | 2,953,088                         | 74,092        | (273,646)        | -                | 2,753,534                         |
| C Income Shares       | 50                                | 50            | (50)             | -                | 50                                |
| G Accumulation Shares | 814,599                           | -             | (9,081)          | (151,217)        | 654,301                           |

### 13 Basis of valuation

|   | 2024             | 2023             |
|---|------------------|------------------|
|   | Assets           | Assets           |
|   | £'000            | £'000            |
| Level 1: Quoted prices                  | 1,248,690        | 1,382,088        |
| Level 2: Observable market data         | -                | -                |
| Level 3: Unobservable data <sup>1</sup> | -                | -                |
| <b>Total</b>                            | <b>1,248,690</b> | <b>1,382,088</b> |

<sup>1</sup>For further information on the assets included in Level 3, as at 31 January 2024, please refer to the Portfolio Statement.

## Notes to the Financial Statements cont.

### 14 Derivatives and other financial instruments

#### Currency exposures

A proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

| Currency          | Net currency assets/(liabilities) |                                 |                | Net currency assets/(liabilities) |                                 |                |
|-------------------|-----------------------------------|---------------------------------|----------------|-----------------------------------|---------------------------------|----------------|
|                   | 2024                              |                                 |                | 2023                              |                                 |                |
|                   | Monetary exposures<br>£'000       | Non-monetary exposures<br>£'000 | Total<br>£'000 | Monetary exposures<br>£'000       | Non-monetary exposures<br>£'000 | Total<br>£'000 |
| Australian dollar | 591                               | 20,670                          | 21,261         | -                                 | 62,683                          | 62,683         |
| Brazilian real    | -                                 | 11,045                          | 11,045         | -                                 | 13,188                          | 13,188         |
| Chinese yuan      | -                                 | 6,345                           | 6,345          | -                                 | -                               | -              |
| Danish krone      | -                                 | 20,254                          | 20,254         | -                                 | 11,033                          | 11,033         |
| Euro              | -                                 | 99,700                          | 99,700         | -                                 | 129,595                         | 129,595        |
| Hong Kong dollar  | -                                 | 35,067                          | 35,067         | -                                 | 82,672                          | 82,672         |
| Indian rupee      | -                                 | 12,262                          | 12,262         | -                                 | 16,660                          | 16,660         |
| Japanese yen      | -                                 | 56,392                          | 56,392         | -                                 | 82,763                          | 82,763         |
| Norwegian krona   | -                                 | 16,424                          | 16,424         | -                                 | 14,607                          | 14,607         |
| South Korean won  | -                                 | 5,728                           | 5,728          | -                                 | -                               | -              |
| Swedish krona     | 412                               | 23,362                          | 23,775         | -                                 | 24,562                          | 24,562         |
| Swiss franc       | -                                 | 15,238                          | 15,238         | -                                 | 18,572                          | 18,572         |
| Taiwanese dollar  | -                                 | 20,278                          | 20,278         | -                                 | 21,889                          | 21,889         |
| UK sterling       | 3,332                             | 42,433                          | 45,765         | 3,970                             | 34,530                          | 38,501         |
| US dollar         | 10,219                            | 863,491                         | 873,710        | 11,245                            | 869,335                         | 880,579        |

Short-term debtors and creditors have not been disclosed.

Totals may not sum due to rounding.

The Fund invests in a generally diversified portfolio of assets. Consequently the ACD considers that a single measure of market sensitivity does not accurately reflect the risks faced by the Fund.

# Distribution Tables

Interim distribution for the period ended 31 July 2023

Group 1 : shares purchased prior to 1 February 2023

Group 2 : shares purchased 1 February 2023 to 31 July 2023

|                | Net Revenue<br>(dividend<br>distribution) | Equalisation                | Distribution<br>(paid/accumulated<br>30.09.23) | Distribution<br>(paid/accumulated<br>30.09.22) |
|----------------|---|-----------------------------|--|--|
|                | 31.07.23<br>pence per share               | 31.07.23<br>pence per share | 31.07.23<br>pence per share                    | 31.07.22<br>pence per share                    |
| A Accumulation |   |                             |  |  |
| Group 1        | -   | -                           | -  | -  |
| Group 2        | -   | -                           | -  | -  |
| B Accumulation |   |                             |  |  |
| Group 1        | 7.35000                                   | -                           | 7.35000  | 7.35000  |
| Group 2        | -   | 7.35000                     | 7.35000  | 7.35000  |
| B Income       |   |                             |  |  |
| Group 1        | 6.10000                                   | -                           | 6.10000  | 6.10000  |
| Group 2        | -   | 6.10000                     | 6.10000  | 6.10000  |
| C Accumulation |   |                             |  |  |
| Group 1        | 16.70000                                  | -                           | 16.70000                                       | 16.70000                                       |
| Group 2        | -   | 16.70000                    | 16.70000                                       | 16.70000                                       |
| C Income       |   |                             |  |  |
| Group 1        | 12.35000                                  | -                           | 12.35000                                       | 12.35000                                       |
| Group 2        | 12.35000                                  | -                           | 12.35000                                       | 12.35000                                       |
| G Accumulation |   |                             |  |  |
| Group 1        | 9.10000                                   | -                           | 9.10000  | 9.10000  |
| Group 2        | 9.10000                                   | -                           | 9.10000  | 9.10000  |

## Distribution Tables cont.

Final distribution for the period ended 31 January 2024

Group 1 : shares purchased prior to 1 August 2023

Group 2 : shares purchased 1 August 2023 to 31 January 2024

|                | Net Revenue<br>(dividend<br>distribution) | Equalisation                | Distribution<br>(paid/accumulated<br>31.03.24) | Distribution<br>(paid/accumulated<br>31.03.23) |
|----------------|---|-----------------------------|--|--|
|                | 31.01.24<br>pence per share               | 31.01.24<br>pence per share | 31.01.24<br>pence per share                    | 31.01.23<br>pence per share                    |
| A Accumulation |   |                             |  |  |
| Group 1        | -   | -                           | -  | -  |
| Group 2        | -   | -                           | -  | -  |
| B Accumulation |   |                             |  |  |
| Group 1        | 36.04000                                  | -                           | 36.04000                                       | 39.90000                                       |
| Group 2        | 6.70236                                   | 29.33764                    | 36.04000                                       | 39.90000                                       |
| B Income       |   |                             |  |  |
| Group 1        | 29.61000                                  | -                           | 29.61000                                       | 33.02000                                       |
| Group 2        | 7.29524                                   | 22.31476                    | 29.61000                                       | 33.02000                                       |
| C Accumulation |   |                             |  |  |
| Group 1        | 91.57000                                  | -                           | 91.57000                                       | 93.40000                                       |
| Group 2        | 25.01207                                  | 66.55793                    | 91.57000                                       | 93.40000                                       |
| C Income       |   |                             |  |  |
| Group 1        | 66.50000                                  | -                           | 66.50000                                       | 68.88000                                       |
| Group 2        | 66.50000                                  | -                           | 66.50000                                       | 68.88000                                       |
| G Accumulation |   |                             |  |  |
| Group 1        | 45.81000                                  | -                           | 45.81000                                       | 49.77000                                       |
| Group 2        | 45.81000                                  | -                           | 45.81000                                       | 49.77000                                       |



# Baillie Gifford™

Baillie Gifford Managed Fund

---

a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Annual Report & Financial Statements  
for the year ended 31 January 2024*



# Baillie Gifford Managed Fund

## Investment Objective

The Fund aims to achieve capital growth over rolling five-year periods.

## Investment Policy

The Fund will be actively managed and will invest in a combination of shares of companies of any size, bonds and cash; with a minimum of 60% in shares and 10% in bonds and cash. This exposure may be achieved directly or indirectly via collective investment schemes up to 10%. 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. Companies the Fund invests in (directly via shares or via corporate bonds) will be selected following a norms-based evaluation. The Fund will comply with the Investment Adviser's policy on assessing breaches of the United Nations Global Compact as outlined in its ESG Principles and Guidelines document. The Fund is managed in line with commitments to support the global goal of net zero greenhouse gas emissions by 2050 or sooner. In order to meet these commitments the investment manager will carry out specific climate analysis and use engagement, as required.

## Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The

shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Market conditions can change rapidly and a fund in any rank can lose you your investment. The Fund is classified as above as it invests in company shares and bonds.

The indicator does not take into account the following relevant material risks:

The Fund is actively managed meaning the Investment Manager selects investments of their own choosing with the aim of achieving the Fund's objectives. This is done without seeking to replicate any index in either of performance or portfolio composition. This investment style, selecting companies or bonds with perceived greater long-term growth potential ahead of any short-term returns, may lead to prolonged periods of underperformance in certain market conditions, both in relation to the Fund's benchmark and in absolute terms.

Over shorter time periods the Fund's share price can be volatile and returns can be much higher or lower than our five-year average target. There is no guarantee this objective will be achieved over any time period.

Bonds are affected by interest rates and inflation trends which may affect the value of the Fund. They could lose value if the issuer's financial health deteriorates.

Derivatives can magnify losses if returns go down.

In adverse market conditions it may be difficult to sell investments held by the Fund in a timely manner and their value may fall significantly. This could affect how much money you receive and even delay the selling of your shares if dealing in the Fund is suspended.

Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.



## Baillie Gifford Managed Fund cont.

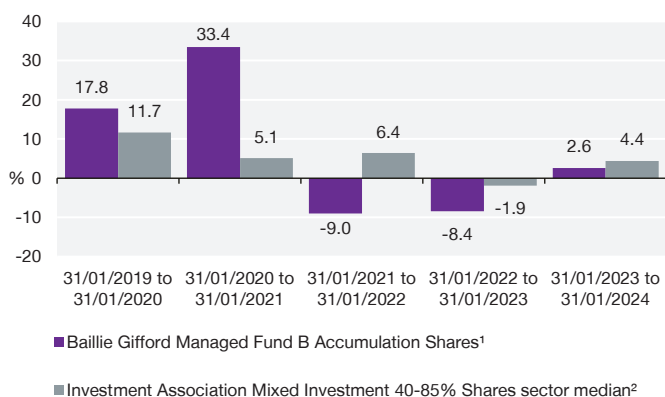
You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

Where possible, charges are taken from income. If insufficient, the rest will be taken from capital, reducing the capital value of the Fund.

For a more detailed explanation of the risks, please see the “Risk Warnings” section of the prospectus.

# Investment Report

## Past Performance



The performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the annual management charge of 0.40%. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

## Past Performance

The investment objective of the Fund is to achieve capital growth over rolling five-year periods. For the year to 31 January 2024 the return on B Accumulation Shares was 2.6%<sup>1</sup> compared to the Investment Association Mixed Investment 40–85% Shares sector median (the ‘comparator’) of 4.4%<sup>2</sup>. We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance, a period in line with the Fund’s objectives. Over that period, the annualised return on B Accumulation Shares was 6.1%<sup>1</sup> compared to the return on the comparator of 5.0%<sup>2</sup>.

## Market Environment

Stock markets remained volatile during 2023, sensitive to the prevailing view on interest rates and the likelihood of recession. Share prices rallied towards the end of the year, in part thanks to extraordinarily strong returns from a small subset of businesses, the ‘Magnificent Seven’ tech companies conspicuous among them. This meant that equity markets were driven to an unusually

significant extent by a tiny proportion of companies, so much so that in the benchmark S&P 500 US index, 72 per cent of constituents underperformed the index itself.

## Performance

Chip maker NVIDIA was the standout among positive contributors to performance over the year. The company is a leader in accelerated computing and generative AI and has seen revenues hit record levels as a result. The volume of continued demand for NVIDIA’s chips, combined with its commanding competitive edge, should allow the company to sustain high rates of profitable growth for the next several years. Ecommerce platform Shopify also performed well. During the year, Shopify streamlined its operations by dropping its low-margin logistics business and instead investing in software solutions, such as its AI tools for merchants. This strategic shift focuses on improving Shopify’s services and solidifying its position as a leading provider of infrastructure for online retail.

Detractors from performance included healthcare companies Moderna and Novocure. Moderna’s revenues declined faster than expected as demand for its Covid-19 vaccine reduced and its shares fell as a result. We believe

<sup>1</sup>Source: FE, 10am dealing prices, income accumulated. <sup>2</sup>Source: Revolution and The Investment Association. Please see Disclaimer on page 318. You should be aware that past performance is not a guide to future performance.

## Investment Report cont.

this was an overreaction by the market, as Moderna's substantial prospects are rooted in its extensive and well-funded drug development pipeline. This pipeline, leveraging mRNA technology, spans infectious diseases, cancers, and personalised medicines, with several promising treatments in advanced trials and anticipated product launches. These advancements appear not to be accounted for in the current valuation of the shares.

Novocure uses electric fields to inhibit the growth of solid tumours. While successful in bringing the treatment of glioblastoma, an aggressive form of brain cancer, to market, it suffered setbacks in more recent clinical trials. Our conviction in the investment case diminished, and we decided to sell the holding during the year.

Bond holdings detracted slightly from absolute returns in the year, with interest rate pressures continuing to be a headwind for the asset class.

### **Notable Transactions**

---

New purchases in the period included US 'internet of things' software company Samsara which helps firms to collate and analyse data from their physical assets such as commercial vehicles, thereby helping its customers cut costs and emissions. Elsewhere, in Europe we took new holdings in established luxury group LVMH (owner of Louis Vuitton) and newer fashion house Moncler, known for its iconic puffer jackets. In Asia we bought shares in Nippon Paint, a Japanese-listed paint company with a strong position in China, and in the UK we purchased Diploma, which distributes specialist technical products such as cables, seals, and valves, to a varied range of end markets.

*Baillie Gifford & Co, 12 February 2024*

## Principal Holdings as at 31 January 2024

| Investment                | Percentage of total Fund |
|---------------------------|--------------------------|
| US Treasury 2% 15/08/2025 | 1.86                     |
| NVIDIA                    | 1.78                     |
| Shopify 'A'               | 1.56                     |
| Amazon.com                | 1.40                     |
| TSMC                      | 1.25                     |
| The Trade Desk            | 1.20                     |
| ASML                      | 1.20                     |
| Samsung Group             | 1.10                     |
| Germany 0.5% 15/08/2027   | 1.03                     |
| UK T Bill 13/05/2024      | 1.02                     |

## Material Portfolio Changes for the year ended 31 January 2024

| Largest Purchases             | Cost<br>£'000 | Largest Sales             | Proceeds<br>£'000 |
|-------------------------------|---------------|---------------------------|-------------------|
| UK T Bill 13/05/2024          | 57,192        | Shopify 'A'               | 53,019            |
| Meta Platforms Inc            | 42,750        | The Trade Desk            | 45,280            |
| US Treasury 3.125% 15/11/2028 | 29,904        | Tesla Inc                 | 40,426            |
| Pinduoduo Inc ADR             | 23,063        | Adevinta                  | 38,619            |
| EQT                           | 22,994        | US Treasury 2% 15/08/2025 | 29,251            |
| Germany 0.5% 15/08/2027       | 22,593        | Brazil 10% 01/01/2027     | 28,703            |
| Hypoport                      | 21,426        | NVIDIA                    | 28,671            |
| Colombia 7% 26/03/2031        | 20,621        | Alibaba Group Holding     | 28,544            |
| FEMSA ADR                     | 20,067        | Hexpol AB                 | 27,428            |
| Soitec                        | 19,301        | Watsco Inc                | 27,172            |

The largest purchases and sales have been shown, with the exception of derivatives.

## Portfolio Statement as at 31 January 2024

| Stock description  | Holding   | Market value £'000 | % of total net assets |
|--|-----------|--------------------|-----------------------|
| <b>Equities - 79.13% (80.95%)</b>                                  |           |                    |                       |
| <b>Developed Asia Pacific - 11.61% (11.56%)</b>                    |           |                    |                       |
| AIA Group  | 1,945,000 | 11,908             | 0.21                  |
| Asahi Group Holdings   | 202,400   | 5,991              | 0.11                  |
| Baillie Gifford Japanese Smaller Companies Fund C Acc <sup>1</sup> | 932,233   | 39,303             | 0.69                  |
| BHP Group Ltd (Aus. listing)                                       | 701,867   | 17,219             | 0.30                  |
| Byd Company 'H'  | 678,000   | 11,864             | 0.21                  |
| Chugai Pharmaceutical  | 416,100   | 11,952             | 0.21                  |
| Cochlear   | 97,108    | 15,348             | 0.27                  |
| Cosmos Pharmaceutical  | 116,100   | 9,889              | 0.17                  |
| CyberAgent Inc   | 825,200   | 4,240              | 0.08                  |
| Denso  | 1,246,400 | 15,675             | 0.28                  |
| FANUC  | 438,900   | 9,707              | 0.17                  |
| Fast Retailing   | 82,200    | 17,549             | 0.31                  |
| freee K.K.   | 282,400   | 4,274              | 0.08                  |
| Galaxy Entertainment Group   | 3,795,000 | 15,478             | 0.27                  |
| Hong Kong Exchanges & Clearing                                     | 704,308   | 16,739             | 0.30                  |
| Hoshizaki Corp   | 277,700   | 8,047              | 0.14                  |
| iFAST Corp   | 927,900   | 4,018              | 0.07                  |
| James Hardie Industries  | 951,104   | 28,739             | 0.51                  |
| Keyence  | 32,400    | 11,589             | 0.20                  |
| Kobe Bussan Co Ltd   | 290,700   | 5,887              | 0.10                  |
| LY Corp  | 3,797,600 | 9,425              | 0.17                  |
| MonotaRO Co  | 538,300   | 4,050              | 0.07                  |
| MS&AD Insurance  | 873,400   | 28,846             | 0.51                  |
| Murata   | 1,020,000 | 16,521             | 0.29                  |
| Nidec  | 136,200   | 4,055              | 0.07                  |
| Nintendo   | 301,300   | 13,451             | 0.24                  |
| Nippon Paint   | 1,833,900 | 11,512             | 0.20                  |
| Olympus  | 1,877,300 | 22,187             | 0.39                  |
| REA Group  | 122,556   | 11,702             | 0.21                  |
| Recruit Holdings   | 693,600   | 22,085             | 0.39                  |
| Ryman Healthcare Ltd   | 2,247,581 | 6,182              | 0.11                  |
| SBI Holdings   | 1,375,600 | 26,929             | 0.48                  |
| Shimano  | 161,800   | 18,562             | 0.33                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                       | Holding    | Market value £'000 | % of total net assets |
|---|------------|--------------------|-----------------------|
| Shiseido                                | 902,600    | 20,026             | 0.35                  |
| SMC                                     | 65,800     | 29,307             | 0.52                  |
| SoftBank Group                          | 687,800    | 23,869             | 0.42                  |
| Sugi Holdings                           | 408,600    | 15,515             | 0.27                  |
| Systemex Corp                           | 187,400    | 8,062              | 0.14                  |
| Technopro Holdings                      | 305,700    | 5,635              | 0.10                  |
| Techtronic Industries                   | 2,089,500  | 17,453             | 0.31                  |
| Tokyo Electron                          | 66,800     | 10,000             | 0.18                  |
| Treasury Wine Estates                   | 1,242,790  | 6,929              | 0.12                  |
| Tsingtao Brewery 'H'                    | 1,112,000  | 4,965              | 0.09                  |
| Unicharm                                | 505,100    | 13,806             | 0.24                  |
| United Overseas Bank                    | 1,813,768  | 30,237             | 0.53                  |
| Xero Ltd                                | 193,294    | 11,117             | 0.20                  |
| <b>Emerging Markets - 8.97% (9.74%)</b> |            |                    |                       |
| B3 S.A.                                 | 9,586,400  | 19,928             | 0.35                  |
| Bank Rakyat Indonesia                   | 75,311,691 | 21,362             | 0.38                  |
| Cemex ADR                               | 2,541,980  | 16,508             | 0.29                  |
| FEMSA ADR                               | 221,514    | 23,565             | 0.42                  |
| Grupo Financiero Banorte                | 1,814,686  | 14,499             | 0.26                  |
| HDFC Bank                               | 1,693,715  | 23,424             | 0.41                  |
| ICICI Prudential Life Insurance         | 3,037,925  | 14,457             | 0.25                  |
| Jio Financial Services Ltd              | 7,456,651  | 17,504             | 0.31                  |
| Kweichow Moutai 'A'                     | 97,500     | 17,115             | 0.30                  |
| Meituan                                 | 1,850,270  | 11,617             | 0.20                  |
| MercadoLibre                            | 24,342     | 32,706             | 0.58                  |
| Mmc Norilsk Nickel <sup>2</sup>         | 173,993    | 0                  | 0.00                  |
| Nu Holdings Ltd.                        | 2,293,177  | 15,504             | 0.27                  |
| Petrobras Common ADR                    | 2,458,198  | 32,951             | 0.58                  |
| Pinduoduo Inc ADR                       | 206,111    | 20,526             | 0.36                  |
| Ping An Insurance                       | 5,194,500  | 17,037             | 0.30                  |
| Reliance Industries Ltd                 | 1,103,115  | 29,763             | 0.53                  |
| Samsung Electronics                     | 1,123,338  | 48,050             | 0.85                  |
| Samsung SDI Co Ltd                      | 65,623     | 14,382             | 0.25                  |
| Sberbank Of Russia <sup>2</sup>         | 8,390,848  | 0                  | 0.00                  |
| Sea Ltd ADR                             | 540,101    | 16,176             | 0.29                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                       | Holding   | Market value £'000 | % of total net assets |
|---|-----------|--------------------|-----------------------|
| Tencent                                 | 1,117,000 | 30,341             | 0.54                  |
| TSMC                                    | 4,501,000 | 70,917             | 1.25                  |
| <b>Europe (ex UK) - 19.42% (19.62%)</b> |           |                    |                       |
| adidas                                  | 94,534    | 14,210             | 0.25                  |
| Adyen N.V.                              | 34,135    | 34,091             | 0.60                  |
| Allegro.eu                              | 5,313,628 | 31,830             | 0.56                  |
| ASML                                    | 99,415    | 67,690             | 1.20                  |
| Atlas Copco B                           | 4,418,254 | 48,673             | 0.86                  |
| Auto1 Group SE                          | 1,515,358 | 5,053              | 0.09                  |
| AutoStore Hdgs                          | 7,144,652 | 10,379             | 0.18                  |
| Avanza Bank Holding                     | 2,588,191 | 41,328             | 0.73                  |
| Beijer Ref                              | 1,431,636 | 15,483             | 0.27                  |
| Crispr Therapeutics AG                  | 156,740   | 7,748              | 0.14                  |
| Dassault Systemes                       | 713,032   | 29,338             | 0.52                  |
| Delivery Hero AG                        | 543,377   | 9,861              | 0.17                  |
| DSV                                     | 271,107   | 38,301             | 0.68                  |
| Epiroc B                                | 1,516,789 | 18,744             | 0.33                  |
| EQT                                     | 1,332,805 | 28,524             | 0.50                  |
| Eurofins                                | 166,411   | 7,961              | 0.14                  |
| Evotec                                  | 773,379   | 9,470              | 0.17                  |
| EXOR                                    | 379,525   | 29,085             | 0.51                  |
| HelloFresh SE Ordinary                  | 1,136,403 | 12,001             | 0.21                  |
| Hypoport                                | 160,617   | 27,251             | 0.48                  |
| IMCD Group N.V.                         | 332,918   | 40,326             | 0.71                  |
| Kering                                  | 85,451    | 27,925             | 0.49                  |
| Kingspan Group                          | 809,681   | 52,174             | 0.92                  |
| Kinnevik                                | 1,783,427 | 15,296             | 0.27                  |
| Lonza Group                             | 53,986    | 20,993             | 0.37                  |
| LVMH                                    | 24,510    | 16,166             | 0.29                  |
| Mettler-Toledo                          | 34,556    | 32,510             | 0.57                  |
| Moncler                                 | 202,336   | 9,890              | 0.18                  |
| Nexans                                  | 439,559   | 31,759             | 0.56                  |
| Prosus N.V.                             | 2,435,625 | 57,198             | 1.01                  |
| Reply Spa                               | 260,466   | 28,062             | 0.50                  |
| Richemont                               | 269,018   | 31,768             | 0.56                  |



## Portfolio Statement as at 31 January 2024 cont.

| Stock description                      | Holding   | Market value £'000 | % of total net assets |
|--|-----------|--------------------|-----------------------|
| Royal Unibrew A/S                      | 227,734   | 11,819             | 0.21                  |
| Ryanair                                | 3,122,797 | 51,438             | 0.91                  |
| Ryanair ADR                            | 7,623     | 800                | 0.02                  |
| Sartorius Stedim Biotech               | 204,733   | 43,835             | 0.77                  |
| Schibsted B                            | 2,443,439 | 55,379             | 0.98                  |
| Soitec                                 | 147,833   | 17,075             | 0.30                  |
| Spotify Technology SA                  | 227,894   | 38,539             | 0.68                  |
| Wizz Air Holdings Plc                  | 816,930   | 16,245             | 0.29                  |
| Zalando SE                             | 848,933   | 13,567             | 0.24                  |
| <b>North America - 18.79% (18.94%)</b> |           |                    |                       |
| 10X Genomics Inc Class A               | 234,919   | 7,685              | 0.14                  |
| Affirm Holdings Inc Class A            | 539,691   | 17,168             | 0.30                  |
| Alnylam Pharmaceuticals                | 114,276   | 15,503             | 0.27                  |
| Amazon.com                             | 652,075   | 79,420             | 1.40                  |
| Chewy                                  | 653,826   | 9,139              | 0.16                  |
| Cloudflare Inc                         | 550,566   | 34,181             | 0.60                  |
| CoStar Group                           | 413,048   | 27,064             | 0.48                  |
| Coursera Inc                           | 1,039,175 | 15,619             | 0.28                  |
| Datadog                                | 274,420   | 26,805             | 0.47                  |
| Denali Therapeutics                    | 587,538   | 7,377              | 0.13                  |
| Doordash Inc                           | 500,749   | 40,958             | 0.72                  |
| Doximity Inc                           | 389,758   | 8,245              | 0.15                  |
| Duolingo Inc                           | 180,334   | 25,324             | 0.45                  |
| First Quantum Minerals                 | 2,242,588 | 16,081             | 0.28                  |
| Ginkgo Bioworks Holdings Inc           | 3,166,336 | 3,009              | 0.05                  |
| Guardant Health Inc                    | 533,911   | 9,182              | 0.16                  |
| Hashicorp Inc                          | 491,633   | 8,428              | 0.15                  |
| Inspire Medical Systems                | 116,051   | 19,220             | 0.34                  |
| Insulet                                | 98,552    | 14,771             | 0.26                  |
| Lemonade Inc                           | 323,055   | 4,011              | 0.07                  |
| Meta Platforms Inc                     | 156,065   | 47,792             | 0.84                  |
| Moderna Inc                            | 460,844   | 36,558             | 0.65                  |
| Netflix Inc                            | 111,013   | 49,163             | 0.87                  |
| NVIDIA                                 | 208,160   | 100,517            | 1.78                  |
| Oddity                                 | 153,632   | 4,970              | 0.09                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description             | Holding    | Market value £'000 | % of total net assets |
|-------------------------------|------------|--------------------|-----------------------|
| Penumbra Inc                  | 58,259     | 11,530             | 0.20                  |
| Pinterest                     | 792,213    | 23,304             | 0.41                  |
| Recursion Pharmaceuticals Inc | 646,372    | 4,771              | 0.09                  |
| Rivian Automotive Inc         | 255,470    | 3,071              | 0.06                  |
| Roblox                        | 636,641    | 19,402             | 0.34                  |
| Roku                          | 263,533    | 18,221             | 0.32                  |
| Samsara                       | 352,908    | 8,702              | 0.15                  |
| Sana Biotechnology Inc        | 435,538    | 1,878              | 0.03                  |
| Shopify 'A'                   | 1,406,274  | 88,422             | 1.56                  |
| Snowflake Inc                 | 146,559    | 22,514             | 0.40                  |
| Sprout Social                 | 257,284    | 12,381             | 0.22                  |
| Sweetgreen                    | 998,862    | 8,377              | 0.15                  |
| Tesla Inc                     | 297,450    | 43,731             | 0.77                  |
| The Trade Desk                | 1,265,781  | 67,998             | 1.20                  |
| Twilio Inc                    | 230,920    | 12,750             | 0.23                  |
| Watsco Inc                    | 79,357     | 24,346             | 0.43                  |
| Wayfair Inc                   | 381,231    | 15,040             | 0.27                  |
| Workday Inc                   | 174,071    | 39,786             | 0.70                  |
| YETI Holdings                 | 279,823    | 9,655              | 0.17                  |
| <b>UK - 20.34% (21.09%)</b>   |            |                    |                       |
| Ashtead                       | 591,137    | 30,751             | 0.54                  |
| AstraZeneca                   | 501,556    | 52,663             | 0.93                  |
| Auto Trader                   | 5,153,832  | 37,561             | 0.66                  |
| Babcock International         | 7,014,186  | 31,732             | 0.56                  |
| Bellway                       | 557,551    | 15,377             | 0.27                  |
| Bodycote                      | 2,348,416  | 14,971             | 0.26                  |
| Breedon Group                 | 3,170,058  | 11,523             | 0.20                  |
| Bunzl                         | 1,617,103  | 51,990             | 0.92                  |
| Burberry                      | 1,279,384  | 16,728             | 0.30                  |
| Close Brothers                | 1,175,733  | 6,390              | 0.11                  |
| Diageo                        | 1,424,503  | 40,741             | 0.72                  |
| Diploma                       | 374,516    | 12,202             | 0.22                  |
| Dowlais Group Plc             | 2,848,947  | 2,575              | 0.05                  |
| Enquest                       | 27,416,891 | 3,537              | 0.06                  |
| Experian                      | 977,430    | 32,216             | 0.57                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description          | Holding    | Market value £'000 | % of total net assets |
|----------------------------|------------|--------------------|-----------------------|
| Exscientia Ltd ADR         | 293,284    | 1,336              | 0.02                  |
| Fisher (James) & Sons      | 783,569    | 2,652              | 0.05                  |
| Games Workshop Group       | 146,193    | 14,473             | 0.26                  |
| Genus                      | 397,836    | 9,126              | 0.16                  |
| Greggs                     | 471,890    | 12,609             | 0.22                  |
| Halma                      | 567,376    | 12,437             | 0.22                  |
| Hargreaves Lansdown        | 1,645,343  | 12,600             | 0.22                  |
| Helical                    | 1,689,983  | 3,473              | 0.06                  |
| Hikma Pharmaceuticals      | 1,541,464  | 29,766             | 0.53                  |
| Hiscox                     | 1,532,271  | 15,920             | 0.28                  |
| Howden Joinery Group       | 4,203,700  | 33,739             | 0.60                  |
| IG Group                   | 1,901,437  | 13,557             | 0.24                  |
| Inchcape                   | 4,283,655  | 29,322             | 0.52                  |
| Informa                    | 3,529,185  | 27,436             | 0.48                  |
| IntegraFin                 | 2,434,734  | 7,192              | 0.13                  |
| Intermediate Capital Group | 1,044,650  | 18,647             | 0.33                  |
| Just Group                 | 22,047,012 | 18,806             | 0.33                  |
| Kainos Group               | 577,639    | 6,620              | 0.12                  |
| Keller                     | 807,905    | 7,061              | 0.12                  |
| Lancashire Holdings        | 4,298,714  | 26,093             | 0.46                  |
| Legal & General            | 17,574,015 | 44,814             | 0.79                  |
| Marks & Spencer            | 14,680,614 | 36,305             | 0.64                  |
| Melrose Industries         | 2,587,044  | 15,279             | 0.27                  |
| Molten Ventures            | 2,486,131  | 5,932              | 0.10                  |
| Ocado                      | 775,782    | 4,240              | 0.08                  |
| PageGroup                  | 3,992,914  | 18,312             | 0.32                  |
| Persimmon                  | 1,350,214  | 19,747             | 0.35                  |
| Prudential                 | 4,458,545  | 36,489             | 0.64                  |
| RELX                       | 1,440,941  | 47,004             | 0.83                  |
| Renishaw                   | 324,625    | 11,375             | 0.20                  |
| Rightmove                  | 4,412,008  | 24,716             | 0.44                  |
| Rio Tinto                  | 948,055    | 52,172             | 0.92                  |
| Sabre Insurance Gp         | 2,791,396  | 4,304              | 0.08                  |
| St. James's Place          | 3,633,485  | 23,763             | 0.42                  |
| Standard Chartered         | 4,369,787  | 26,166             | 0.46                  |
| Trainline Plc              | 3,530,941  | 11,666             | 0.21                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                       | Holding       | Market value £'000 | % of total net assets |
|---|---------------|--------------------|-----------------------|
| Unilever                                | 1,004,404     | 38,639             | 0.68                  |
| Victrex                                 | 658,224       | 8,965              | 0.16                  |
| Volution Group                          | 3,905,738     | 17,006             | 0.30                  |
| Weir                                    | 1,473,360     | 26,800             | 0.47                  |
| Wise Plc                                | 1,797,999     | 14,557             | 0.26                  |
| Stock description                       | Holding       | Market value £'000 | % of total net assets |
| <b>Fixed Income - 19.02% (17.49%)</b>   |               |                    |                       |
| <b>Overseas Bonds - 16.38% (15.71%)</b> |               |                    |                       |
| <b>Credit Bonds - 7.37% (6.24%)</b>     |               |                    |                       |
| Accor SA 7.25% 2029 Perp                | 5,300,000     | 4,928              | 0.09                  |
| Alcoa 4.125% 2029 (144A)                | 4,247,000     | 3,061              | 0.05                  |
| AMS 10.5% 2029                          | 4,700,000     | 4,330              | 0.08                  |
| Ardagh Packaging 4.125% 2026 (144A)     | 2,660,000     | 1,881              | 0.03                  |
| Avient 5.75% 2025 (144A)                | 13,700,000    | 10,716             | 0.19                  |
| Bath & Body Works 9.375% 2025 (144A)    | 3,200,000     | 2,626              | 0.05                  |
| Bharti Airtel 5.65% 2025 Perp           | 9,275,000     | 7,183              | 0.13                  |
| Burford Capital 6.25% 2028 (144a)       | 4,765,000     | 3,612              | 0.06                  |
| Burford Capital 9.25% 2031 (144A)       | 3,800,000     | 3,112              | 0.06                  |
| CaixaBank 6.684% 2027 (144A)            | 3,399,000     | 2,742              | 0.05                  |
| Caixabank 6.75% 2024 Perp AT1           | 3,400,000     | 2,908              | 0.05                  |
| CaixaBank 6.875% 2028-33 T2             | 3,000,000     | 3,047              | 0.05                  |
| Cheplapharm 5.5% 2028 (144A)            | 6,100,000     | 4,587              | 0.08                  |
| Cirsa Finance 10.375% 2027              | 3,140,000     | 2,879              | 0.05                  |
| Citigroup 4.412% 2031                   | 8,400,000     | 6,342              | 0.11                  |
| Concentrix 6.65% 2026                   | 5,075,000     | 4,080              | 0.07                  |
| CPI Property 1.5% 2031                  | 2,650,000     | 1,396              | 0.03                  |
| CPI Property 1.625% 2027                | 3,630,000     | 2,485              | 0.04                  |
| CPI Property 4.875% 2025 Perp           | 3,000,000     | 1,167              | 0.02                  |
| Ctp N.V. 0.625% 2026                    | 6,600,000     | 5,130              | 0.09                  |
| Ctp N.V. 4.75% 2030                     | 3,800,000     | 3,265              | 0.06                  |
| DaVita 4.625% 2030 (144A)               | 6,400,000     | 4,447              | 0.08                  |
| DNB Bank 4% 2026/27                     | 5,500,000     | 5,354              | 0.10                  |
| EBRD 0% 10/11/2030                      | 5,921,300,000 | 10,845             | 0.19                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                       | Holding    | Market value £'000 | % of total net assets |
|---|------------|--------------------|-----------------------|
| EIB 4.875% 2036                         | 24,942,000 | 20,797             | 0.37                  |
| Enel 7.5% 2032 (144A)                   | 6,200,000  | 5,518              | 0.10                  |
| Ford Motor Co 7.2% 2030                 | 2,400,000  | 2,003              | 0.04                  |
| Gruenenthal Gmbh 3.625% 2026            | 3,300,000  | 2,761              | 0.05                  |
| Helvetia Hdg 2.75% 2031-2041            | 10,905,000 | 8,079              | 0.14                  |
| IBRD 4.75% 2035                         | 2,541,000  | 2,062              | 0.04                  |
| IHS Hdg 5.625% 2026                     | 3,039,000  | 2,153              | 0.04                  |
| InPost 2.25% 2027                       | 9,500,000  | 7,577              | 0.13                  |
| IQVIA 6.25% 2029 (144A)                 | 6,800,000  | 5,555              | 0.10                  |
| Italmatch Chemicals 10% 2028            | 3,300,000  | 2,970              | 0.05                  |
| J.P. Morgan 3.782% 2028                 | 4,620,000  | 3,511              | 0.06                  |
| J.P. Morgan 6.4% 2038                   | 10,210,000 | 9,193              | 0.16                  |
| Jefferies Finance Group 5% 2028 (144A)  | 8,995,000  | 6,410              | 0.11                  |
| KFW 0.375% 2025                         | 26,790,000 | 19,810             | 0.35                  |
| Kyndryl Holdings 3.15% 2031             | 10,251,000 | 6,696              | 0.12                  |
| LeasePlan 7.375% 2024 Perp AT1          | 9,260,000  | 7,899              | 0.14                  |
| Liberty Costa Rica 10.875% 2031 (Reg S) | 5,500,000  | 4,416              | 0.08                  |
| Liberty Puerto Rico 6.75% 2027 (144A)   | 5,500,000  | 4,196              | 0.07                  |
| MercadoLibre 3.125% 2031                | 2,771,000  | 1,829              | 0.03                  |
| MetLife 3.45% 2026 (144A)               | 2,178,000  | 1,652              | 0.03                  |
| MetLife 3.5% 2026                       | 9,509,000  | 9,230              | 0.16                  |
| MSCI Inc 4% 2029 (144A)                 | 14,300,000 | 10,435             | 0.18                  |
| Netflix 4.625% 2029                     | 6,136,000  | 5,557              | 0.10                  |
| Nissan Motor 4.81% 2030 (144A)          | 2,800,000  | 2,048              | 0.04                  |
| NTT 1.162% 2026                         | 15,900,000 | 11,568             | 0.21                  |
| OCI 4.625% 2025 (144A)                  | 3,080,000  | 2,363              | 0.04                  |
| OCI 6.7% 2033 (144A)                    | 3,800,000  | 2,984              | 0.05                  |
| Orix Corp. 4.477% 2028                  | 10,000,000 | 8,903              | 0.16                  |
| Perrigo Co 4.4% 2030                    | 6,000,000  | 4,352              | 0.08                  |
| Pershing Square 3.25% 2031 (RegS)       | 3,870,000  | 2,449              | 0.04                  |
| Pershing Square Holdings 1.375% 2027    | 2,410,000  | 1,821              | 0.03                  |
| Pershing Square Holdings 3.25% 2030     | 7,698,000  | 5,107              | 0.09                  |
| Popular Inc 7.25% 2028                  | 3,450,000  | 2,801              | 0.05                  |
| Prosus 3.68% 2030                       | 1,970,000  | 1,346              | 0.02                  |
| Prosus 3.832% 2051                      | 5,440,000  | 2,637              | 0.05                  |
| Rabobank Groep 3.649% 2027/28 (RegS)    | 11,000,000 | 8,257              | 0.15                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                           | Holding       | Market value £'000 | % of total net assets |
|---|---------------|--------------------|-----------------------|
| Rabobank Groep 4.655% 2027/28 (RegS)        | 3,500,000     | 2,715              | 0.05                  |
| Realty Income 5.125% 2034                   | 9,200,000     | 8,472              | 0.15                  |
| ReNew Energy Global 4.5% 2027               | 4,600,000     | 3,234              | 0.06                  |
| Santander 4.175% 2027/28                    | 3,200,000     | 2,420              | 0.04                  |
| Santander 9.625% 2029 Perp AT1              | 5,000,000     | 4,153              | 0.07                  |
| Sealed Air 1.573% 2026 (144A)               | 11,362,000    | 8,082              | 0.14                  |
| SiriusXM Radio 3.125% 2026 (144A)           | 11,400,000    | 8,347              | 0.15                  |
| StoneCo 3.95% 2028                          | 4,900,000     | 3,326              | 0.06                  |
| STORE Capital 2.75% 2030                    | 4,600,000     | 2,869              | 0.05                  |
| Taseko Mines 7% 2026 (144A)                 | 6,555,000     | 5,057              | 0.09                  |
| TD Synnex Corp 1.25% 2024                   | 5,324,000     | 4,084              | 0.07                  |
| Tegna Inc 4.75% 2026 (144A)                 | 5,400,000     | 4,126              | 0.07                  |
| Telefonica 8.25% 2030                       | 7,500,000     | 6,845              | 0.12                  |
| Temasek 3.5% 2033                           | 10,000,000    | 8,722              | 0.15                  |
| Temasek 5.375% 2039 (RegS)                  | 6,151,000     | 5,387              | 0.10                  |
| Time Warner 4.5% 2042                       | 9,840,000     | 6,099              | 0.11                  |
| Townsquare Media 6.875% 2026 (144A)         | 5,700,000     | 4,408              | 0.08                  |
| Ubisoft Entertainment 0.878% 2027           | 5,000,000     | 3,524              | 0.06                  |
| United Rentals 6% 2029 (144A)               | 8,800,000     | 7,002              | 0.12                  |
| Venture Global Calcasieu 3.875% 2033 (144A) | 5,100,000     | 3,400              | 0.06                  |
| Veritext 8.5% 2030 (144A)                   | 3,700,000     | 3,011              | 0.05                  |
| Yara Intl 7.378% 2032 (144A)                | 3,329,000     | 2,920              | 0.05                  |
| <b>Government Bonds - 9.01% (9.27%)</b>     |               |                    |                       |
| Australia 3% 21/03/2047                     | 29,883,000    | 12,368             | 0.22                  |
| Brazil 10% 01/01/2027                       | 182,515       | 29,001             | 0.51                  |
| Canada 3.5% 01/12/2045                      | 14,721,000    | 8,873              | 0.16                  |
| Dominican Republic 5.95% 25/01/2027 (USD)   | 11,310,000    | 8,890              | 0.16                  |
| France 3.25% 25/05/2045                     | 22,001,464    | 19,145             | 0.34                  |
| Germany 0.5% 15/08/2027                     | 72,574,000    | 58,611             | 1.03                  |
| Greece 3.45% 02/04/2024                     | 29,630,000    | 25,242             | 0.44                  |
| Indonesia 3.85% 15/10/2030 (USD)            | 4,540,000     | 3,358              | 0.06                  |
| Japan (Govt) 0.5% 20/03/2049 #62            | 3,443,650,000 | 13,989             | 0.25                  |
| Japan (Govt) 2.3% 20/06/35 #19              | 1,988,650,000 | 12,339             | 0.22                  |
| Mexico 7.75% 23/11/2034                     | 3,582,600     | 14,703             | 0.26                  |
| North Macedonia 3.675% 03/06/2026 (EUR)     | 5,270,000     | 4,361              | 0.08                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                          | Holding     | Market value £'000 | % of total net assets |
|--|-------------|--------------------|-----------------------|
| Peru 5.625% 18/11/2050 (USD)               | 6,100,000   | 4,838              | 0.08                  |
| Peru 6.95% 12/08/2031                      | 65,406      | 14,097             | 0.25                  |
| Qatar 4% 14/03/2029 (USD)                  | 4,420,000   | 3,419              | 0.06                  |
| Romania 2.875% 26/05/2028 (EUR)            | 13,673,000  | 10,968             | 0.19                  |
| South Africa 8.875% 28/02/2035             | 464,000,000 | 16,501             | 0.29                  |
| Spain 1.85% 30/07/2035                     | 54,844,000  | 40,631             | 0.72                  |
| TCV 2% 20/11/2037                          | 15,400,000  | 5,553              | 0.10                  |
| TCV 2.25% 20/11/2042                       | 16,900,000  | 5,654              | 0.10                  |
| US Treasury 2% 15/08/2025                  | 138,817,000 | 105,181            | 1.86                  |
| US Treasury 2% 15/08/2051                  | 61,191,800  | 30,314             | 0.53                  |
| US Treasury 3% 15/11/2045                  | 44,498,900  | 28,239             | 0.50                  |
| US Treasury 3.125% 15/11/2028              | 44,970,000  | 34,126             | 0.60                  |
| <b>Index Linked Bonds - 0.00% (0.20%)</b>  |             |                    |                       |
| <b>UK Bonds - 2.64% (1.78%)</b>            |             |                    |                       |
| <b>Credit Bonds - 1.62% (1.78%)</b>        |             |                    |                       |
| Admiral Group 8.5% 2034 T2                 | 4,410,000   | 4,799              | 0.08                  |
| Annington Funding 2.308% 2032              | 7,337,000   | 5,715              | 0.10                  |
| Annington Funding 2.924% 2051              | 6,100,000   | 3,628              | 0.06                  |
| Antofagasta 2.375% 2030                    | 10,375,000  | 6,702              | 0.12                  |
| Barclays 7.125% 2025 Perp AT1              | 7,901,000   | 7,684              | 0.14                  |
| Investec 2.625% 2026-2032                  | 11,155,000  | 9,595              | 0.17                  |
| Marks and Spencer 3.75% 2026               | 500,000     | 482                | 0.01                  |
| Marks and Spencer 7.125% 2037 (144A)       | 10,260,000  | 8,109              | 0.14                  |
| Mitchells & Butlers 5.574% 15/12/2030 (A2) | 4,310,000   | 996                | 0.02                  |
| Natwest 3.032% 2035                        | 3,050,000   | 2,011              | 0.04                  |
| NatWest 7.472% 2026                        | 11,400,000  | 9,276              | 0.16                  |
| Ocado 3.875% 2026                          | 2,680,000   | 2,322              | 0.04                  |
| Pension Insurance Corp 8% 2033 T2          | 5,281,000   | 5,641              | 0.10                  |
| Phoenix Group 7.75% 2053                   | 3,000,000   | 3,116              | 0.05                  |
| Phoenix Life 5.625% 2025 Perp              | 1,192,000   | 902                | 0.02                  |
| Telereal 1.3657% 2031 (A6)                 | 1,502,000   | 893                | 0.02                  |
| Telereal 3.5625% 2031/36 (A3)              | 7,000,000   | 6,284              | 0.11                  |
| Telereal 5.3887% 2031/33 (A5)              | 104,000     | 39                 | 0.00                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                          | Holding    | Market value £'000 | % of total net assets |
|--|------------|--------------------|-----------------------|
| Victoria 3.625% 2026                       | 6,043,000  | 4,353              | 0.08                  |
| Weir Group 2.2% 2026 (144A)                | 6,200,000  | 4,528              | 0.08                  |
| Weir Group 6.875% 2028                     | 4,500,000  | 4,700              | 0.08                  |
| <b>Government Bonds - 1.02% (0.00%)</b>    |            |                    |                       |
| UK T Bill 13/05/2024                       | 58,600,000 | 57,747             | 1.02                  |
| <b>Derivatives - 0.04% (0.05%)</b>         |            |                    |                       |
| Forward currency contracts (see Table 1)   |            | 3,435              | 0.06                  |
| Futures contracts (see Table 2)            |            | -                  | 0.00                  |
| Interest rate swap contracts (see Table 3) |            | (1,000)            | (0.02)                |
| <b>Portfolio of investments</b>            |            | <b>5,561,732</b>   | <b>98.19</b>          |
| <b>Net other assets - 1.81% (1.51%)</b>    |            | <b>102,511</b>     | <b>1.81</b>           |
| <b>Net assets</b>                          |            | <b>5,664,243</b>   | <b>100.00</b>         |

<sup>1</sup>Baillie Gifford UK & Balanced Funds ICVC related party (please refer to note 11).

<sup>2</sup>This stock was valued at nil at the year end amid the ongoing conflict in Ukraine. It has been valued at the Investment Adviser's valuation and therefore is categorised as level 3 in note 13.

Please note: figures are based on market values rather than economic exposure.

All investments are listed on recognised stock exchanges or are fixed interest securities and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets in the investment category headings refer to 31 January 2023.



## Portfolio Statement as at 31 January 2024 cont.

Table 1: Unrealised gains/(losses) on open forward currency contracts

| Counterparty   | Settlement | Buy | Buy Amount     | Sell | Sell Amount    | Unrealised gains/(losses) £'000 | % of total net assets |
|--|------------|-----|----------------|------|----------------|---------------------------------|-----------------------|
| Barclays   | 08/02/24   | GBP | 17,012,942     | CNH  | 152,000,000    | 366                             | 0.01                  |
| Barclays   | 08/02/24   | GBP | 904,724        | ZAR  | 20,600,000     | 36                              | 0.00                  |
| Barclays   | 25/04/24   | THB | 130,000,000    | GBP  | 2,884,798      | 11                              | 0.00                  |
| Citigroup  | 14/03/24   | JPY | 1,900,000,000  | GBP  | 10,489,210     | (217)                           | 0.00                  |
| Citigroup  | 21/03/24   | GBP | 10,879,101     | CLP  | 12,000,000,000 | 808                             | 0.01                  |
| Citigroup  | 25/04/24   | CHF | 2,200,000      | GBP  | 2,009,679      | 22                              | 0.00                  |
| Citigroup  | 25/04/24   | THB | 470,000,000    | GBP  | 10,429,654     | 39                              | 0.00                  |
| Citigroup  | 04/09/24   | GBP | 101,221,282    | EUR  | 117,000,000    | 1,168                           | 0.02                  |
| Deutsche Bank  | 04/09/24   | GBP | 13,842,226     | EUR  | 16,000,000     | 160                             | 0.00                  |
| Goldman Sachs  | 22/02/24   | GBP | 18,066,553     | TWD  | 700,000,000    | 412                             | 0.01                  |
| Goldman Sachs  | 25/04/24   | USD | 35,400,000     | GBP  | 27,778,559     | 5                               | 0.00                  |
| Goldman Sachs  | 04/09/24   | GBP | 113,586,647    | USD  | 143,830,000    | 689                             | 0.01                  |
| HSBC   | 22/02/24   | GBP | 4,387,591      | TWD  | 170,000,000    | 100                             | 0.00                  |
| HSBC   | 14/03/24   | GBP | 7,081,598      | EUR  | 8,190,000      | 85                              | 0.00                  |
| HSBC   | 25/04/24   | GBP | 29,952,715     | BRL  | 189,400,000    | 134                             | 0.00                  |
| JP Morgan Chase  | 14/03/24   | JPY | 15,545,300,000 | GBP  | 85,819,948     | (1,779)                         | (0.03)                |
| JP Morgan Chase  | 25/04/24   | USD | 40,974,000     | GBP  | 32,152,506     | 6                               | 0.00                  |
| JP Morgan Chase  | 13/06/24   | GBP | 22,985,992     | CZK  | 658,000,000    | 472                             | 0.01                  |
| JP Morgan Chase  | 13/06/24   | PLN | 60,000,000     | GBP  | 11,853,993     | (57)                            | 0.00                  |
| Merrill Lynch  | 25/04/24   | THB | 660,000,000    | GBP  | 14,645,897     | 54                              | 0.00                  |
| Merrill Lynch  | 25/04/24   | USD | 14,140,000     | GBP  | 11,095,730     | 2                               | 0.00                  |
| Merrill Lynch  | 13/06/24   | PLN | 58,000,000     | GBP  | 11,458,859     | (55)                            | 0.00                  |
| Merrill Lynch  | 02/08/24   | GBP | 16,601,253     | ZAR  | 378,000,000    | 654                             | 0.01                  |
| National Australia Bank                                      | 05/09/24   | GBP | 9,133,979      | AUD  | 17,600,000     | (23)                            | 0.00                  |
| NatWest  | 25/04/24   | GBP | 14,138,358     | PEN  | 67,300,000     | 267                             | 0.01                  |
| NatWest  | 25/04/24   | USD | 35,200,000     | GBP  | 27,621,619     | 5                               | 0.00                  |
| Royal Bank of Canada   | 25/04/24   | CAD | 26,680,000     | GBP  | 15,563,739     | 126                             | 0.00                  |
| Royal Bank of Canada   | 25/04/24   | GBP | 14,814,048     | MXN  | 330,000,000    | (55)                            | 0.00                  |
| Unrealised gains/(losses) on open forward currency contracts |            |     |                |      |                | 3,435                           | 0.06                  |

## Portfolio Statement as at 31 January 2024 cont.

**Table 2: Unrealised gains/(losses) on futures contracts**

| Futures  | Maturity | Notional | Unrealised gains/(losses) £'000 | % of total net assets |
|--|----------|----------|---------------------------------|-----------------------|
| Euro-Bobl Future March 2024                    |          | 157      | -                               | 0.00                  |
| Euro-Schatz Future March 2024                  |          | 484      | -                               | 0.00                  |
| Long Gilt Future 10 Year March 2024            |          | (307)    | -                               | 0.00                  |
| US 10 Year Note Future March 2024              |          | 76       | -                               | 0.00                  |
| US 2 Year Note (CBT) March 2024                |          | (97)     | -                               | 0.00                  |
| US 5 Year Note March 2024                      |          | 482      | -                               | 0.00                  |
| US Ultra Long (CBT) March 2024                 |          | 77       | -                               | 0.00                  |
| Unrealised gains/(losses) on futures contracts |          |          | -                               | 0.00                  |

## Portfolio Statement as at 31 January 2024 cont.

**Table 3: Unrealised gains/(losses) on open interest rate swap contracts**

| Counterparty   | Ccy | Termination | Notional       | Fund pays  | Fund receives                                    | Unrealised gains/(losses) £'000 | % of total net assets |
|--|-----|-------------|----------------|--|--|---------------------------------|-----------------------|
| Barclays   | JPY | 18/11/32    | 5,750,000,000  | MUTAN<br>Uncollateralised<br>Overnight Call Rate | 0.527%   | (812)                           | (0.01)                |
| Barclays   | EUR | 08/05/33    | 41,500,000     | Euribor 6 Month                                  | 2.881%   | 955                             | 0.02                  |
| Barclays   | EUR | 08/05/53    | 17,000,000     | 2.5297%  | Euribor 6 Month                                  | (355)                           | (0.01)                |
| Citigroup  | EUR | 12/01/27    | 110,100,000    | ESTR Volume<br>Weighted Trimmed<br>Mean Rate     | 2.4938%  | 227                             | 0.00                  |
| Deutsche Bank  | JPY | 18/11/32    | 1,950,000,000  | 0.527%   | MUTAN<br>Uncollateralised<br>Overnight Call Rate | 275                             | 0.00                  |
| Goldman Sachs  | CLP | 16/11/26    | 45,000,000,000 | 5.69%  | ABIF Chile<br>Interbank Rate Avg                 | (1,236)                         | (0.02)                |
| JP Morgan  | KRW | 08/08/32    | 37,700,000,000 | KRW Certificate of<br>Deposit 3 Month            | 2.8523%  | (571)                           | (0.01)                |
| JP Morgan  | JPY | 12/01/34    | 2,000,000,000  | 0.80895%   | MUTAN<br>Uncollateralised<br>Overnight Call Rate | 112                             | 0.00                  |
| JP Morgan  | USD | 12/01/44    | 20,100,000     | SOFR Secured<br>Overnight<br>Financing Rate      | 3.6478%  | 3                               | 0.00                  |
| Morgan Stanley   | JPY | 18/11/32    | 2,000,000,000  | 0.527%   | MUTAN<br>Uncollateralised<br>Overnight Call Rate | 283                             | 0.01                  |
| Nomura International   | JPY | 12/10/33    | 2,230,000,000  | MUTAN<br>Uncollateralised<br>Overnight Call Rate | 1.0058%  | 119                             | 0.00                  |
| Unrealised gains/(losses) on open interest rate swap contracts |     |             |                |  |  | (1,000)                         | (0.02)                |

# Comparative Tables

## Comparative Table: A Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 1,084.24   | 1,207.81   | 1,306.93   |
| Return before operating charges*              | 16.66  | (107.47)   | (78.39)  |
| Operating charges                             | (16.35)  | (16.10)  | (20.73)  |
| Return after operating charges*               | 0.31   | (123.57)   | (99.12)  |
| Distributions                                 | (7.32)   | (9.88)   | 0.00   |
| Retained distributions on accumulation shares | 7.32   | 9.88   | 0.00   |
| <b>Closing net asset value per share</b>      | <b>1,084.55</b>  | <b>1,084.24</b>  | <b>1,207.81</b>  |
| *After direct transaction costs of:           | 0.21   | 0.32   | 0.41   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 0.03%  | (10.23)%   | (7.58)%  |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 4,945  | 26,092   | 36,270   |
| Closing number of shares                      | 455,948  | 2,406,484  | 3,002,917  |
| Operating charges                             | 1.53%  | 1.53%  | 1.53%  |
| Direct transaction costs <sup>1</sup>         | 0.02%  | 0.03%  | 0.03%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 1,130  | 1,229  | 1,452  |
| Lowest share price (pence)                    | 971.1  | 950.3  | 1,167  |

## Comparative Tables cont.

### Comparative Table: A Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 839.42   | 943.71   | 1,021.21   |
| Return before operating charges*         | 11.96  | (84.00)  | (61.31)  |
| Operating charges                        | (12.55)  | (12.57)  | (16.19)  |
| Return after operating charges*          | (0.59)   | (96.57)  | (77.50)  |
| Distributions on income shares           | (5.67)   | (7.72)   | 0.00   |
| <b>Closing net asset value per share</b> | <b>833.16</b>  | <b>839.42</b>  | <b>943.71</b>  |
| *After direct transaction costs of:      | 0.16   | 0.25   | 0.32   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | (0.07)%  | (10.23)%   | (7.59)%  |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 1,272  | 3,253  | 4,256  |
| Closing number of shares                 | 152,694  | 387,557  | 451,006  |
| Operating charges                        | 1.53%  | 1.53%  | 1.53%  |
| Direct transaction costs <sup>1</sup>    | 0.02%  | 0.03%  | 0.03%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 875.1  | 960.2  | 1,134  |
| Lowest share price (pence)               | 751.7  | 742.5  | 912.1  |

## Comparative Tables cont.

### Comparative Table: B Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 1,346.36   | 1,484.46   | 1,588.85   |
| Return before operating charges*              | 19.31  | (132.51)   | (97.44)  |
| Operating charges                             | (5.67)   | (5.59)   | (6.95)   |
| Return after operating charges*               | 13.64  | (138.10)   | (104.39)   |
| Distributions                                 | (22.30)  | (25.51)  | (17.67)  |
| Retained distributions on accumulation shares | 22.30  | 25.51  | 17.67  |
| <b>Closing net asset value per share</b>      | <b>1,360.00</b>  | <b>1,346.36</b>  | <b>1,484.46</b>  |
| *After direct transaction costs of:           | 0.26   | 0.39   | 0.50   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 1.01%  | (9.30)%  | (6.57)%  |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 3,494,790  | 4,042,973  | 5,000,916  |
| Closing number of shares                      | 256,970,262  | 300,288,580  | 336,883,981  |
| Operating charges                             | 0.42%  | 0.43%  | 0.42%  |
| Direct transaction costs <sup>1</sup>         | 0.02%  | 0.03%  | 0.03%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 1,405  | 1,510  | 1,776  |
| Lowest share price (pence)                    | 1,215  | 1,176  | 1,435  |

## Comparative Tables cont.

### Comparative Table: B Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 843.01   | 947.66   | 1,026.06   |
| Return before operating charges*         | 11.94  | (84.85)  | (62.52)  |
| Operating charges                        | (3.46)   | (3.56)   | (4.48)   |
| Return after operating charges*          | 8.48   | (88.41)  | (67.00)  |
| Distributions on income shares           | (13.96)  | (16.24)  | (11.40)  |
| <b>Closing net asset value per share</b> | <b>837.53</b>  | <b>843.01</b>  | <b>947.66</b>  |
| *After direct transaction costs of:      | 0.16   | 0.25   | 0.32   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 1.01%  | (9.33)%  | (6.53)%  |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 319,441  | 339,625  | 456,528  |
| Closing number of shares                 | 38,140,641   | 40,287,348   | 48,174,045   |
| Operating charges                        | 0.42%  | 0.43%  | 0.42%  |
| Direct transaction costs <sup>1</sup>    | 0.02%  | 0.03%  | 0.03%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 878.9  | 964.1  | 1,144  |
| Lowest share price (pence)               | 758.3  | 748.7  | 923.9  |

## Comparative Tables cont.

### Comparative Table: C Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 1,379.14   | 1,515.65   | 1,616.54   |
| Return before operating charges*              | 18.79  | (136.11)   | (100.55)   |
| Operating charges                             | (0.27)   | (0.40)   | (0.34)   |
| Return after operating charges*               | 18.52  | (136.51)   | (100.89)   |
| Distributions                                 | (27.23)  | (30.38)  | (23.90)  |
| Retained distributions on accumulation shares | 27.23  | 30.38  | 23.90  |
| <b>Closing net asset value per share</b>      | <b>1,397.66</b>  | <b>1,379.14</b>  | <b>1,515.65</b>  |
| *After direct transaction costs of:           | 0.27   | 0.40   | 0.51   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 1.34%  | (9.01)%  | (6.24)%  |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 1,744,103  | 1,996,267  | 2,392,609  |
| Closing number of shares                      | 124,787,671  | 144,746,867  | 157,860,762  |
| Operating charges                             | 0.02%  | 0.03%  | 0.02%  |
| Direct transaction costs <sup>1</sup>         | 0.02%  | 0.03%  | 0.03%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 1,438  | 1,542  | 1,811  |
| Lowest share price (pence)                    | 1,247  | 1,202  | 1,464  |



## Comparative Tables cont.

### Comparative Table: C Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 844.43   | 949.24   | 1,028.00   |
| Return before operating charges*         | 11.41  | (85.52)  | (63.38)  |
| Operating charges                        | (0.17)   | (0.25)   | (0.21)   |
| Return after operating charges*          | 11.24  | (85.77)  | (63.59)  |
| Distributions on income shares           | (16.67)  | (19.04)  | (15.17)  |
| <b>Closing net asset value per share</b> | <b>839.00</b>  | <b>844.43</b>  | <b>949.24</b>  |
| *After direct transaction costs of:      | 0.17   | 0.25   | 0.32   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 1.33%  | (9.04)%  | (6.19)%  |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 4  | 4  | 5  |
| Closing number of shares                 | 500  | 500  | 500  |
| Operating charges                        | 0.02%  | 0.03%  | 0.02%  |
| Direct transaction costs <sup>1</sup>    | 0.02%  | 0.03%  | 0.03%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 880.3  | 965.7  | 1,147  |
| Lowest share price (pence)               | 760.9  | 750.8  | 927.5  |

## Comparative Tables cont.

### Comparative Table: K Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 1,068.62   | 1,201.24   | 1,301.23   |
| Return before operating charges*         | 14.95  | (107.60)   | (79.94)  |
| Operating charges                        | (3.56)   | (3.68)   | (4.61)   |
| Return after operating charges*          | 11.39  | (111.28)   | (84.55)  |
| Distributions on income shares           | (18.38)  | (21.34)  | (15.44)  |
| <b>Closing net asset value per share</b> | <b>1,061.63</b>  | <b>1,068.62</b>  | <b>1,201.24</b>  |
| *After direct transaction costs of:      | 0.21   | 0.32   | 0.41   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 1.07%  | (9.26)%  | (6.50)%  |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 99,688   | 110,873  | 134,347  |
| Closing number of shares                 | 9,390,134  | 10,375,329   | 11,183,968   |
| Operating charges                        | 0.34%  | 0.35%  | 0.34%  |
| Direct transaction costs <sup>1</sup>    | 0.02%  | 0.03%  | 0.03%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 1,114  | 1,222  | 1,455  |
| Lowest share price (pence)               | 964.4  | 951.8  | 1,176  |

<sup>1</sup>The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website [www.bailliegifford.com](http://www.bailliegifford.com).

# Financial Statements

## Statement of Total Return for the year ended 31 January 2024

|   | Notes | 2024     |                 | 2023     |                  |
|---|-------|----------|-----------------|----------|------------------|
|   |       | £'000    | £'000           | £'000    | £'000            |
| <b>Income</b>   |       |          |                 |          |                  |
| Net capital gains/(losses)  | 1     |          | (67,376)        |          | (919,197)        |
| Revenue   | 3     | 135,671  |                 | 169,076  |                  |
| Expenses  | 4     | (17,783) |                 | (20,342) |                  |
| Net revenue before taxation   |       | 117,888  |                 | 148,734  |                  |
| Taxation  | 5     | (10,427) |                 | (9,928)  |                  |
| Net revenue after taxation  |       |          | 107,461         |          | 138,806          |
| Total return before distributions   |       |          | 40,085          |          | (780,391)        |
| Distributions   | 6     |          | (107,474)       |          | (138,826)        |
| <b>Change in net assets attributable to shareholders from investment activities</b> |       |          | <b>(67,389)</b> |          | <b>(919,217)</b> |

## Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 January 2024

|  | 2024      |                  | 2023      |                  |
|--|-----------|------------------|-----------|------------------|
|  | £'000     | £'000            | £'000     | £'000            |
| <b>Opening net assets attributable to shareholders</b>                       |           | <b>6,519,087</b> |           | <b>8,024,931</b> |
| Amounts receivable on issue of shares  | 14,202    |                  | 71,385    |                  |
| Amounts payable on cancellation of shares                                    | (895,511) |                  | (781,306) |                  |
|  |           | (881,309)        |           | (709,921)        |
| Dilution adjustment  |           | 1,138            |           | 1,227            |
| Change in net assets attributable to shareholders from investment activities |           | (67,389)         |           | (919,217)        |
| Retained distributions on accumulation shares                                |           | 92,716           |           | 122,067          |
| <b>Closing net assets attributable to shareholders</b>                       |           | <b>5,664,243</b> |           | <b>6,519,087</b> |

## Financial Statements cont.

### Balance Sheet as at 31 January 2024

|  | Notes | 2024<br>£'000    | 2023<br>£'000    |
|--|-------|------------------|------------------|
| <b>Assets:</b>                                 |       |                  |                  |
| Fixed assets:                                  |       |                  |                  |
| Investments                                    | 13    | 5,566,892        | 6,427,091        |
| Current assets:                                |       |                  |                  |
| Debtors  | 8     | 30,755           | 37,707           |
| Cash and bank balances                         | 9     | 111,580          | 108,456          |
| <b>Total assets</b>                            |       | <b>5,709,227</b> | <b>6,573,253</b> |
| <b>Liabilities:</b>                            |       |                  |                  |
| Investment liabilities                         | 13    | (5,161)          | (6,603)          |
| Creditors:                                     |       |                  |                  |
| Bank overdrafts                                | 9     | (544)            | (177)            |
| Distributions payable                          |       | (6,125)          | (7,638)          |
| Other creditors                                | 10    | (33,154)         | (39,749)         |
| <b>Total liabilities</b>                       |       | <b>(44,984)</b>  | <b>(54,167)</b>  |
| <b>Net assets attributable to shareholders</b> |       | <b>5,664,243</b> | <b>6,519,087</b> |

# Notes to the Financial Statements

## 1 Net capital

|                                   | 2024            | 2023             |
|-----------------------------------|-----------------|------------------|
|                                   | £'000           | £'000            |
| Non-derivative securities         | (44,983)        | (901,705)        |
| Derivative contracts              | (2,009)         | (2,453)          |
| Forward currency contracts        | (17,956)        | (13,747)         |
| Currency gains/(losses)           | (2,400)         | (1,264)          |
| Transaction costs                 | (28)            | (28)             |
| <b>Net capital gains/(losses)</b> | <b>(67,376)</b> | <b>(919,197)</b> |

## 2 Purchases, sales and transaction costs

|   | 2024             | 2023             |
|---|------------------|------------------|
|   | £'000            | £'000            |
| <b>Purchases and transaction costs</b>                            |                  |                  |
| Gross purchases of bonds excluding transaction costs <sup>1</sup> | 515,920          | 533,330          |
| Gross purchases of equities excluding transaction costs           | 617,492          | 978,954          |
| Commissions   | 239              | 384              |
| Taxes   | 539              | 1,036            |
| <b>Total transaction costs on equity purchases<sup>2</sup></b>    | <b>778</b>       | <b>1,420</b>     |
| Gross purchases of funds excluding transaction costs              | 1,560            | -                |
| Commissions on purchases of funds                                 | -                | -                |
| Taxes on purchases of funds                                       | -                | -                |
| <b>Total transaction costs on fund purchases<sup>2</sup></b>      | <b>-</b>         | <b>-</b>         |
| <b>Purchases including transaction costs</b>                      | <b>1,135,756</b> | <b>1,513,704</b> |

<sup>1</sup>There were no transaction costs on the purchase or sale of bonds.

<sup>2</sup>These amounts have been deducted in determining net capital gains/(losses).

|  | 2024 | 2023 |
|--|------|------|
|  | %    | %    |
| <b>Transaction costs as a percentage of principal amount</b> |      |      |
| Commission on equity purchases                               | 0.04 | 0.04 |
| Taxes on equity purchases                                    | 0.09 | 0.11 |
| Commission on fund purchases                                 | 0.00 | 0.00 |
| Taxes on fund purchases                                      | 0.00 | 0.00 |

## Notes to the Financial Statements cont.

## 2 Purchases, sales and transaction costs (continued)

|   | 2024             | 2023             |
|---|------------------|------------------|
|   | £'000            | £'000            |
| <b>Sales and transaction costs</b>                            |                  |                  |
| Gross sales of bonds excluding transaction costs <sup>1</sup> | 552,304          | 632,160          |
| Gross sales of equities excluding transaction costs           | 1,369,509        | 1,022,840        |
| Commissions   | (422)            | (380)            |
| Taxes   | (181)            | (215)            |
| <b>Total transaction costs on equity sales<sup>2</sup></b>    | <b>(603)</b>     | <b>(595)</b>     |
| Gross sales of funds excluding transaction costs              | 29,715           | 21,554           |
| Commissions on sales of funds                                 | -                | -                |
| Taxes on sales of funds                                       | -                | -                |
| <b>Total transaction costs on fund sales<sup>2</sup></b>      | <b>-</b>         | <b>-</b>         |
| <b>Sales net of transaction costs</b>                         | <b>1,950,925</b> | <b>1,675,959</b> |

<sup>1</sup>There were no transaction costs on the purchase or sale of bonds.

<sup>2</sup>These amounts have been deducted in determining net capital gains/(losses).

|  | 2024   | 2023   |
|--|--------|--------|
|  | %      | %      |
| <b>Transaction costs as a percentage of principal amount</b> |        |        |
| Commission on equity sales                                   | (0.03) | (0.04) |
| Taxes on equity sales  | (0.01) | (0.02) |
| Commission on fund sales                                     | 0.00   | 0.00   |
| Taxes on fund sales  | 0.00   | 0.00   |

|   | 2024  | 2023  |
|---|-------|-------|
|   | £'000 | £'000 |
| <b>Transaction cost on derivative contracts</b> |       |       |
| Commission on trading futures contracts         | 42    | 37    |

## Notes to the Financial Statements cont.

### 2 Purchases, sales and transaction costs (continued)

|                                       | 2024         |                  | 2023         |                  |
|---------------------------------------|--------------|------------------|--------------|------------------|
|                                       | £'000        | % of average NAV | £'000        | % of average NAV |
| <b>Portfolio transaction costs</b>    |              |                  |              |                  |
| Commissions                           | 703          | 0.01             | 801          | 0.01             |
| Taxes                                 | 726          | 0.01             | 1,251        | 0.02             |
| <b>Total direct transaction costs</b> | <b>1,429</b> | <b>0.02</b>      | <b>2,052</b> | <b>0.03</b>      |
|                                       |              |                  |              |                  |
|                                       |              |                  | 2024         | 2023             |
|                                       |              |                  | %            | %                |
| Average portfolio dealing spread      |              |                  | 0.15         | 0.22             |

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions. Commission is also payable to the counterparty on the trading of futures contracts.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

### 3 Revenue

|                             | 2024           | 2023           |
|-----------------------------|----------------|----------------|
|                             | £'000          | £'000          |
| UK dividends                | 35,516         | 43,454         |
| Overseas dividends          | 45,762         | 75,730         |
| Interest on debt securities | 51,592         | 48,209         |
| Bank interest               | 3,019          | 910            |
| Swaps interest              | (219)          | 773            |
| Other income                | 1              | -              |
| <b>Total revenue</b>        | <b>135,671</b> | <b>169,076</b> |

## Notes to the Financial Statements cont.

## 4 Expenses

|  | 2024          | 2023          |
|--|---------------|---------------|
|  | £'000         | £'000         |
| <b>Payable to the ACD, associates of the ACD and agents of either of them:</b>               |               |               |
| Annual management charge   | 16,656        | 18,865        |
| Expenses rebate  | -             | (2)           |
|  | <b>16,656</b> | <b>18,863</b> |
| <b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b> |               |               |
| Depositary's fee   | 358           | 389           |
| Bank charges   | 705           | 1,054         |
|  | <b>1,063</b>  | <b>1,443</b>  |
| <b>Other expenses:</b>   |               |               |
| Audit fee  | 22            | 18            |
| Non-audit fees paid to auditors  | 12            | 15            |
| Professional fees  | 30            | 3             |
|  | <b>64</b>     | <b>36</b>     |
| <b>Total expenses</b>  | <b>17,783</b> | <b>20,342</b> |

## 5 Taxation

|                                       | 2024          | 2023         |
|---------------------------------------|---------------|--------------|
|                                       | £'000         | £'000        |
| <b>Analysis of charge in the year</b> |               |              |
| Overseas tax                          | 2,914         | 3,675        |
| Prior year tax reclaims written off   | 101           | 208          |
| Prior year adjustments                | (7)           | 11           |
| Tax recoverable on overseas dividends | (47)          | (47)         |
| Corporation tax                       | 7,466         | 6,081        |
| <b>Total taxation</b>                 | <b>10,427</b> | <b>9,928</b> |



## Notes to the Financial Statements cont.

### 5 Taxation (continued)

The tax charge is explained as follows:

|   | 2024          | 2023         |
|---|---------------|--------------|
|   | £'000         | £'000        |
| Net revenue before taxation   | 117,888       | 148,734      |
| Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2023: 20%) | 23,578        | 29,747       |
| Effects of:   |               |              |
| Non-taxable UK dividends  | (7,103)       | (8,691)      |
| Non-taxable overseas dividends  | (8,564)       | (14,644)     |
| Overseas tax on dividends   | 2,909         | 3,639        |
| Overseas tax on coupons   | 5             | 36           |
| Prior year tax reclaims written off   | 101           | 208          |
| Prior year adjustments  | (7)           | 11           |
| Tax recoverable on overseas dividends   | (47)          | (47)         |
| Double taxation relief  | (445)         | (331)        |
| <b>Total taxation</b>   | <b>10,427</b> | <b>9,928</b> |

### 6 Distributions

|  | 2024           | 2023           |
|--|----------------|----------------|
|  | £'000          | £'000          |
| Interim to 31 July                         | 18,371         | 23,574         |
| Final to 31 January                        | 81,431         | 107,347        |
|  | <b>99,802</b>  | <b>130,921</b> |
| Amounts deducted on cancellation of shares | 8,109          | 8,253          |
| Amounts added on issue of shares           | (437)          | (348)          |
| <b>Total distributions</b>                 | <b>107,474</b> | <b>138,826</b> |

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distributions per share are set out in the Distribution Tables.

### 7 Reconciliation of net revenue to net distributions for the year

|  | 2024           | 2023           |
|--|----------------|----------------|
|  | £'000          | £'000          |
| Net revenue after taxation for the year    | 107,461        | 138,806        |
| Add distributable revenue brought forward  | 19             | 39             |
| Less distributable revenue carried forward | (6)            | (19)           |
| <b>Net distributions for the year</b>      | <b>107,474</b> | <b>138,826</b> |

## Notes to the Financial Statements cont.

**8 Debtors**

|                                   | 2024          | 2023          |
|-----------------------------------|---------------|---------------|
|                                   | £'000         | £'000         |
| Receivable for issue of shares    | -             | 73            |
| Sales awaiting settlement         | 9,256         | 10,836        |
| Accrued income                    | 17,133        | 17,350        |
| Overseas tax recoverable          | 1,289         | 1,636         |
| VAT recoverable                   | 15            | 15            |
| Collateral held by counterparties | 2,900         | 4,155         |
| Amounts due from clearing brokers | 25            | 3,580         |
| Amounts due from ACD              | 2             | 2             |
| Other debtors                     | 135           | 60            |
| <b>Total debtors</b>              | <b>30,755</b> | <b>37,707</b> |

**9 Cash and bank balances**

|  | 2024           | 2023           |
|--|----------------|----------------|
|  | £'000          | £'000          |
| Sterling amounts held at clearing houses and brokers           | 614            | 1,993          |
| Foreign amounts held at clearing houses and brokers            | 3,256          | 2,286          |
| Sterling bank accounts   | 103,944        | 103,773        |
| Foreign currency bank accounts                                 | 3,766          | 404            |
|  | <b>111,580</b> | <b>108,456</b> |
| Sterling amounts held at clearing houses and brokers overdrawn | -              | (156)          |
| Foreign amounts held at clearing houses and brokers overdrawn  | (544)          | (21)           |
|  | <b>(544)</b>   | <b>(177)</b>   |
| <b>Total cash and bank balances</b>                            | <b>111,036</b> | <b>108,279</b> |

## Notes to the Financial Statements cont.

### 10 Other creditors

|   | 2024          | 2023          |
|---|---------------|---------------|
|   | £'000         | £'000         |
| Payable for cancellation of shares        | 11,113        | 6,108         |
| Purchases awaiting settlement             | 10,304        | 18,363        |
| Due to the ACD or associates              | 1,429         | 1,568         |
| Due to the Depositary or associates       | 137           | 207           |
| Collateral held on behalf of counterparty | 3,805         | 8,805         |
| Amounts due to clearing broker            | 1,046         | -             |
| Capital gains tax provision               | 1,615         | 1,980         |
| Corporation tax payable                   | 3,676         | 2,693         |
| Other accrued expenses                    | 29            | 25            |
| <b>Total other creditors</b>              | <b>33,154</b> | <b>39,749</b> |

### 11 Related party transactions

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts receivable and payable on the issue and cancellation of shares have been disclosed in notes 8 and 10 respectively.

Amounts paid to Baillie Gifford & Co Limited in respect of ACD fees are disclosed in note 4 with amounts due at the year end given in note 10. During the year Baillie Gifford & Co Limited deemed it appropriate to reimburse expenses to the Fund. The amount of expenses reimbursed is given in note 4 with amounts receivable at the year end given in note 8.

The Fund invests in other funds for whom Baillie Gifford & Co, the ultimate parent company of the ACD, act as Investment Adviser and these funds are therefore considered to be related parties. Transactions with these related party funds are noted in the table below.

|   | 2024               |                |                 | 2023               |                |                 |
|---|--------------------|----------------|-----------------|--------------------|----------------|-----------------|
|   | Purchases<br>£'000 | Sales<br>£'000 | Income<br>£'000 | Purchases<br>£'000 | Sales<br>£'000 | Income<br>£'000 |
| Baillie Gifford British Smaller Companies Fund C Acc  | -                  | 25,420         | -               | -                  | 12,954         | 246             |
| Baillie Gifford Japanese Smaller Companies Fund C Acc | -                  | 1,560          | 627             | -                  | 8,600          | 610             |

#### Shares held by the ACD and associates of the ACD

The shares held by the ACD and associates of the ACD as a percentage of the Fund's NAV were:

|                               | 2024 | 2023 |
|-------------------------------|------|------|
|                               | %    | %    |
| ACD and associates of the ACD | 0.00 | 0.00 |

## Notes to the Financial Statements cont.

### 12 Reconciliation of shares in issue

|                       | Shares in issue as at<br>31.01.23 | Shares issued | Shares cancelled | Shares converted | Shares in issue as at<br>31.01.24 |
|-----------------------|-----------------------------------|---------------|------------------|------------------|-----------------------------------|
| A Accumulation Shares | 2,406,484                         | 21,642        | (256,683)        | (1,715,495)      | 455,948                           |
| A Income Shares       | 387,557                           | 3,894         | (17,557)         | (221,200)        | 152,694                           |
| B Accumulation Shares | 300,288,580                       | 89,935        | (43,738,389)     | 330,136          | 256,970,262                       |
| B Income Shares       | 40,287,348                        | 1,192,007     | (5,241,419)      | 1,902,705        | 38,140,641                        |
| C Accumulation Shares | 144,746,867                       | 149,009       | (20,108,205)     | -                | 124,787,671                       |
| C Income Shares       | 500                               | 500           | (500)            | -                | 500                               |
| K Income Shares       | 10,375,329                        | 96,200        | (1,074,536)      | (6,859)          | 9,390,134                         |

### 13 Basis of valuation

|   | 2024             |                | 2023             |                |
|---|------------------|----------------|------------------|----------------|
|   | Assets           | Liabilities    | Assets           | Liabilities    |
|   | £'000            | £'000          | £'000            | £'000          |
| Level 1: Quoted prices                  | 4,500,547        | -              | 5,199,456        | -              |
| Level 2: Observable market data         | 1,066,345        | (5,160)        | 1,227,636        | (6,603)        |
| Level 3: Unobservable data <sup>1</sup> | -                | -              | -                | -              |
| <b>Total</b>                            | <b>5,566,892</b> | <b>(5,160)</b> | <b>6,427,092</b> | <b>(6,603)</b> |

<sup>1</sup>For further information on the assets included in Level 3, as at 31 January 2024, please refer to the Portfolio Statement.

## Notes to the Financial Statements cont.

### 14 Derivatives and other financial instruments

#### Currency exposures

A proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

| Currency                | Net currency assets/(liabilities) |                                 |                | Net currency assets/(liabilities) |                                 |                |
|-------------------------|-----------------------------------|---------------------------------|----------------|-----------------------------------|---------------------------------|----------------|
|                         | 2024                              |                                 |                | 2023                              |                                 |                |
|                         | Monetary exposures<br>£'000       | Non-monetary exposures<br>£'000 | Total<br>£'000 | Monetary exposures<br>£'000       | Non-monetary exposures<br>£'000 | Total<br>£'000 |
| Australian dollar       | (1)                               | 105,473                         | 105,472        | (1)                               | 123,152                         | 123,151        |
| Brazilian real          | -                                 | 19,110                          | 19,110         | -                                 | 33,341                          | 33,341         |
| Canadian dollar         | -                                 | 40,644                          | 40,644         | -                                 | 51,415                          | 51,415         |
| Chilean peso            | -                                 | (11,307)                        | (11,307)       | -                                 | -                               | -              |
| Chinese yuan (offshore) | -                                 | (16,647)                        | (16,647)       | -                                 | (26,457)                        | (26,457)       |
| Chinese yuan (onshore)  | -                                 | 17,115                          | 17,115         | -                                 | -                               | -              |
| Colombian peso          | -                                 | -                               | -              | -                                 | (18,430)                        | (18,430)       |
| Czech koruna            | (459)                             | (22,514)                        | (22,973)       | 2                                 | -                               | 2              |
| Danish krone            | -                                 | 50,120                          | 50,120         | -                                 | 34,217                          | 34,217         |
| Euro                    | 31                                | 773,604                         | 773,635        | 487                               | 999,625                         | 1,000,112      |
| Hong Kong dollar        | -                                 | 137,402                         | 137,402        | -                                 | 294,166                         | 294,166        |
| Indian rupee            | 258                               | 85,148                          | 85,406         | 1                                 | 68,416                          | 68,417         |
| Indonesian rupiah       | -                                 | 21,362                          | 21,362         | -                                 | 21,742                          | 21,742         |
| Japanese yen            | (71)                              | 529,259                         | 529,188        | 1,348                             | 567,643                         | 568,991        |
| Mexican peso            | -                                 | 14,333                          | 14,333         | -                                 | 41,469                          | 41,469         |
| New Zealand dollar      | -                                 | 6,182                           | 6,182          | -                                 | 6,420                           | 6,420          |
| Norwegian krona         | (1)                               | 65,759                          | 65,758         | (1)                               | 103,008                         | 103,007        |
| Peruvian nuevo sol      | -                                 | 226                             | 226            | -                                 | 11,727                          | 11,727         |
| Polish zloty            | 493                               | 55,031                          | 55,524         | 2,673                             | 32,283                          | 34,956         |
| Singapore dollar        | -                                 | 34,255                          | 34,255         | -                                 | 45,577                          | 45,577         |
| South African rand      | -                                 | (315)                           | (315)          | -                                 | 10,973                          | 10,973         |
| South Korean won        | -                                 | 61,861                          | 61,861         | -                                 | 82,699                          | 82,699         |
| Swedish krona           | -                                 | 168,048                         | 168,048        | -                                 | 222,506                         | 222,506        |
| Swiss franc             | -                                 | 54,793                          | 54,793         | -                                 | 53,489                          | 53,489         |
| Taiwanese dollar        | 162                               | 48,975                          | 49,137         | 175                               | 74,677                          | 74,852         |
| Thai baht               | -                                 | 28,064                          | 28,064         | -                                 | 26,259                          | 26,259         |
| Turkish lira            | -                                 | 10,845                          | 10,845         | -                                 | (10,632)                        | (10,632)       |
| UK sterling             | 103,654                           | 1,468,363                       | 1,572,017      | 100,959                           | 1,676,335                       | 1,777,294      |
| US dollar               | 5,044                             | 1,816,544                       | 1,821,588      | 1,567                             | 1,894,869                       | 1,896,436      |

Short-term debtors and creditors have not been disclosed.

Totals may not sum due to rounding.

## Notes to the Financial Statements cont.

### 14 Derivatives and other financial instruments (continued)

The Fund invests in a generally diversified portfolio of assets, including derivatives that are used for efficient portfolio management purposes (including hedging) and for investment purposes. Consequently the ACD considers that a single measure of market sensitivity does not accurately reflect the risks faced by the Fund.

### 15 Derivative exposure

The exposure to derivative counterparties was:

| Counterparty         | 2024                          |                                     |                          |                              |                               |                         | 2023                          |                                     |                          |                              |                               |                         |
|----------------------|-------------------------------|-------------------------------------|--------------------------|------------------------------|-------------------------------|-------------------------|-------------------------------|-------------------------------------|--------------------------|------------------------------|-------------------------------|-------------------------|
|                      | Credit default swaps<br>£'000 | Forward currency contracts<br>£'000 | Inflation swaps<br>£'000 | Interest rate swaps<br>£'000 | Cash collateral held<br>£'000 | Total exposure<br>£'000 | Credit default swaps<br>£'000 | Forward currency contracts<br>£'000 | Inflation swaps<br>£'000 | Interest rate swaps<br>£'000 | Cash collateral held<br>£'000 | Total exposure<br>£'000 |
| Barclays             | -                             | 413                                 | -                        | 955                          | (865)                         | 503                     | 322                           | 131                                 | -                        | -                            | 453                           | -                       |
| CitiGroup            | -                             | 2,037                               | -                        | 227                          | (1,735)                       | 529                     | -                             | -                                   | -                        | -                            | -                             | -                       |
| Deutsche Bank        | -                             | 160                                 | -                        | 275                          | -                             | 435                     | -                             | -                                   | -                        | -                            | -                             | -                       |
| Goldman Sachs        | -                             | 1,106                               | -                        | -                            | -                             | 1,106                   | 4,345                         | -                                   | -                        | (5,300)                      | (955)                         | -                       |
| HSBC                 | -                             | 319                                 | -                        | -                            | (170)                         | 149                     | -                             | -                                   | -                        | -                            | -                             | -                       |
| JP Morgan Chase      | -                             | 478                                 | -                        | 115                          | -                             | 593                     | 1,112                         | -                                   | -                        | -                            | 1,112                         | -                       |
| Merrill Lynch        | -                             | 710                                 | -                        | -                            | (705)                         | 5                       | 139                           | -                                   | -                        | (135)                        | 4                             | -                       |
| Morgan Stanley       | -                             | -                                   | -                        | 283                          | -                             | 283                     | -                             | -                                   | -                        | -                            | -                             | -                       |
| NatWest              | -                             | 272                                 | -                        | -                            | (330)                         | (58)                    | 3,759                         | -                                   | -                        | (3,370)                      | 389                           | -                       |
| Nomura International | -                             | -                                   | -                        | 119                          | -                             | 119                     | -                             | -                                   | -                        | -                            | -                             | -                       |
| Royal Bank of Canada | -                             | 126                                 | -                        | -                            | -                             | 126                     | 44                            | -                                   | -                        | -                            | 44                            | -                       |

Collateral pledged on derivatives was:

| Counterparty         | 2024          |                |                | 2023          |                |                |
|----------------------|---------------|----------------|----------------|---------------|----------------|----------------|
|                      | Cash<br>£'000 | Bonds<br>£'000 | Total<br>£'000 | Cash<br>£'000 | Bonds<br>£'000 | Total<br>£'000 |
| Barclays             | -             | -              | -              | 745           | -              | 745            |
| CitiGroup            | -             | -              | -              | 1,055         | -              | 1,055          |
| Goldman Sachs        | 395           | -              | 395            | -             | -              | -              |
| HSBC                 | -             | 5,009          | 5,009          | 350           | 3,891          | 4,241          |
| JP Morgan Chase      | 2,505         | -              | 2,505          | 1,320         | -              | 1,320          |
| Royal Bank of Canada | -             | -              | -              | 685           | -              | 685            |

In addition the Fund trades futures contracts through UBS. Fair value movements are offset by movements in the variation margin account which reduces the derivative counterparty exposure to nil. The Fund also trades cleared swaps through HSBC as clearing broker for LCH.Clearnet, the clearing house. The cleared swap positions are collateralised and the collateral is held at the clearing house which reduces the counterparty exposure to nil.

## Notes to the Financial Statements cont.

### 16 Global Exposure

As per the COLL Rules, the Commitment Approach is used for the calculation of Global Exposure. The Commitment Approach is a measure of leverage and requires the conversion of each derivative and forward contract into the market value of an equivalent position in the underlying asset of the derivative or forward transaction. Under the Commitment Approach the ACD may take account of netting and hedging arrangements when calculating Global Exposure of a Fund where these arrangements do not disregard obvious and material risks and result in a clear reduction in risk exposure.

The leverage limits of the Fund have not been exceeded in the year. The Fund's maximum and actual leverage levels (calculated using the Commitment Approach) as at 31 January 2024 are shown below:

|                             | 2024   | 2023   |
|-----------------------------|--------|--------|
|                             | %      | %      |
| Maximum Limit:              | 100.00 | 100.00 |
| Actual Commitment Exposure: | 10.58  | 9.05   |

# Distribution Tables

## Interim distribution for the period ended 31 July 2023

Group 1 : shares purchased prior to 1 February 2023

Group 2 : shares purchased 1 February 2023 to 31 July 2023

|                       | Net Revenue<br>(dividend<br>distribution) | Equalisation                | Distribution<br>(paid/accumulated<br>30.09.23) | Distribution<br>(paid/accumulated<br>30.09.22) |
|-----------------------|---|-----------------------------|--|--|
|                       | 31.07.23<br>pence per share               | 31.07.23<br>pence per share | 31.07.23<br>pence per share                    | 31.07.22<br>pence per share                    |
| <b>A Accumulation</b> |   |                             |  |  |
| Group 1               | -   | -                           | -  | -  |
| Group 2               | -   | -                           | -  | -  |
| <b>A Income</b>       |   |                             |  |  |
| Group 1               | -   | -                           | -  | -  |
| Group 2               | -   | -                           | -  | -  |
| <b>B Accumulation</b> |   |                             |  |  |
| Group 1               | 3.90000                                   | -                           | 3.90000  | 4.45000  |
| Group 2               | -   | 3.90000                     | 3.90000  | 4.45000  |
| <b>B Income</b>       |   |                             |  |  |
| Group 1               | 2.45000                                   | -                           | 2.45000  | 2.85000  |
| Group 2               | -   | 2.45000                     | 2.45000  | 2.85000  |
| <b>C Accumulation</b> |   |                             |  |  |
| Group 1               | 4.80000                                   | -                           | 4.80000  | 5.35000  |
| Group 2               | -   | 4.80000                     | 4.80000  | 5.35000  |
| <b>C Income</b>       |   |                             |  |  |
| Group 1               | 2.95000                                   | -                           | 2.95000  | 3.35000  |
| Group 2               | 2.95000                                   | -                           | 2.95000  | 3.35000  |
| <b>K Income</b>       |   |                             |  |  |
| Group 1               | -   | -                           | -  | -  |
| Group 2               | -   | -                           | -  | -  |



## Distribution Tables cont.

Final distribution for the period ended 31 January 2024

Group 1 : shares purchased prior to 1 August 2023

Group 2 : shares purchased 1 August 2023 to 31 January 2024

|                       | Net Revenue<br>(dividend<br>distribution) | Equalisation                | Distribution<br>(paid/accumulated<br>31.03.24) | Distribution<br>(paid/accumulated<br>31.03.23) |
|-----------------------|---|-----------------------------|--|--|
|                       | 31.01.24<br>pence per share               | 31.01.24<br>pence per share | 31.01.24<br>pence per share                    | 31.01.23<br>pence per share                    |
| <b>A Accumulation</b> |   |                             |  |  |
| Group 1               | 7.32000                                   | -                           | 7.32000  | 9.88000  |
| Group 2               | 0.57484                                   | 6.74516                     | 7.32000  | 9.88000  |
| <b>A Income</b>       |   |                             |  |  |
| Group 1               | 5.67000                                   | -                           | 5.67000  | 7.72000  |
| Group 2               | 0.06546                                   | 5.60454                     | 5.67000  | 7.72000  |
| <b>B Accumulation</b> |   |                             |  |  |
| Group 1               | 18.40000                                  | -                           | 18.40000                                       | 21.06000                                       |
| Group 2               | 4.19345                                   | 14.20655                    | 18.40000                                       | 21.06000                                       |
| <b>B Income</b>       |   |                             |  |  |
| Group 1               | 11.51000                                  | -                           | 11.51000                                       | 13.39000                                       |
| Group 2               | 1.97478                                   | 9.53522                     | 11.51000                                       | 13.39000                                       |
| <b>C Accumulation</b> |   |                             |  |  |
| Group 1               | 22.43000                                  | -                           | 22.43000                                       | 25.03000                                       |
| Group 2               | 5.10022                                   | 17.32978                    | 22.43000                                       | 25.03000                                       |
| <b>C Income</b>       |   |                             |  |  |
| Group 1               | 13.72000                                  | -                           | 13.72000                                       | 15.69000                                       |
| Group 2               | 13.72000                                  | -                           | 13.72000                                       | 15.69000                                       |
| <b>K Income</b>       |   |                             |  |  |
| Group 1               | 18.38000                                  | -                           | 18.38000                                       | 21.34000                                       |
| Group 2               | 3.20891                                   | 15.17109                    | 18.38000                                       | 21.34000                                       |



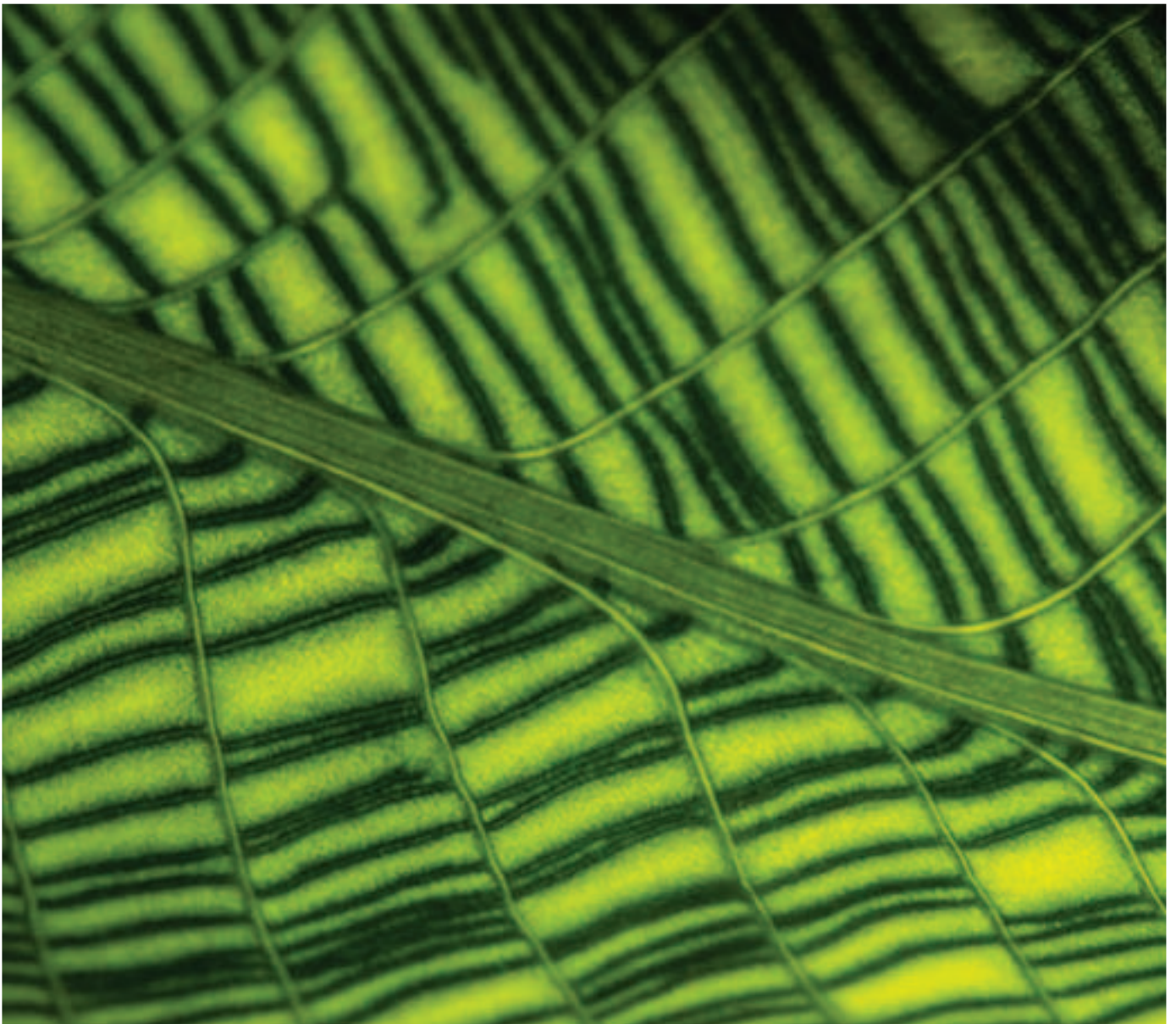
# Baillie Gifford™

Baillie Gifford Responsible Global Equity Income Fund

---

a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Annual Report & Financial Statements  
for the year ended 31 January 2024*



# Baillie Gifford Responsible Global Equity Income Fund

## Investment Objective

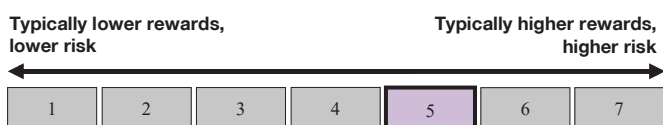
The Fund aims to achieve (after deduction of costs) growth in both income and capital over rolling five-year periods, whilst delivering a yield higher than that of the MSCI ACWI Index over rolling five-year periods.

## Investment Policy

The Fund will invest at least 90% in shares of companies anywhere in the world which are managed and behave responsibly. The Fund will apply an environmental, social and governance overlay. The Fund applies a revenue-based screen that excludes companies with a defined level of activity in certain sectors, details of which are disclosed in the Prospectus. The Fund will comply with the United Nations Global Compact. The Fund will be actively managed and invest in companies of any size and in any sector.

## Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Market conditions can change rapidly and a fund in any rank can lose you your investment. The Fund is classified as above as it invests in company shares.

The indicator does not take into account the following relevant material risks:

The Fund is actively managed meaning the Investment Manager selects investments of their own choosing with the aim of achieving the Fund's objectives. This is done without seeking to replicate any index in either of performance or portfolio composition. This investment style, selecting companies with perceived greater long-term growth potential ahead of any short-term returns, in combination with the relative concentration of the Fund, may lead to prolonged periods of underperformance in certain market conditions, both in relation to the Fund's benchmark and in absolute terms.

Over shorter time periods the Fund's share price can be volatile and returns can be much higher or lower than our five-year average target. There is no guarantee this objective will be achieved over any time period.

Investing in China may harm your investment due to difficulties with market volatility, political and economic instability including the risk of market shutdown, trading, liquidity, settlement, corporate governance, regulation, legislation and taxation.

The Fund's ESG investment policy limits the type of companies it can hold. The Fund may have different returns from funds with no such restrictions.

The limitations of third party data, which may be backward looking or estimated, may impact on the Fund's ability to achieve any non-financial considerations.

In adverse market conditions it may be difficult to sell investments held by the Fund in a timely manner and their value may fall significantly. This could affect how much money you receive and even delay the selling of your shares if dealing in the Fund is suspended.

Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.

You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

# Baillie Gifford Responsible Global Equity Income Fund cont.

The manager can charge some, or all, expenses to the Fund's capital, reducing its value. This amount can vary from year to year.

For a more detailed explanation of the risks, please see the "Risk Warnings" section of the prospectus.

## **Fees Allocated to Capital**

---

For distribution purposes the ACD has the facility to allocate some or all expenses to capital. For the year to 31 January 2024 100% of expenses were allocated to capital (year to 31 January 2023: 100%). This will reduce the capital value of the Fund. This number will vary from year to year.

## **Adoption of Net Zero Asset Managers initiative**

---

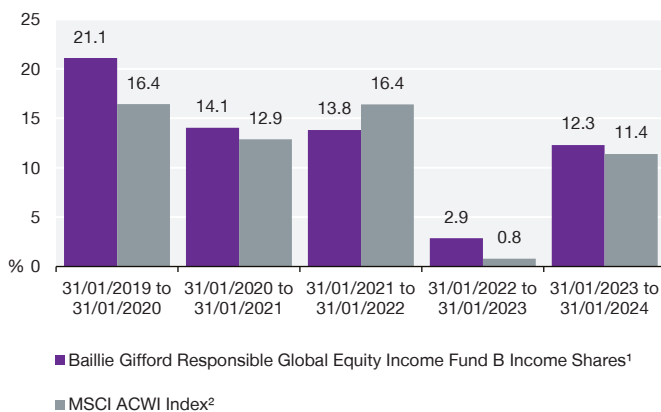
Baillie Gifford & Co, the Fund's Investment Manager, has joined the Net Zero Asset Managers initiative (NZAM), as part of the Investment Manager's commitment to support the goal of net zero greenhouse gas emissions by 2050, in line with global efforts to limit warming to 1.5°C.

This commitment includes supporting investing aligned with net zero emissions by 2050 or sooner, and the Fund has been managed in line with and counted towards the Investment Manager's net zero commitment.

As a long-term investor, the Investment Manager's investment process takes into account the long-term prospects (including long-term sustainability) of an investment. Consideration of climate-related factors, including NZAM commitments, and the impact of these on a company's competitive positioning form an integral part of this process.

# Investment Report

## Past Performance



The performance figures shown in this graph are for Class B Income Shares. Performance figures reflect the annual management charge of 0.50% (until 30 September 2020, the annual management charge on Class B Shares was 0.57%). Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

## Past Performance

The investment objective of the Fund is to achieve (after deduction of costs) growth in both income and capital over rolling five-year periods, whilst delivering a yield higher than that of the MSCI ACWI Index (the 'target benchmark') over rolling five-year periods. For the year to 31 January 2024 the return on B Income Shares was 12.3%<sup>1</sup> compared to the target benchmark of 11.4%<sup>2</sup> and the Fund declared income totalling 3.49 pence per share. We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance, a period in line with the Fund's objectives. Over that period, the annualised return on B Income Shares was 12.7%<sup>1</sup> compared to the target benchmark of 11.4%<sup>2</sup>. The capital return was 61.7%<sup>3</sup>. The calculated annualised five-year yield on B Income Shares was 2.2%<sup>4,5</sup> compared to the Index of 2.0%<sup>5,6</sup>.

Further analysis of the Fund's responsible income investment approach, including sustainability engagements, is available in the Fund's Stewardship

Report which is produced annually. The first report for the year ended 31 March 2023 is available on [www.bailliegifford.com](http://www.bailliegifford.com).

## Market Environment

The period was a strong one for global equity markets.

Stock markets remained volatile during 2023, sensitive to the prevailing view on interest rates. Despite this backdrop, 2023 saw a welcome pick-up in equity returns. This was in part driven by a rally in shares towards the end of the year. But it was also a result of very strong returns from a very small subset of businesses, the 'Magnificent Seven' tech companies conspicuous among them. To cap off the 12 months, January 2024 saw gains being pared back once more with investor sentiment around the likely path of interest rates seeming once again to shift back and forth.

<sup>1</sup>Source: FE, 10am dealing prices, income reinvested. <sup>2</sup>Source: Revolution and MSCI, total return in sterling terms. Please see Disclaimer on page 318. <sup>3</sup>Source: Baillie Gifford & Co Limited, 10am capital return. <sup>4</sup>Source: Baillie Gifford & Co Limited. <sup>5</sup>The annualised yield is calculated as the average of historic yields at each period end. <sup>6</sup>Source: Factset and MSCI. You should be aware that past performance is not a guide to future performance.

## Investment Report cont.

### Performance

---

The Fund outperformed its target benchmark over the period. Novo Nordisk, the Danish pharmaceutical company, was among the top contributors to performance. The share price performed strongly as enthusiasm for its obesity drugs, which have a very large potential addressable market, grows. Swiss alternative asset manager Partners Group also contributed. Its strong private equity franchise is a prime beneficiary of lower interest rates with markets anticipating a recovery in private equity valuations. Watsco, an American distributor of heating, ventilation and air conditioning (HVAC) equipment was another standout. Watsco is the largest HVAC distributor in the US. Its scale means that it can invest in its offering, creating technology solutions and helping its customers on the demand side to become more efficient and help these contractors sell to homeowners. On the supply side, it is able to get closer to the suppliers who make the products Watsco distributes. This enables Watsco to give feedback back to suppliers' R&D teams and ensure that Watsco is able to stock the most relevant and up to date products for its customers. In addition, its relative scale gives it the opportunity to consolidate a fragmented industry.

Not owning NVIDIA, the semiconductor designer closely linked to the development of artificial intelligence, detracted from relative performance. The company does not pay a dividend and as such is a poor fit for the Fund at this time. In terms of positions held over the period, the Chinese sportswear company Anta Sports detracted. The company delivered revenue growth which fell short of full year guidance over 2023 and its share price has been negatively impacted by sentiment towards Chinese equities. Lithium miner Albemarle also detracted. Its share price was hit by concerns around the Chinese economy, where more than half of electric vehicles are sold. Strong demand in 2022 had driven both lithium and Albemarle share prices to record highs but both have since reversed a large part of that move.

### Notable Transactions

---

Portfolio activity included the purchase of a new position in Texas Instruments. This is the leading global supplier of analogue chips, which are semiconductors that process real-world signals like light, heat, and sound. In the decade ahead, we expect to see continued strong demand for the company's products, driven by secular trends such as the digitisation of industrial and automotive functions, the ongoing building of data centres, and the electric vehicle revolution. We also took a new holding in Home Depot, the American DIY retailer. Home Depot is beginning a new venture to cater to construction professionals, in addition to its traditional homeowner customer base. This is something which we believe could contribute strongly to profit and free cash flow growth over the coming years.

In terms of positions sold, we exited Want Want. This Chinese rice cracker and soft drink manufacturer has been a disappointing investment, with low earnings growth and a dividend which has not been particularly dependable. The underlying issue seems to be the Board's focus on profit margins, which has made the company slow to recognise changing consumer preferences in China. It has resisted the shift towards modern distribution channels and has failed to develop key new products. With limited prospects for change, we have sold our position. We also sold technology company Silicon Motion. The company received an acquisition bid in 2022, causing its share price to rise significantly. We believed that there was regulatory risk to the deal and if it did not go through, (which it did not, after the would-be acquirer abandoned the deal) there would be downside risk to the share price and we decided to exit the position and reinvest the proceeds into other ideas.

*Baillie Gifford & Co, 14 February 2024*

## Principal Holdings as at 31 January 2024

| Investment            | Percentage of total Fund |
|-----------------------|--------------------------|
| Novo Nordisk          | 5.11                     |
| Microsoft             | 4.94                     |
| Fastenal              | 4.27                     |
| Watsco Inc            | 4.19                     |
| Procter & Gamble      | 3.51                     |
| TSMC                  | 3.44                     |
| Schneider Electric SE | 3.38                     |
| Apple                 | 3.05                     |
| Atlas Copco A         | 3.00                     |
| Partners Group        | 2.90                     |



## Material Portfolio Changes for the year ended 31 January 2024

| Largest Purchases | Cost<br>£'000 | Largest Sales                 | Proceeds<br>£'000 |
|-------------------|---------------|-------------------------------|-------------------|
| Coloplast AS      | 15,503        | Novo Nordisk                  | 23,051            |
| Texas Instruments | 10,898        | National Instruments Corp     | 10,483            |
| Atlas Copco A     | 10,032        | Cullen/Frost Bankers          | 10,391            |
| Eurofins          | 8,725         | Want Want China               | 8,594             |
| L'Oreal           | 8,574         | Nestle                        | 7,549             |
| Home Depot        | 7,905         | UPS                           | 7,295             |
| Watsco Inc        | 7,880         | GSK PLC                       | 7,258             |
| Fastenal          | 7,646         | Silicon Motion Technology ADR | 6,578             |
| Procter & Gamble  | 7,493         | Microsoft                     | 5,502             |
| Microsoft         | 7,480         | Roche                         | 5,139             |

## Portfolio Statement as at 31 January 2024

| Stock description                | Holding   | Market value £'000 | % of total net assets |
|----------------------------------|-----------|--------------------|-----------------------|
| <b>Australia - 4.90% (4.77%)</b> |           |                    |                       |
| Carsales.com                     | 1,614,202 | 27,660             | 2.55                  |
| Sonic Healthcare                 | 1,535,439 | 25,514             | 2.35                  |
| <b>Brazil - 1.60% (1.60%)</b>    |           |                    |                       |
| B3 S.A.                          | 8,374,250 | 17,408             | 1.60                  |
| <b>China - 2.19% (3.05%)</b>     |           |                    |                       |
| Midea Group 'A'                  | 1,517,355 | 9,666              | 0.89                  |
| NetEase HK Line                  | 928,500   | 14,121             | 1.30                  |
| <b>Denmark - 6.30% (5.27%)</b>   |           |                    |                       |
| Coloplast AS                     | 141,118   | 12,900             | 1.19                  |
| Novo Nordisk                     | 626,942   | 55,511             | 5.11                  |
| <b>Finland - 1.02% (1.22%)</b>   |           |                    |                       |
| Valmet Oyj                       | 494,309   | 11,077             | 1.02                  |
| <b>France - 8.03% (7.51%)</b>    |           |                    |                       |
| Edenred                          | 477,484   | 22,573             | 2.08                  |
| Kering                           | 25,667    | 8,388              | 0.77                  |
| L'Oreal                          | 51,355    | 19,481             | 1.80                  |
| Schneider Electric SE            | 235,192   | 36,678             | 3.38                  |
| <b>Germany - 4.16% (3.64%)</b>   |           |                    |                       |
| Deutsche Boerse                  | 178,275   | 28,073             | 2.59                  |
| SAP                              | 124,173   | 17,030             | 1.57                  |
| <b>Hong Kong - 1.86% (3.42%)</b> |           |                    |                       |
| ANTA Sports Products             | 1,691,285 | 11,145             | 1.03                  |
| Hong Kong Exchanges & Clearing   | 379,540   | 9,021              | 0.83                  |
| <b>Japan - 0.98% (0.94%)</b>     |           |                    |                       |
| USS Co                           | 709,300   | 10,671             | 0.98                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                   | Holding   | Market value £'000 | % of total net assets |
|-------------------------------------|-----------|--------------------|-----------------------|
| <b>Luxembourg - 0.72% (0.00%)</b>   |           |                    |                       |
| Eurofins                            | 162,672   | 7,782              | 0.72                  |
| <b>Netherlands - 2.32% (1.98%)</b>  |           |                    |                       |
| Wolters Kluwer N.V.                 | 215,919   | 25,122             | 2.32                  |
| <b>Singapore - 1.43% (1.66%)</b>    |           |                    |                       |
| United Overseas Bank                | 933,400   | 15,560             | 1.43                  |
| <b>South Africa - 0.92% (0.87%)</b> |           |                    |                       |
| AVI                                 | 2,823,870 | 9,928              | 0.92                  |
| <b>Spain - 1.11% (0.93%)</b>        |           |                    |                       |
| Amadeus IT Group SA                 | 216,639   | 12,023             | 1.11                  |
| <b>Sweden - 3.00% (1.90%)</b>       |           |                    |                       |
| Atlas Copco A                       | 2,560,113 | 32,513             | 3.00                  |
| <b>Switzerland - 8.67% (9.14%)</b>  |           |                    |                       |
| Kuehne & Nagel                      | 60,975    | 16,394             | 1.51                  |
| Nestle                              | 255,183   | 23,023             | 2.12                  |
| Partners Group                      | 29,308    | 31,470             | 2.90                  |
| Roche                               | 102,559   | 23,199             | 2.14                  |
| <b>Taiwan - 4.35% (5.04%)</b>       |           |                    |                       |
| TCI Co                              | 2,290,000 | 9,882              | 0.91                  |
| TSMC                                | 2,372,000 | 37,373             | 3.44                  |
| <b>UK - 6.13% (6.64%)</b>           |           |                    |                       |
| Admiral Group                       | 849,429   | 21,363             | 1.97                  |
| Experian                            | 763,864   | 25,177             | 2.32                  |
| Greencoat UK Wind                   | 9,327,628 | 13,404             | 1.23                  |
| Hargreaves Lansdown                 | 862,503   | 6,605              | 0.61                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                       | Holding | Market value £'000 | % of total net assets |
|---|---------|--------------------|-----------------------|
| <b>United States - 40.24% (40.40%)</b>  |         |                    |                       |
| AJ Gallagher & Co                       | 109,581 | 19,969             | 1.84                  |
| Albemarle                               | 111,562 | 10,049             | 0.93                  |
| Analog Devices                          | 192,811 | 29,117             | 2.68                  |
| Apple                                   | 228,631 | 33,103             | 3.05                  |
| Cisco Systems                           | 357,178 | 14,072             | 1.30                  |
| Cognex Corp                             | 286,976 | 8,142              | 0.75                  |
| Dolby Laboratories                      | 159,857 | 10,435             | 0.96                  |
| Fastenal                                | 864,445 | 46,282             | 4.27                  |
| Home Depot                              | 29,558  | 8,188              | 0.75                  |
| Intuit                                  | 45,179  | 22,391             | 2.06                  |
| Medtronic                               | 143,819 | 9,886              | 0.91                  |
| Microsoft                               | 171,657 | 53,558             | 4.94                  |
| Pepsico                                 | 230,417 | 30,481             | 2.81                  |
| Procter & Gamble                        | 308,433 | 38,045             | 3.51                  |
| Starbucks Corp                          | 180,288 | 13,171             | 1.21                  |
| T. Rowe Price                           | 104,901 | 8,934              | 0.82                  |
| Texas Instruments                       | 80,265  | 10,088             | 0.93                  |
| UPS                                     | 227,090 | 25,305             | 2.33                  |
| Watsco Inc                              | 148,268 | 45,488             | 4.19                  |
| <b>Portfolio of investments</b>         |         | <b>1,084,439</b>   | <b>99.93</b>          |
| <b>Net other assets - 0.07% (0.02%)</b> |         | <b>725</b>         | <b>0.07</b>           |
| <b>Net assets</b>                       |         | <b>1,085,164</b>   | <b>100.00</b>         |

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 31 January 2023.

## Comparative Tables

### Comparative Table: B Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 165.49   | 159.87   | 137.50   |
| Return before operating charges*              | 16.91  | 6.46   | 23.20  |
| Operating charges                             | (0.90)   | (0.84)   | (0.83)   |
| Return after operating charges*               | 16.01  | 5.62   | 22.37  |
| Distributions                                 | (3.86)   | (3.68)   | (3.28)   |
| Retained distributions on accumulation shares | 3.86   | 3.68   | 3.28   |
| <b>Closing net asset value per share</b>      | <b>181.50</b>  | <b>165.49</b>  | <b>159.87</b>  |
| *After direct transaction costs of:           | 0.03   | 0.11   | 0.05   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 9.67%  | 3.52%  | 16.27%   |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 190,646  | 166,653  | 74,135   |
| Closing number of shares                      | 105,036,398  | 100,704,844  | 46,372,438   |
| Operating charges                             | 0.52% <sup>1</sup>   | 0.54% <sup>2</sup>   | 0.53%  |
| Direct transaction costs <sup>3</sup>         | 0.02%  | 0.07%  | 0.03%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 184.2  | 169.5  | 171.9  |
| Lowest share price (pence)                    | 162.6  | 146.8  | 134.4  |

## Comparative Tables cont.

### Comparative Table: B Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 150.42   | 148.69   | 130.61   |
| Return before operating charges*         | 15.21  | 5.90   | 21.96  |
| Operating charges                        | (0.81)   | (0.77)   | (0.78)   |
| Return after operating charges*          | 14.40  | 5.13   | 21.18  |
| Distributions on income shares           | (3.49)   | (3.40)   | (3.10)   |
| <b>Closing net asset value per share</b> | <b>161.33</b>  | <b>150.42</b>  | <b>148.69</b>  |
| *After direct transaction costs of:      | 0.03   | 0.10   | 0.04   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 9.57%  | 3.45%  | 16.22%   |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 166,260  | 233,394  | 129,319  |
| Closing number of shares                 | 103,053,928  | 155,161,545  | 86,970,005   |
| Operating charges                        | 0.52% <sup>1</sup>   | 0.54% <sup>2</sup>   | 0.53%  |
| Direct transaction costs <sup>3</sup>    | 0.02%  | 0.07%  | 0.03%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 164.8  | 156.0  | 160.8  |
| Lowest share price (pence)               | 147.8  | 135.9  | 127.6  |

## Comparative Tables cont.

### Comparative Table: C Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 169.18   | 162.62   | 139.16   |
| Return before operating charges*              | 17.34  | 6.61   | 23.51  |
| Operating charges                             | (0.04)   | (0.05)   | (0.05)   |
| Return after operating charges*               | 17.30  | 6.56   | 23.46  |
| Distributions                                 | (3.96)   | (3.75)   | (3.34)   |
| Retained distributions on accumulation shares | 3.96   | 3.75   | 3.34   |
| <b>Closing net asset value per share</b>      | <b>186.48</b>  | <b>169.18</b>  | <b>162.62</b>  |
| *After direct transaction costs of:           | 0.04   | 0.11   | 0.05   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 10.23%   | 4.03%  | 16.86%   |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 29,090   | 29,729   | 16,626   |
| Closing number of shares                      | 15,599,003   | 17,572,414   | 10,223,790   |
| Operating charges                             | 0.02% <sup>1</sup>   | 0.04% <sup>2</sup>   | 0.03%  |
| Direct transaction costs <sup>3</sup>         | 0.02%  | 0.07%  | 0.03%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 189.2  | 172.9  | 174.7  |
| Lowest share price (pence)                    | 166.3  | 149.6  | 136.0  |

## Comparative Tables cont.

### Comparative Table: C Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 153.64   | 151.11   | 132.06   |
| Return before operating charges*         | 15.57  | 6.03   | 22.25  |
| Operating charges                        | (0.03)   | (0.04)   | (0.04)   |
| Return after operating charges*          | 15.54  | 5.99   | 22.21  |
| Distributions on income shares           | (3.57)   | (3.46)   | (3.16)   |
| <b>Closing net asset value per share</b> | <b>165.61</b>  | <b>153.64</b>  | <b>151.11</b>  |
| *After direct transaction costs of:      | 0.03   | 0.10   | 0.04   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 10.11%   | 3.96%  | 16.82%   |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 116,018  | 126,675  | 80,010   |
| Closing number of shares                 | 70,053,416   | 82,451,322   | 52,948,805   |
| Operating charges                        | 0.02% <sup>1</sup>   | 0.04% <sup>2</sup>   | 0.03%  |
| Direct transaction costs <sup>3</sup>    | 0.02%  | 0.07%  | 0.03%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 169.1  | 159.0  | 163.3  |
| Lowest share price (pence)               | 151.0  | 138.3  | 129.1  |



## Comparative Tables cont.

### Comparative Table: J Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 166.54   | 160.64   | 137.95   |
| Return before operating charges*              | 17.03  | 6.51   | 23.29  |
| Operating charges                             | (0.64)   | (0.61)   | (0.60)   |
| Return after operating charges*               | 16.39  | 5.90   | 22.69  |
| Distributions                                 | (3.89)   | (3.70)   | (3.29)   |
| Retained distributions on accumulation shares | 3.89   | 3.70   | 3.29   |
| <b>Closing net asset value per share</b>      | <b>182.93</b>  | <b>166.54</b>  | <b>160.64</b>  |
| *After direct transaction costs of:           | 0.03   | 0.11   | 0.05   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 9.84%  | 3.67%  | 16.45%   |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 21,524   | 19,136   | 14,262   |
| Closing number of shares                      | 11,766,545   | 11,490,587   | 8,878,617  |
| Operating charges                             | 0.37% <sup>1</sup>   | 0.39% <sup>2</sup>   | 0.38%  |
| Direct transaction costs <sup>3</sup>         | 0.02%  | 0.07%  | 0.03%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 185.6  | 170.5  | 172.7  |
| Lowest share price (pence)                    | 163.7  | 147.6  | 134.8  |

## Comparative Tables cont.

### Comparative Table: J Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 150.35   | 148.39   | 130.14   |
| Return before operating charges*         | 15.22  | 5.89   | 21.90  |
| Operating charges                        | (0.58)   | (0.54)   | (0.56)   |
| Return after operating charges*          | 14.64  | 5.35   | 21.34  |
| Distributions on income shares           | (3.49)   | (3.39)   | (3.09)   |
| <b>Closing net asset value per share</b> | <b>161.50</b>  | <b>150.35</b>  | <b>148.39</b>  |
| *After direct transaction costs of:      | 0.03   | 0.10   | 0.04   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 9.74%  | 3.61%  | 16.40%   |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 4,593  | 4,233  | 3,647  |
| Closing number of shares                 | 2,843,998  | 2,815,526  | 2,457,676  |
| Operating charges                        | 0.37% <sup>1</sup>   | 0.39% <sup>2</sup>   | 0.38%  |
| Direct transaction costs <sup>3</sup>    | 0.02%  | 0.07%  | 0.03%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 164.9  | 155.8  | 160.4  |
| Lowest share price (pence)               | 147.7  | 135.7  | 127.2  |

## Comparative Tables cont.

### Comparative Table: P Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 165.74   | 160.03   | 137.57   |
| Return before operating charges*              | 16.94  | 6.47   | 23.20  |
| Operating charges                             | (0.81)   | (0.76)   | (0.74)   |
| Return after operating charges*               | 16.13  | 5.71   | 22.46  |
| Distributions                                 | (3.87)   | (3.68)   | (3.29)   |
| Retained distributions on accumulation shares | 3.87   | 3.68   | 3.29   |
| <b>Closing net asset value per share</b>      | <b>181.87</b>  | <b>165.74</b>  | <b>160.03</b>  |
| *After direct transaction costs of:           | 0.03   | 0.11   | 0.05   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 9.73%  | 3.57%  | 16.33%   |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 1  | 1  | 1  |
| Closing number of shares                      | 750  | 750  | 750  |
| Operating charges                             | 0.47% <sup>1</sup>   | 0.49% <sup>2</sup>   | 0.48%  |
| Direct transaction costs <sup>3</sup>         | 0.02%  | 0.07%  | 0.03%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 184.6  | 169.7  | 172.1  |
| Lowest share price (pence)                    | 162.9  | 147.0  | 134.4  |

## Comparative Tables cont.

### Comparative Table: P Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 150.85   | 149.05   | 130.85   |
| Return before operating charges*         | 15.25  | 5.91   | 22.02  |
| Operating charges                        | (0.73)   | (0.70)   | (0.72)   |
| Return after operating charges*          | 14.52  | 5.21   | 21.30  |
| Distributions on income shares           | (3.50)   | (3.41)   | (3.10)   |
| <b>Closing net asset value per share</b> | <b>161.87</b>  | <b>150.85</b>  | <b>149.05</b>  |
| *After direct transaction costs of:      | 0.03   | 0.10   | 0.04   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 9.63%  | 3.50%  | 16.28%   |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 1  | 1  | 1  |
| Closing number of shares                 | 750  | 750  | 750  |
| Operating charges                        | 0.47% <sup>1</sup>   | 0.49% <sup>2</sup>   | 0.49%  |
| Direct transaction costs <sup>3</sup>    | 0.02%  | 0.07%  | 0.03%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 165.3  | 156.4  | 161.2  |
| Lowest share price (pence)               | 148.2  | 136.2  | 127.9  |

## Comparative Tables cont.

### Comparative Table: W6 Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) |
|---|--|--|
| <b>Change in net assets per share:</b>        |  |  |
| Opening net asset value per share             | 165.16   | 159.00 <sup>4</sup>  |
| Return before operating charges*              | 16.91  | 6.67   |
| Operating charges                             | (0.64)   | (0.51)   |
| Return after operating charges*               | 16.27  | 6.16   |
| Distributions                                 | (3.86)   | (2.73)   |
| Retained distributions on accumulation shares | 3.86   | 2.73   |
| <b>Closing net asset value per share</b>      | <b>181.43</b>  | <b>165.16</b>  |
| *After direct transaction costs of:           | 0.03   | 0.11   |
| <b>Performance:</b>                           |  |  |
| Return after charges                          | 9.85%  | 3.87%  |
| <b>Other Information:</b>                     |  |  |
| Closing net asset value (£'000)               | 82,313   | 38,634   |
| Closing number of shares                      | 45,369,394   | 23,391,363   |
| Operating charges                             | 0.37% <sup>1</sup>   | 0.33% <sup>2,5</sup>   |
| Direct transaction costs <sup>3</sup>         | 0.02%  | 0.07%  |
| <b>Prices:</b>                                |  |  |
| Highest share price (pence)                   | 184.1  | 169.1  |
| Lowest share price (pence)                    | 162.3  | 146.4  |

## Comparative Tables cont.

### Comparative Table: W6 Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) |
|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |
| Opening net asset value per share        | 150.11   | 147.00 <sup>4</sup>  |
| Return before operating charges*         | 15.20  | 6.09   |
| Operating charges                        | (0.58)   | (0.46)   |
| Return after operating charges*          | 14.62  | 5.63   |
| Distributions on income shares           | (3.48)   | (2.52)   |
| <b>Closing net asset value per share</b> | <b>161.25</b>  | <b>150.11</b>  |
| *After direct transaction costs of:      | 0.03   | 0.10   |
| <b>Performance:</b>                      |  |  |
| Return after charges                     | 9.74%  | 3.83%  |
| <b>Other Information:</b>                |  |  |
| Closing net asset value (£'000)          | 474,718  | 343,089  |
| Closing number of shares                 | 294,398,075  | 228,561,467  |
| Operating charges                        | 0.37% <sup>1</sup>   | 0.32% <sup>2,5</sup>   |
| Direct transaction costs <sup>3</sup>    | 0.02%  | 0.07%  |
| <b>Prices:</b>                           |  |  |
| Highest share price (pence)              | 164.7  | 155.5  |
| Lowest share price (pence)               | 147.5  | 135.4  |

<sup>1</sup>In November 2023, following the FCA's statement regarding communications related to PRIIPs and UCITS, the Investment Association amended its Guidance on Disclosure of Fund Charges and Costs, removing the requirement to include indirect costs associated with holding closed-ended investment funds from Ongoing Charges figures. Consequently, these costs are no longer included in the Ongoing Charges figures to 31 January 2024. Had the indirect costs associated with holding closed-ended investment funds been included, the Ongoing Charges figure would have been 0.01% higher.

<sup>2</sup>In July 2020, the Investment Association issued Guidance on Disclosure of Fund Charges and Costs effective from 30 June 2022 which updated the Ongoing Charges disclosure requirements to include indirect costs associated with funds' holdings of closed-ended investment funds. This resulted in an increase of 0.01% in the Ongoing Charges figures disclosed as at 31 January 2023.

<sup>3</sup>The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website [www.bailliegifford.com](http://www.bailliegifford.com).

<sup>4</sup>Class W6 Shares were launched on 22 April 2022.

<sup>5</sup>Class W6 Shares have a separate annual fee arrangement with the ACD, where a fee scale may be applied. Please refer to the Prospectus for further information. As at 31 January 2023 the ACD considered 0.39% to be a more indicative rate of the ongoing charges figure for Class W6 Shares.

# Financial Statements

## Statement of Total Return for the year ended 31 January 2024

|   | Notes | 2024    |               | 2023    |               |
|---|-------|---------|---------------|---------|---------------|
|   |       | £'000   | £'000         | £'000   | £'000         |
| <b>Income</b>   |       |         |               |         |               |
| Net capital gains/(losses)  | 1     |         | 78,664        |         | 25,186        |
| Revenue   | 3     | 25,795  |               | 18,383  |               |
| Expenses  | 4     | (3,803) |               | (2,882) |               |
| Net revenue before taxation   |       | 21,992  |               | 15,501  |               |
| Taxation  | 5     | (2,869) |               | (1,850) |               |
| Net revenue after taxation  |       |         | 19,123        |         | 13,651        |
| Total return before distributions   |       |         | 97,787        |         | 38,837        |
| Distributions   | 6     |         | (22,896)      |         | (16,516)      |
| <b>Change in net assets attributable to shareholders from investment activities</b> |       |         | <b>74,891</b> |         | <b>22,321</b> |

## Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 January 2024

|  | 2024      |                  | 2023     |                |
|--|-----------|------------------|----------|----------------|
|  | £'000     | £'000            | £'000    | £'000          |
| <b>Opening net assets attributable to shareholders</b>                       |           | <b>961,545</b>   |          | <b>318,001</b> |
| Amounts receivable on issue of shares  | 180,821   |                  | 607,245  |                |
| Amounts payable on cancellation of shares                                    | (138,918) |                  | (34,938) |                |
| Creation of shares settled by transfer of stocks                             | -         |                  | 43,234   |                |
|  |           | 41,903           |          | 615,541        |
| Dilution adjustment  |           | 285              |          | 1,026          |
| Change in net assets attributable to shareholders from investment activities |           | 74,891           |          | 22,321         |
| Retained distributions on accumulation shares                                |           | 6,540            |          | 4,656          |
| <b>Closing net assets attributable to shareholders</b>                       |           | <b>1,085,164</b> |          | <b>961,545</b> |

## Financial Statements cont.

Balance Sheet as at 31 January 2024

|  | Notes | 2024<br>£'000    | 2023<br>£'000  |
|--|-------|------------------|----------------|
| <b>Assets:</b>                                 |       |                  |                |
| Fixed assets:                                  |       |                  |                |
| Investments                                    | 13    | 1,084,439        | 961,329        |
| Current assets:                                |       |                  |                |
| Debtors  | 8     | 21,758           | 1,927          |
| Cash and bank balances                         | 9     | 7,110            | 6,702          |
| <b>Total assets</b>                            |       | <b>1,113,307</b> | <b>969,958</b> |
| <b>Liabilities:</b>                            |       |                  |                |
| Creditors:                                     |       |                  |                |
| Distributions payable                          |       | (4,877)          | (4,513)        |
| Other creditors                                | 10    | (23,266)         | (3,900)        |
| <b>Total liabilities</b>                       |       | <b>(28,143)</b>  | <b>(8,413)</b> |
| <b>Net assets attributable to shareholders</b> |       | <b>1,085,164</b> | <b>961,545</b> |



## Notes to the Financial Statements

### 1 Net capital

|                                   | 2024          | 2023          |
|-----------------------------------|---------------|---------------|
|                                   | £'000         | £'000         |
| Non-derivative securities         | 78,800        | 25,449        |
| Currency gains/(losses)           | (125)         | (246)         |
| Transaction costs                 | (11)          | (17)          |
| <b>Net capital gains/(losses)</b> | <b>78,664</b> | <b>25,186</b> |

### 2 Purchases, sales and transaction costs

|  | 2024           | 2023           |
|--|----------------|----------------|
|  | £'000          | £'000          |
| <b>Purchases and transaction costs</b>                   |                |                |
| Purchases of equities                                    | 219,608        | 647,413        |
| Equities transferred in                                  | -              | 40,110         |
| Gross purchases of equities excluding transaction costs  | 219,608        | 687,523        |
| Commissions  | 53             | 138            |
| Taxes  | 118            | 367            |
| Total transaction costs on equity purchases <sup>1</sup> | 171            | 505            |
| <b>Purchases including transaction costs</b>             | <b>219,779</b> | <b>688,028</b> |

<sup>1</sup>These amounts have been deducted in determining net capital gains/(losses).

|  | 2024 | 2023 |
|--|------|------|
|  | %    | %    |
| <b>Transaction costs as a percentage of principal amount</b> |      |      |
| Commission on equity purchases                               | 0.02 | 0.02 |
| Taxes on equity purchases                                    | 0.05 | 0.05 |

## Notes to the Financial Statements cont.

### 2 Purchases, sales and transaction costs (continued)

|  | 2024           | 2023          |
|--|----------------|---------------|
|  | £'000          | £'000         |
| <b>Sales and transaction costs</b>                   |                |               |
| Gross sales of equities excluding transaction costs  | 175,549        | 68,897        |
| Commissions  | (50)           | (25)          |
| Taxes  | (31)           | (3)           |
| Total transaction costs on equity sales <sup>1</sup> | (81)           | (28)          |
| <b>Sales net of transaction costs</b>                | <b>175,468</b> | <b>68,869</b> |

<sup>1</sup>These amounts have been deducted in determining net capital gains/(losses).

|  | 2024   | 2023   |
|--|--------|--------|
|  | %      | %      |
| <b>Transaction costs as a percentage of principal amount</b> |        |        |
| Commission on equity sales                                   | (0.03) | (0.04) |
| Taxes on equity sales  | (0.02) | (0.00) |

|                                       | 2024       |                  | 2023       |                  |
|---------------------------------------|------------|------------------|------------|------------------|
|                                       | £'000      | % of average NAV | £'000      | % of average NAV |
| <b>Portfolio transaction costs</b>    |            |                  |            |                  |
| Commissions                           | 103        | 0.01             | 163        | 0.02             |
| Taxes                                 | 149        | 0.01             | 370        | 0.05             |
| <b>Total direct transaction costs</b> | <b>252</b> | <b>0.02</b>      | <b>533</b> | <b>0.07</b>      |

|                                  | 2024 | 2023 |
|----------------------------------|------|------|
|                                  | %    | %    |
| Average portfolio dealing spread | 0.06 | 0.08 |

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

## Notes to the Financial Statements cont.

**3 Revenue**

|                      | 2024          | 2023          |
|----------------------|---------------|---------------|
|                      | £'000         | £'000         |
| UK dividends         | 2,207         | 1,797         |
| Overseas dividends   | 23,519        | 16,571        |
| Bank interest        | 69            | 15            |
| <b>Total revenue</b> | <b>25,795</b> | <b>18,383</b> |

**4 Expenses**

|  | 2024         | 2023         |
|--|--------------|--------------|
|  | £'000        | £'000        |
| <b>Payable to the ACD, associates of the ACD and agents of either of them:</b>               |              |              |
| Annual management charge   | 3,613        | 2,716        |
| <b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b> |              |              |
| Depositary's fee   | 69           | 54           |
| Bank charges   | 85           | 91           |
|  | 154          | 145          |
| <b>Other expenses:</b>   |              |              |
| Audit fee  | 8            | 8            |
| Non-audit fees paid to auditors  | 8            | 5            |
| Professional fees  | 20           | 8            |
|  | 36           | 21           |
| <b>Total expenses</b>  | <b>3,803</b> | <b>2,882</b> |

**5 Taxation**

|                                       | 2024         | 2023         |
|---------------------------------------|--------------|--------------|
|                                       | £'000        | £'000        |
| <b>Analysis of charge in the year</b> |              |              |
| Corporation tax                       | -            | -            |
| Overseas tax                          | 2,427        | 1,621        |
| Prior year tax reclaims written off   | 473          | 229          |
| Tax recoverable on overseas dividends | (31)         | -            |
| <b>Total taxation</b>                 | <b>2,869</b> | <b>1,850</b> |

The Fund is subject to corporation tax at 20% (2023: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses substantially exceed the taxable income of the Fund and, as a result, there is no corporation tax charge.

## Notes to the Financial Statements cont.

### 5 Taxation (continued)

At 31 January 2024, the Fund had excess management expenses of £7,348,000 (2023: £3,879,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing excess expenses.

The tax charge is explained as follows:

|   | 2024         | 2023         |
|---|--------------|--------------|
|   | £'000        | £'000        |
| Net revenue before taxation   | 21,992       | 15,501       |
| Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2023: 20%) | 4,398        | 3,100        |
| Effects of:   |              |              |
| Non-taxable UK dividends  | (441)        | (359)        |
| Non-taxable overseas dividends  | (4,641)      | (3,269)      |
| Overseas tax on dividends   | 2,427        | 1,621        |
| Excess management expenses  | 693          | 535          |
| Prior year tax reclaims written off   | 473          | 229          |
| Tax recoverable on overseas dividends   | (31)         | -            |
| Expense relief claimed on overseas tax  | (9)          | (7)          |
| <b>Total taxation</b>   | <b>2,869</b> | <b>1,850</b> |

### 6 Distributions

|  | 2024          | 2023          |
|--|---------------|---------------|
|  | £'000         | £'000         |
| Interim to 30 April                        | 5,127         | 3,795         |
| Interim to 31 July                         | 5,383         | 4,533         |
| Interim to 31 October                      | 5,646         | 5,022         |
| Final to 31 January                        | 6,927         | 6,143         |
|  | <b>23,083</b> | <b>19,493</b> |
| Amounts deducted on cancellation of shares | 933           | 2,497         |
| Amounts added on issue of shares           | (1,120)       | (5,474)       |
| <b>Total distributions</b>                 | <b>22,896</b> | <b>16,516</b> |

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distributions per share are set out in the Distribution Tables.

## Notes to the Financial Statements cont.

### 7 Reconciliation of net revenue to net distributions for the year

|  | 2024          | 2023          |
|--|---------------|---------------|
|  | £'000         | £'000         |
| Net revenue after taxation for the year    | 19,123        | 13,651        |
| Add expenses allocated to capital          | 3,803         | 2,882         |
| Add distributable revenue brought forward  | 19            | 2             |
| Less distributable revenue carried forward | (49)          | (19)          |
| <b>Net distributions for the year</b>      | <b>22,896</b> | <b>16,516</b> |

### 8 Debtors

|                                | 2024          | 2023         |
|--------------------------------|---------------|--------------|
|                                | £'000         | £'000        |
| Receivable for issue of shares | 1,734         | 977          |
| Sales awaiting settlement      | 18,356        | 93           |
| Accrued income                 | 821           | 497          |
| Overseas tax recoverable       | 838           | 354          |
| VAT recoverable                | 4             | 3            |
| Other debtors                  | 5             | 3            |
| <b>Total debtors</b>           | <b>21,758</b> | <b>1,927</b> |

### 9 Cash and bank balances

|                                     | 2024         | 2023         |
|-------------------------------------|--------------|--------------|
|                                     | £'000        | £'000        |
| Sterling bank accounts              | 7,110        | 5,644        |
| Foreign currency bank accounts      | -            | 1,058        |
| <b>Total cash and bank balances</b> | <b>7,110</b> | <b>6,702</b> |

### 10 Other creditors

|                                     | 2024          | 2023         |
|-------------------------------------|---------------|--------------|
|                                     | £'000         | £'000        |
| Payable for cancellation of shares  | 520           | 2,514        |
| Purchases awaiting settlement       | 22,377        | 1,058        |
| Due to the ACD or associates        | 340           | 295          |
| Due to the Depositary or associates | 21            | 26           |
| Other accrued expenses              | 8             | 7            |
| <b>Total other creditors</b>        | <b>23,266</b> | <b>3,900</b> |

## Notes to the Financial Statements cont.

### 11 Related party transactions

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts receivable and payable on the issue and cancellation of shares have been disclosed in notes 8 and 10 respectively.

Amounts paid to Baillie Gifford & Co Limited in respect of ACD fees are disclosed in note 4 with amounts due at the period end given in note 10.

#### Shares held by the ACD and associates of the ACD

The shares held by the ACD and associates of the ACD as a percentage of the Fund's NAV were:

|                               | 2024 | 2023 |
|-------------------------------|------|------|
|                               | %    | %    |
| ACD and associates of the ACD | 0.87 | 1.15 |

### 12 Reconciliation of shares in issue

|                        | Shares in issue as at<br>31.01.23 | Shares issued | Shares cancelled | Shares converted | Shares in issue as at<br>31.01.24 |
|------------------------|-----------------------------------|---------------|------------------|------------------|-----------------------------------|
| B Accumulation Shares  | 100,704,844                       | 16,134,234    | (11,416,939)     | (385,741)        | 105,036,398                       |
| B Income Shares        | 155,161,545                       | 10,625,900    | (37,200,786)     | (25,532,731)     | 103,053,928                       |
| C Accumulation Shares  | 17,572,414                        | 4,367,406     | (6,340,817)      | -                | 15,599,003                        |
| C Income Shares        | 82,451,322                        | -             | (12,397,906)     | -                | 70,053,416                        |
| J Accumulation Shares  | 11,490,587                        | 1,508,485     | (1,159,660)      | (72,867)         | 11,766,545                        |
| J Income Shares        | 2,815,526                         | 452,221       | (501,215)        | 77,466           | 2,843,998                         |
| P Accumulation Shares  | 750                               | 750           | (750)            | -                | 750                               |
| P Income Shares        | 750                               | 750           | (750)            | -                | 750                               |
| W6 Accumulation Shares | 23,391,363                        | 21,866,975    | (245,813)        | 356,869          | 45,369,394                        |
| W6 Income Shares       | 228,561,467                       | 57,350,699    | (17,116,365)     | 25,602,274       | 294,398,075                       |

### 13 Basis of valuation

|                                 | 2024             | 2023           |
|---------------------------------|------------------|----------------|
|                                 | Assets           | Assets         |
|                                 | £'000            | £'000          |
| Level 1: Quoted prices          | 1,084,439        | 961,329        |
| Level 2: Observable market data | -                | -              |
| Level 3: Unobservable data      | -                | -              |
| <b>Total</b>                    | <b>1,084,439</b> | <b>961,329</b> |

## Notes to the Financial Statements cont.

### 14 Derivatives and other financial instruments

#### Currency exposures

A proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

| Currency               | Net currency assets/(liabilities) |                                 |                | Net currency assets/(liabilities) |                                 |                |
|------------------------|-----------------------------------|---------------------------------|----------------|-----------------------------------|---------------------------------|----------------|
|                        | 2024                              |                                 |                | 2023                              |                                 |                |
|                        | Monetary exposures<br>£'000       | Non-monetary exposures<br>£'000 | Total<br>£'000 | Monetary exposures<br>£'000       | Non-monetary exposures<br>£'000 | Total<br>£'000 |
| Australian dollar      | -                                 | 53,174                          | 53,174         | -                                 | 45,857                          | 45,857         |
| Brazilian real         | -                                 | 17,408                          | 17,408         | -                                 | 15,395                          | 15,395         |
| Chinese yuan (onshore) | -                                 | 9,666                           | 9,666          | -                                 | 8,873                           | 8,873          |
| Danish krone           | -                                 | 68,411                          | 68,411         | -                                 | 50,696                          | 50,696         |
| Euro                   | -                                 | 188,227                         | 188,227        | -                                 | 146,940                         | 146,940        |
| Hong Kong dollar       | -                                 | 34,287                          | 34,287         | -                                 | 53,316                          | 53,316         |
| Japanese yen           | -                                 | 10,671                          | 10,671         | -                                 | 9,041                           | 9,041          |
| Singapore dollar       | -                                 | 15,560                          | 15,560         | -                                 | 15,924                          | 15,924         |
| South African rand     | -                                 | 9,928                           | 9,928          | -                                 | 8,327                           | 8,327          |
| Swedish krona          | -                                 | 32,513                          | 32,513         | -                                 | 18,257                          | 18,257         |
| Swiss franc            | -                                 | 94,086                          | 94,086         | -                                 | 87,903                          | 87,903         |
| Taiwanese dollar       | -                                 | 47,255                          | 47,255         | 964                               | 42,014                          | 42,978         |
| UK sterling            | 7,110                             | 66,549                          | 73,659         | 5,644                             | 63,892                          | 69,536         |
| US dollar              | -                                 | 436,704                         | 436,704        | 94                                | 394,895                         | 394,989        |

Short-term debtors and creditors have not been disclosed.

Totals may not sum due to rounding.

The Fund invests in a generally diversified portfolio of assets. Consequently the ACD considers that a single measure of market sensitivity does not accurately reflect the risks faced by the Fund.

# Distribution Table

Interim distribution for the period ended 30 April 2023

Group 1 : shares purchased prior to 1 February 2023

Group 2 : shares purchased 1 February 2023 to 30 April 2023

|                        | Net Revenue                 | Equalisation                | Distribution<br>(paid/accumulated<br>30.06.23) | Distribution<br>(paid/accumulated<br>30.06.22) |
|------------------------|-----------------------------|-----------------------------|--|--|
|                        | 30.04.23<br>pence per share | 30.04.23<br>pence per share | 30.04.23<br>pence per share                    | 30.04.22<br>pence per share                    |
| <b>B Accumulation</b>  |                             |                             |  |  |
| Group 1                | 0.89000                     | -                           | 0.89000  | 0.84000  |
| Group 2                | 0.37282                     | 0.51718                     | 0.89000  | 0.84000  |
| <b>B Income</b>        |                             |                             |  |  |
| Group 1                | 0.81000                     | -                           | 0.81000  | 0.78000  |
| Group 2                | 0.29832                     | 0.51168                     | 0.81000  | 0.78000  |
| <b>C Accumulation</b>  |                             |                             |  |  |
| Group 1                | 0.91000                     | -                           | 0.91000  | 0.85000  |
| Group 2                | 0.55012                     | 0.35988                     | 0.91000  | 0.85000  |
| <b>C Income</b>        |                             |                             |  |  |
| Group 1                | 0.83000                     | -                           | 0.83000  | 0.79000  |
| Group 2                | 0.83000                     | -                           | 0.83000  | 0.79000  |
| <b>J Accumulation</b>  |                             |                             |  |  |
| Group 1                | 0.90000                     | -                           | 0.90000  | 0.84000  |
| Group 2                | 0.34293                     | 0.55707                     | 0.90000  | 0.84000  |
| <b>J Income</b>        |                             |                             |  |  |
| Group 1                | 0.81000                     | -                           | 0.81000  | 0.78000  |
| Group 2                | 0.43571                     | 0.37429                     | 0.81000  | 0.78000  |
| <b>P Accumulation</b>  |                             |                             |  |  |
| Group 1                | 0.89000                     | -                           | 0.89000  | 0.84000  |
| Group 2                | 0.89000                     | -                           | 0.89000  | 0.84000  |
| <b>P Income</b>        |                             |                             |  |  |
| Group 1                | 0.81000                     | -                           | 0.81000  | 0.78000  |
| Group 2                | 0.81000                     | -                           | 0.81000  | 0.78000  |
| <b>W6 Accumulation</b> |                             |                             |  |  |
| Group 1                | 0.89000                     | -                           | 0.89000  | -  |
| Group 2                | 0.39038                     | 0.49962                     | 0.89000  | -  |



## Distribution Table cont.

Interim distribution for the period ended 30 April 2023

Group 1 : shares purchased prior to 1 February 2023

Group 2 : shares purchased 1 February 2023 to 30 April 2023

|                  | Net Revenue     | Equalisation    | Distribution<br>(paid/accumulated<br>30.06.23) | Distribution<br>(paid/accumulated<br>30.06.22) |
|------------------|-----------------|-----------------|--|--|
|                  | 30.04.23        | 30.04.23        | 30.04.23                                       | 30.04.22                                       |
|                  | pence per share | pence per share | pence per share                                | pence per share                                |
| <b>W6 Income</b> |                 |                 |  |  |
| Group 1          | 0.81000         | -               | 0.81000  | -  |
| Group 2          | 0.37756         | 0.43244         | 0.81000  | -  |

## Distribution Table cont.

Interim distributions for the period ended 31 July 2023

Group 1 : shares purchased prior to prior to 1 May 2023

Group 2 : shares purchased prior to 1 May 2023 to 31 July 2023

|                        | Net Revenue                 | Equalisation                | Distribution<br>(paid/accumulated<br>30.09.23) | Distribution<br>(paid/accumulated<br>30.09.22) |
|------------------------|-----------------------------|-----------------------------|--|--|
|                        | 31.07.23<br>pence per share | 31.07.23<br>pence per share | 31.07.23<br>pence per share                    | 31.07.22<br>pence per share                    |
| <b>B Accumulation</b>  |                             |                             |  |  |
| Group 1                | 0.90000                     | -                           | 0.90000  | 0.87000  |
| Group 2                | -                           | 0.90000                     | 0.90000  | 0.87000  |
| <b>B Income</b>        |                             |                             |  |  |
| Group 1                | 0.81000                     | -                           | 0.81000  | 0.81000  |
| Group 2                | -                           | 0.81000                     | 0.81000  | 0.81000  |
| <b>C Accumulation</b>  |                             |                             |  |  |
| Group 1                | 0.92000                     | -                           | 0.92000  | 0.89000  |
| Group 2                | 0.92000                     | -                           | 0.92000  | 0.89000  |
| <b>C Income</b>        |                             |                             |  |  |
| Group 1                | 0.83000                     | -                           | 0.83000  | 0.83000  |
| Group 2                | 0.83000                     | -                           | 0.83000  | 0.83000  |
| <b>J Accumulation</b>  |                             |                             |  |  |
| Group 1                | 0.90000                     | -                           | 0.90000  | 0.88000  |
| Group 2                | -                           | 0.90000                     | 0.90000  | 0.88000  |
| <b>J Income</b>        |                             |                             |  |  |
| Group 1                | 0.81000                     | -                           | 0.81000  | 0.81000  |
| Group 2                | -                           | 0.81000                     | 0.81000  | 0.81000  |
| <b>P Accumulation</b>  |                             |                             |  |  |
| Group 1                | 0.90000                     | -                           | 0.90000  | 0.88000  |
| Group 2                | 0.90000                     | -                           | 0.90000  | 0.88000  |
| <b>P Income</b>        |                             |                             |  |  |
| Group 1                | 0.81000                     | -                           | 0.81000  | 0.81000  |
| Group 2                | 0.81000                     | -                           | 0.81000  | 0.81000  |
| <b>W6 Accumulation</b> |                             |                             |  |  |
| Group 1                | 0.90000                     | -                           | 0.90000  | 0.84000  |
| Group 2                | -                           | 0.90000                     | 0.90000  | 0.84000  |

## Distribution Table cont.

Interim distributions for the period ended 31 July 2023

Group 1 : shares purchased prior to prior to 1 May 2023

Group 2 : shares purchased prior to 1 May 2023 to 31 July 2023

|           | Net Revenue     | Equalisation    | Distribution<br>(paid/accumulated<br>30.09.23) | Distribution<br>(paid/accumulated<br>30.09.22) |
|-----------|-----------------|-----------------|--|--|
|           | 31.07.23        | 31.07.23        | 31.07.23                                       | 31.07.22                                       |
|           | pence per share | pence per share | pence per share                                | pence per share                                |
| W6 Income |                 |                 |  |  |
| Group 1   | 0.81000         | -               | 0.81000  | 0.78000  |
| Group 2   | 0.01480         | 0.79520         | 0.81000  | 0.78000  |

## Distribution Table cont.

Interim distribution for the period ended 31 October 2023

Group 1 : share purchased prior to 1 August 2023

Group 2 : share purchased 1 August 2023 to 31 October 2023

|                        | Net Revenue                 | Equalisation                | Distribution<br>(paid/accumulated<br>31.12.23) | Distribution<br>(paid/accumulated<br>31.12.22) |
|------------------------|-----------------------------|-----------------------------|--|--|
|                        | 31.10.23<br>pence per share | 31.10.23<br>pence per share | 31.10.23<br>pence per share                    | 31.10.23<br>pence per share                    |
| <b>B Accumulation</b>  |                             |                             |  |  |
| Group 1                | 0.92000                     | -                           | 0.92000  | 0.90000  |
| Group 2                | -                           | 0.92000                     | 0.92000  | 0.90000  |
| <b>B Income</b>        |                             |                             |  |  |
| Group 1                | 0.83000                     | -                           | 0.83000  | 0.83000  |
| Group 2                | -                           | 0.83000                     | 0.83000  | 0.83000  |
| <b>C Accumulation</b>  |                             |                             |  |  |
| Group 1                | 0.95000                     | -                           | 0.95000  | 0.92000  |
| Group 2                | -                           | 0.95000                     | 0.95000  | 0.92000  |
| <b>C Income</b>        |                             |                             |  |  |
| Group 1                | 0.85000                     | -                           | 0.85000  | 0.85000  |
| Group 2                | 0.85000                     | -                           | 0.85000  | 0.85000  |
| <b>J Accumulation</b>  |                             |                             |  |  |
| Group 1                | 0.93000                     | -                           | 0.93000  | 0.91000  |
| Group 2                | -                           | 0.93000                     | 0.93000  | 0.91000  |
| <b>J Income</b>        |                             |                             |  |  |
| Group 1                | 0.83000                     | -                           | 0.83000  | 0.83000  |
| Group 2                | -                           | 0.83000                     | 0.83000  | 0.83000  |
| <b>P Accumulation</b>  |                             |                             |  |  |
| Group 1                | 0.92000                     | -                           | 0.92000  | 0.90000  |
| Group 2                | 0.92000                     | -                           | 0.92000  | 0.90000  |
| <b>P Income</b>        |                             |                             |  |  |
| Group 1                | 0.84000                     | -                           | 0.84000  | 0.84000  |
| Group 2                | 0.84000                     | -                           | 0.84000  | 0.84000  |
| <b>W6 Accumulation</b> |                             |                             |  |  |
| Group 1                | 0.92000                     | -                           | 0.92000  | 0.87000  |
| Group 2                | -                           | 0.92000                     | 0.92000  | 0.87000  |

## Distribution Table cont.

Interim distribution for the period ended 31 October 2023

Group 1 : share purchased prior to 1 August 2023

Group 2 : share purchased 1 August 2023 to 31 October 2023

|           | Net Revenue                 | Equalisation                | Distribution<br>(paid/accumulated<br>31.12.23) | Distribution<br>(paid/accumulated<br>31.12.22) |
|-----------|-----------------------------|-----------------------------|--|--|
|           | 31.10.23<br>pence per share | 31.10.23<br>pence per share | 31.10.23<br>pence per share                    | 31.10.23<br>pence per share                    |
| W6 Income |                             |                             |  |  |
| Group 1   | 0.83000                     | -                           | 0.83000  | 0.80000  |
| Group 2   | -                           | 0.83000                     | 0.83000  | 0.80000  |

## Distribution Table cont.

Final distribution for the period ended 31 January 2024

Group 1 : shares purchased prior to 1 November 2023

Group 2 : shares purchased 1 November 2023 to 31 January 2024

|                        | Net Revenue<br>(dividend<br>distribution) | Equalisation                | Distribution<br>(paid/accumulated<br>31.03.24) | Distribution<br>(paid/accumulated<br>31.03.23) |
|------------------------|---|-----------------------------|--|--|
|                        | 31.01.24<br>pence per share               | 31.01.24<br>pence per share | 31.01.24<br>pence per share                    | 31.01.23<br>pence per share                    |
| <b>B Accumulation</b>  |   |                             |  |  |
| Group 1                | 1.15000                                   | -                           | 1.15000  | 1.07000  |
| Group 2                | 0.28183                                   | 0.86817                     | 1.15000  | 1.07000  |
| <b>B Income</b>        |   |                             |  |  |
| Group 1                | 1.04000                                   | -                           | 1.04000  | 0.98000  |
| Group 2                | 0.18830                                   | 0.85170                     | 1.04000  | 0.98000  |
| <b>C Accumulation</b>  |   |                             |  |  |
| Group 1                | 1.18000                                   | -                           | 1.18000  | 1.09000  |
| Group 2                | 1.18000                                   | -                           | 1.18000  | 1.09000  |
| <b>C Income</b>        |   |                             |  |  |
| Group 1                | 1.06000                                   | -                           | 1.06000  | 0.99000  |
| Group 2                | 1.06000                                   | -                           | 1.06000  | 0.99000  |
| <b>J Accumulation</b>  |   |                             |  |  |
| Group 1                | 1.16000                                   | -                           | 1.16000  | 1.07000  |
| Group 2                | 0.18697                                   | 0.97303                     | 1.16000  | 1.07000  |
| <b>J Income</b>        |   |                             |  |  |
| Group 1                | 1.04000                                   | -                           | 1.04000  | 0.97000  |
| Group 2                | 0.17113                                   | 0.86887                     | 1.04000  | 0.97000  |
| <b>P Accumulation</b>  |   |                             |  |  |
| Group 1                | 1.16000                                   | -                           | 1.16000  | 1.06000  |
| Group 2                | 1.16000                                   | -                           | 1.16000  | 1.06000  |
| <b>P Income</b>        |   |                             |  |  |
| Group 1                | 1.04000                                   | -                           | 1.04000  | 0.98000  |
| Group 2                | 1.04000                                   | -                           | 1.04000  | 0.98000  |
| <b>W6 Accumulation</b> |   |                             |  |  |
| Group 1                | 1.15000                                   | -                           | 1.15000  | 1.02000  |
| Group 2                | 0.20495                                   | 0.94505                     | 1.15000  | 1.02000  |

## Distribution Table cont.

Final distribution for the period ended 31 January 2024

Group 1 : shares purchased prior to 1 November 2023

Group 2 : shares purchased 1 November 2023 to 31 January 2024

|           | Net Revenue<br>(dividend<br>distribution)<br><br>31.01.24<br>pence per share | Equalisation<br><br>31.01.24<br>pence per share | Distribution<br>(paid/accumulated<br>31.03.24)<br><br>31.01.24<br>pence per share | Distribution<br>(paid/accumulated<br>31.03.23)<br><br>31.01.23<br>pence per share |
|-----------|--|---|---|---|
| W6 Income |  |   |   |   |
| Group 1   | 1.03000  | -   | 1.03000   | 0.94000   |
| Group 2   | 0.31543  | 0.71457   | 1.03000   | 0.94000   |





# Baillie Gifford™

Baillie Gifford UK and Worldwide Equity Fund

---

a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Annual Report & Financial Statements  
for the year ended 31 January 2024*



# Baillie Gifford UK and Worldwide Equity Fund

## Investment Objective

The Fund aims to outperform (after deduction of costs) a composite index comprising 60% UK and 40% overseas equities, as stated in sterling, by at least 1% per annum over rolling five-year periods. The composite index is calculated by Baillie Gifford and comprises: 60% FTSE All-Share Index and 40% Overseas indices. The overseas element is currently made up of 28% FTSE North America Index; 28% FTSE Europe ex UK Index; 28% MSCI Pacific Index and 16% MSCI Emerging Markets Index.

## Investment Policy

The Fund will invest at least 90% directly or indirectly in shares of UK and overseas companies of any size and in any sector. The indirect investment will be through collective investment schemes. The Fund will invest a minimum of 45% in shares of UK companies and 25% in shares of non-UK companies. Companies the Fund directly invests in will be selected following a norms-based evaluation. The Fund will comply with the Investment Adviser's policy on assessing breaches of the United Nations Global Compact as outlined in its ESG Principles and Guidelines document. The Fund is managed in line with commitments to support the global goal of net zero greenhouse gas emissions by 2050 or sooner. In order to meet these commitments the investment manager will carry out specific climate analysis and use engagement, as required. The Fund will be actively managed.

## Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The

shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Market conditions can change rapidly and a fund in any rank can lose you your investment. The Fund is classified as above as it invests in company shares.

The indicator does not take into account the following relevant material risks:

The Fund is actively managed meaning the Investment Manager selects investments of their own choosing with the aim of achieving the Fund's objectives. This is done without seeking to replicate any index in either of performance or portfolio composition. This investment style, selecting companies with perceived greater long-term growth potential ahead of any short-term returns, in combination with the relative concentration of the Fund, may lead to prolonged periods of underperformance in certain market conditions, both in relation to the Fund's benchmark and in absolute terms.

Over shorter time periods the Fund's share price can be volatile and returns can be much higher or lower than our five-year average target. There is no guarantee this objective will be achieved over any time period.

In adverse market conditions it may be difficult to sell investments held by the fund in a timely manner and their value may fall significantly. This could affect how much money you receive and even delay the selling of your shares if dealing in the Fund is suspended.

Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.

You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

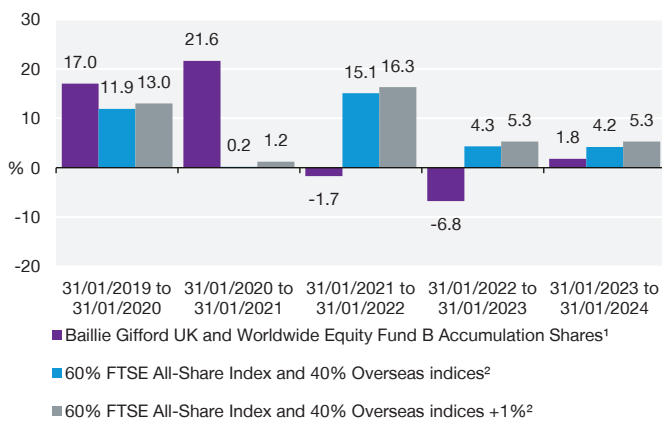
Where possible, charges are taken from income. If insufficient, the rest will be taken from capital, reducing the capital value of the Fund.

## Baillie Gifford UK and Worldwide Equity Fund cont.

For a more detailed explanation of the risks, please see the “Risk Warnings” section of the prospectus.

# Investment Report

## Past Performance



The performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the annual management charge of 0.45%. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

## Past Performance

The investment objective of the Fund is to outperform (after deduction of costs) a composite index<sup>3</sup> comprising 60% UK and 40% overseas equities (the 'Index') by at least 1% per annum (the 'target return') over rolling five-year periods. For the year to 31 January 2024 the return on B Accumulation Shares was 1.8%<sup>1</sup> compared to the Index of 4.2%<sup>2</sup> and the target return of 5.3%<sup>2</sup>. We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance, a period in line with the Fund's objectives. Over that period, the annualised return on B Accumulation Shares was 5.8%<sup>1</sup> compared to the return on the Index of 7.0%<sup>2</sup> and the target return of 8.1%<sup>2</sup>. Although periods of underperformance are inevitable given our style of investment, we fully appreciate that returns over the past few years will have disappointed investors in the Fund. The Fund struggled during 2021 and 2022 against a backdrop of high inflation and rising interest rates but we remain confident that our long-term growth approach will add value over time.

## Market Environment

Stock markets remained volatile during 2023, sensitive to the prevailing view on interest rates and the likelihood of recession. Share prices rallied towards the end of the year, in part thanks to extraordinarily strong returns from a small subset of businesses, the 'Magnificent Seven' tech companies conspicuous among them. This meant that equity markets were driven to an unusually significant extent by a tiny proportion of companies, so much so that in the benchmark S&P 500 US index, 72 per cent of constituents underperformed the index itself.

## Performance

Detractors from performance over the 12 months included St. James's Place (SJP) and Moderna. The decline in SJP's share price was attributed to a notable change in its charging structure, specifically the removal of early withdrawal charges for some new clients. Although this cut in fees will impact profits in the short run, we are confident that SJP will return to growth over

<sup>1</sup>Source: FE, 10am dealing prices, income accumulated. <sup>2</sup>Source: Revolution, FTSE and MSCI, total return in sterling terms. The target return outperformance is compounded daily therefore the index return plus the outperformance will not equal the target return. Please see Disclaimer on page, 318. <sup>3</sup>The composite index is comprised of 60% FTSE All-Share Index and 40% Overseas indices. The overseas element is currently made up of 28% FTSE North America Index; 28% FTSE Europe (ex UK) Index; 28% MSCI Pacific Index and 16% MSCI Emerging Markets Index. You should be aware that past performance is not a guide to future performance.

## Investment Report cont.

the longer term, Meanwhile, Moderna's share price fell due to the recent decline in its Covid-19 vaccine revenues. We believe this was an overreaction by the market, as Moderna's substantial prospects are rooted in its extensive and well-funded drug development pipeline. This pipeline, leveraging mRNA technology, spans infectious diseases, cancers, and personalised medicines, with several promising treatments in advanced trials and anticipated product launches. These advancements appear not to be accounted for in the current valuation of the shares.

More encouragingly, many of the Fund's holdings demonstrated robust operational progress and this was rewarded in share price terms. For example, Marks & Spencer delivered strong revenue growth. The company's store rotation and renewal programme has attracted new customers, boosting market share in its Food and Clothing & Home divisions. In addition, chip maker NVIDIA is a leader in accelerated computing and generative AI and has seen revenues hit record levels as a result.

### **Notable Transactions**

---

New purchases in the period included US 'internet of things' software company Samsara which helps firms to collate and analyse data from their physical assets such as commercial vehicles, thereby helping its customers cut costs and emissions. Elsewhere, in Europe we took new holdings in established luxury group LVMH (owner of Louis Vuitton) and newer fashion house Moncler, known for its iconic puffer jackets. In Asia we bought shares in Nippon Paint, a Japanese-listed paint company with a strong position in China, and in the UK we purchased Diploma, which distributes specialist technical products such as cables, seals, and valves, to a varied range of end markets.

*Baillie Gifford & Co, 13 February 2024*

## Principal Holdings as at 31 January 2024

| Investment   | Percentage of total Fund |
|--|--------------------------|
| Baillie Gifford Emerging Markets Leading Companies Fund C Acc <sup>1</sup> | 4.50                     |
| Baillie Gifford Emerging Markets Growth Fund C Acc <sup>1</sup>            | 3.85                     |
| AstraZeneca  | 2.55                     |
| Bunzl  | 2.51                     |
| Rio Tinto  | 2.51                     |
| RELX   | 2.28                     |
| Legal & General  | 2.17                     |
| Diageo   | 1.97                     |
| Unilever   | 1.87                     |
| Auto Trader  | 1.82                     |

<sup>1</sup>Baillie Gifford UK & Balanced Funds ICVC related party (please refer to note 11).

## Material Portfolio Changes for the year ended 31 January 2024

| Largest Purchases     | Cost<br>£'000 | Largest Sales  | Proceeds<br>£'000 |
|-----------------------|---------------|--|-------------------|
| Babcock International | 2,757         | Baillie Gifford British Smaller Companies<br>Fund C Acc <sup>1</sup> | 6,696             |
| Diploma               | 2,281         | AstraZeneca  | 3,374             |
| Meta Platforms Inc    | 2,067         | Rio Tinto  | 3,284             |
| Prudential            | 1,989         | Abcam Plc ADR  | 3,203             |
| Auto Trader           | 1,339         | Bunzl  | 2,853             |
| Legal & General       | 1,311         | Diageo   | 2,745             |
| Kainos Group          | 1,182         | Unilever   | 2,658             |
| Lonza Group           | 1,059         | Shopify 'A'  | 2,479             |
| EQT                   | 1,020         | Legal & General  | 2,460             |
| Hypoport              | 1,013         | Prudential   | 2,422             |

<sup>1</sup>Baillie Gifford UK & Balanced Funds ICVC cross-holding (please refer to note 11).

## Portfolio Statement as at 31 January 2024

| Stock description                                     | Holding | Market value £'000 | % of total net assets |
|---|---------|--------------------|-----------------------|
| <b>Equities - 100.48% (99.23%)</b>                    |         |                    |                       |
| <b>Developed Asia Pacific - 12.80% (10.27%)</b>       |         |                    |                       |
| AIA Group   | 147,400 | 903                | 0.23                  |
| Asahi Group Holdings                                  | 15,400  | 456                | 0.12                  |
| Baillie Gifford Japanese Smaller Companies Fund C Acc | 71,369  | 3,009              | 0.78                  |
| BHP Group Ltd (Aus. listing)                          | 53,451  | 1,311              | 0.34                  |
| Chugai Pharmaceutical                                 | 32,000  | 919                | 0.24                  |
| Cochlear  | 7,395   | 1,169              | 0.30                  |
| Cosmos Pharmaceutical                                 | 8,900   | 758                | 0.20                  |
| CyberAgent Inc  | 60,000  | 308                | 0.08                  |
| Denso   | 95,200  | 1,197              | 0.31                  |
| FANUC   | 33,600  | 743                | 0.19                  |
| Fast Retailing  | 6,300   | 1,345              | 0.35                  |
| freee K.K.  | 21,000  | 318                | 0.08                  |
| Galaxy Entertainment Group                            | 289,000 | 1,179              | 0.30                  |
| Hong Kong Exchanges & Clearing                        | 53,848  | 1,280              | 0.33                  |
| Hoshizaki Corp  | 21,100  | 611                | 0.16                  |
| iFAST Corp  | 67,100  | 291                | 0.07                  |
| James Hardie Industries                               | 72,367  | 2,187              | 0.57                  |
| Keyence   | 2,500   | 894                | 0.23                  |
| Kobe Bussan Co Ltd                                    | 22,200  | 450                | 0.12                  |
| LY Corp   | 292,600 | 726                | 0.19                  |
| MonotaRO Co   | 39,900  | 300                | 0.08                  |
| MS&AD Insurance                                       | 66,500  | 2,196              | 0.57                  |
| Murata  | 77,800  | 1,260              | 0.33                  |
| Nidec   | 9,800   | 292                | 0.08                  |
| Nintendo  | 23,000  | 1,027              | 0.27                  |
| Nippon Paint  | 142,800 | 896                | 0.23                  |
| Olympus   | 141,900 | 1,677              | 0.43                  |
| REA Group   | 9,311   | 889                | 0.23                  |
| Recruit Holdings                                      | 52,700  | 1,678              | 0.43                  |
| SBI Holdings  | 104,700 | 2,050              | 0.53                  |
| Shimano   | 12,300  | 1,411              | 0.36                  |
| Shiseido  | 69,000  | 1,531              | 0.40                  |



## Portfolio Statement as at 31 January 2024 cont.

| Stock description  | Holding   | Market value £'000 | % of total net assets |
|--|-----------|--------------------|-----------------------|
| SMC  | 5,000     | 2,227              | 0.58                  |
| SoftBank Group   | 52,400    | 1,819              | 0.47                  |
| Sugi Holdings  | 30,700    | 1,166              | 0.30                  |
| Systemx Corp   | 14,200    | 611                | 0.16                  |
| Technopro Holdings   | 24,200    | 446                | 0.11                  |
| Techtronic Industries  | 159,500   | 1,332              | 0.34                  |
| Tencent  | 27,600    | 750                | 0.19                  |
| Tokyo Electron   | 5,100     | 764                | 0.20                  |
| Treasury Wine Estates  | 94,416    | 526                | 0.14                  |
| Tsingtao Brewery 'H'   | 82,000    | 366                | 0.09                  |
| Unicharm   | 38,500    | 1,052              | 0.27                  |
| United Overseas Bank   | 138,700   | 2,312              | 0.60                  |
| Xero Ltd   | 14,733    | 847                | 0.22                  |
| <b>Emerging Markets - 8.35% (7.47%)</b>                                    |           |                    |                       |
| Baillie Gifford Emerging Markets Growth Fund C Acc <sup>1</sup>            | 1,439,272 | 14,911             | 3.85                  |
| Baillie Gifford Emerging Markets Leading Companies Fund C Acc <sup>1</sup> | 2,943,383 | 17,389             | 4.50                  |
| <b>Europe (ex UK) - 11.73% (11.13%)</b>                                    |           |                    |                       |
| adidas   | 3,859     | 580                | 0.15                  |
| Adyen N.V.   | 1,399     | 1,397              | 0.36                  |
| Allegro.eu   | 217,753   | 1,304              | 0.34                  |
| ASML   | 4,056     | 2,762              | 0.71                  |
| Atlas Copco B  | 181,094   | 1,995              | 0.52                  |
| Auto1 Group SE   | 68,076    | 227                | 0.06                  |
| AutoStore Hdgs   | 290,880   | 423                | 0.11                  |
| Avanza Bank Holding  | 106,064   | 1,694              | 0.44                  |
| Beijer Ref   | 58,412    | 632                | 0.16                  |
| Crispr Therapeutics AG   | 6,168     | 305                | 0.08                  |
| Dassault Systemes  | 29,160    | 1,200              | 0.31                  |
| Delivery Hero AG   | 21,854    | 397                | 0.10                  |
| DSV  | 10,190    | 1,440              | 0.37                  |
| Epiroc B   | 62,113    | 768                | 0.20                  |
| EQT  | 54,545    | 1,167              | 0.30                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                      | Holding | Market value £'000 | % of total net assets |
|--|---------|--------------------|-----------------------|
| Eurofins                               | 6,759   | 323                | 0.08                  |
| Evotec                                 | 30,738  | 376                | 0.10                  |
| EXOR                                   | 15,522  | 1,189              | 0.31                  |
| HelloFresh SE Ordinary                 | 45,219  | 477                | 0.12                  |
| Hypoport                               | 6,867   | 1,165              | 0.30                  |
| IMCD Group N.V.                        | 13,614  | 1,649              | 0.43                  |
| Kering                                 | 3,497   | 1,143              | 0.30                  |
| Kingspan Group                         | 33,138  | 2,135              | 0.55                  |
| Kinnevik                               | 71,429  | 613                | 0.16                  |
| Lonza Group                            | 3,427   | 1,333              | 0.34                  |
| LVMH                                   | 1,007   | 664                | 0.17                  |
| Mettler-Toledo                         | 1,414   | 1,330              | 0.34                  |
| Moncler                                | 8,282   | 405                | 0.10                  |
| Nexans                                 | 17,967  | 1,298              | 0.34                  |
| Prosus N.V.                            | 99,696  | 2,341              | 0.61                  |
| Reply Spa                              | 10,651  | 1,147              | 0.30                  |
| Richemont                              | 11,008  | 1,300              | 0.34                  |
| Royal Unibrew A/S                      | 9,329   | 484                | 0.13                  |
| Ryanair                                | 129,792 | 2,138              | 0.55                  |
| Sartorius Stedim Biotech               | 8,374   | 1,793              | 0.46                  |
| Schibsted B                            | 99,843  | 2,263              | 0.59                  |
| Soitec                                 | 5,992   | 692                | 0.18                  |
| Spotify Technology SA                  | 9,347   | 1,581              | 0.41                  |
| Wizz Air Holdings Plc                  | 33,474  | 666                | 0.17                  |
| Zalando SE                             | 34,752  | 555                | 0.14                  |
| <b>North America - 11.87% (10.66%)</b> |         |                    |                       |
| 10X Genomics Inc Class A               | 10,001  | 327                | 0.09                  |
| Affirm Holdings Inc Class A            | 23,423  | 745                | 0.19                  |
| Alnylam Pharmaceuticals                | 4,965   | 674                | 0.17                  |
| Amazon.com                             | 28,271  | 3,443              | 0.89                  |
| Chewy                                  | 28,386  | 397                | 0.10                  |
| Cloudflare Inc                         | 23,844  | 1,480              | 0.38                  |
| CoStar Group                           | 17,995  | 1,179              | 0.31                  |
| Coursera Inc                           | 45,006  | 676                | 0.18                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description             | Holding | Market value £'000 | % of total net assets |
|-------------------------------|---------|--------------------|-----------------------|
| Datadog                       | 11,907  | 1,163              | 0.30                  |
| Denali Therapeutics           | 24,455  | 307                | 0.08                  |
| Doordash Inc                  | 21,675  | 1,773              | 0.46                  |
| Doximity Inc                  | 16,940  | 358                | 0.09                  |
| Duolingo Inc                  | 7,815   | 1,097              | 0.28                  |
| Ginkgo Bioworks Holdings Inc  | 139,899 | 133                | 0.03                  |
| Guardant Health Inc           | 23,147  | 398                | 0.10                  |
| Hashicorp Inc                 | 20,458  | 351                | 0.09                  |
| Inspire Medical Systems       | 5,028   | 833                | 0.22                  |
| Insulet                       | 4,285   | 642                | 0.17                  |
| Lemonade Inc                  | 13,822  | 172                | 0.05                  |
| Meta Platforms Inc            | 6,854   | 2,099              | 0.54                  |
| Moderna Inc                   | 19,997  | 1,586              | 0.41                  |
| Netflix Inc                   | 4,819   | 2,134              | 0.55                  |
| NVIDIA                        | 9,010   | 4,351              | 1.13                  |
| Oddity                        | 6,651   | 215                | 0.06                  |
| Penumbra Inc                  | 2,463   | 487                | 0.13                  |
| Pinterest                     | 34,486  | 1,014              | 0.26                  |
| Recursion Pharmaceuticals Inc | 27,084  | 200                | 0.05                  |
| Rivian Automotive Inc         | 10,967  | 132                | 0.03                  |
| Roblox                        | 27,690  | 844                | 0.22                  |
| Roku                          | 11,464  | 793                | 0.21                  |
| Ryman Healthcare Ltd          | 172,531 | 475                | 0.12                  |
| Samsara                       | 14,764  | 364                | 0.09                  |
| Sana Biotechnology Inc        | 11,250  | 49                 | 0.01                  |
| Shopify 'A'                   | 60,857  | 3,826              | 0.99                  |
| Snowflake Inc                 | 6,346   | 975                | 0.25                  |
| Sprout Social                 | 11,136  | 536                | 0.14                  |
| Sweetgreen                    | 43,308  | 363                | 0.09                  |
| Tesla Inc                     | 12,890  | 1,895              | 0.49                  |
| The Trade Desk                | 55,565  | 2,985              | 0.77                  |
| Twilio Inc                    | 10,116  | 559                | 0.15                  |
| Watsco Inc                    | 3,452   | 1,059              | 0.27                  |
| Wayfair Inc                   | 16,470  | 650                | 0.17                  |
| Workday Inc                   | 7,572   | 1,731              | 0.45                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description           | Holding   | Market value £'000 | % of total net assets |
|-----------------------------|-----------|--------------------|-----------------------|
| YETI Holdings               | 12,156    | 419                | 0.11                  |
| <b>UK - 55.73% (59.70%)</b> |           |                    |                       |
| Ashtead                     | 112,069   | 5,830              | 1.51                  |
| AstraZeneca                 | 93,744    | 9,843              | 2.55                  |
| Auto Trader                 | 966,765   | 7,046              | 1.82                  |
| Babcock International       | 1,316,687 | 5,957              | 1.54                  |
| Bellway                     | 104,309   | 2,877              | 0.74                  |
| Bodycote                    | 437,796   | 2,791              | 0.72                  |
| Breedon Group               | 578,906   | 2,104              | 0.55                  |
| Bunzl                       | 301,664   | 9,698              | 2.51                  |
| Burberry                    | 240,045   | 3,139              | 0.81                  |
| Close Brothers              | 213,983   | 1,163              | 0.30                  |
| Diageo                      | 266,853   | 7,632              | 1.97                  |
| Diploma                     | 68,917    | 2,245              | 0.58                  |
| Dowlais Group Plc           | 572,653   | 518                | 0.13                  |
| Enquest                     | 5,087,147 | 656                | 0.17                  |
| Experian                    | 184,031   | 6,066              | 1.57                  |
| Exscientia Ltd ADR          | 25,860    | 118                | 0.03                  |
| Fisher (James) & Sons       | 161,090   | 545                | 0.14                  |
| Games Workshop Group        | 27,420    | 2,715              | 0.70                  |
| Genus                       | 71,245    | 1,634              | 0.42                  |
| Greggs                      | 85,962    | 2,297              | 0.59                  |
| Halma                       | 106,411   | 2,332              | 0.60                  |
| Hargreaves Lansdown         | 306,591   | 2,348              | 0.61                  |
| Helical                     | 364,481   | 749                | 0.19                  |
| Hikma Pharmaceuticals       | 289,322   | 5,587              | 1.45                  |
| Hiscox                      | 287,562   | 2,988              | 0.77                  |
| Howden Joinery Group        | 791,119   | 6,349              | 1.64                  |
| IG Group                    | 358,280   | 2,555              | 0.66                  |
| Inchcape                    | 804,405   | 5,506              | 1.42                  |
| Informa                     | 665,925   | 5,177              | 1.34                  |
| IntegraFin                  | 444,559   | 1,313              | 0.34                  |
| Intermediate Capital Group  | 195,720   | 3,494              | 0.90                  |
| Just Group                  | 4,131,443 | 3,524              | 0.91                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                             | Holding   | Market value £'000 | % of total net assets |
|---|-----------|--------------------|-----------------------|
| Kainos Group                                  | 108,102   | 1,239              | 0.32                  |
| Keller  | 147,412   | 1,288              | 0.33                  |
| Lancashire Holdings                           | 810,304   | 4,919              | 1.27                  |
| Legal & General                               | 3,289,874 | 8,389              | 2.17                  |
| Marks & Spencer                               | 2,750,295 | 6,801              | 1.76                  |
| Melrose Industries                            | 484,093   | 2,859              | 0.74                  |
| Molten Ventures                               | 449,039   | 1,071              | 0.28                  |
| Ocado   | 140,291   | 767                | 0.20                  |
| PageGroup                                     | 750,382   | 3,441              | 0.89                  |
| Persimmon                                     | 253,659   | 3,710              | 0.96                  |
| Prudential                                    | 835,144   | 6,835              | 1.77                  |
| RELX  | 269,761   | 8,800              | 2.28                  |
| Renishaw                                      | 59,630    | 2,089              | 0.54                  |
| Rightmove                                     | 828,884   | 4,643              | 1.20                  |
| Rio Tinto                                     | 176,117   | 9,692              | 2.51                  |
| Sabre Insurance Gp                            | 492,011   | 759                | 0.20                  |
| St. James's Place                             | 682,749   | 4,465              | 1.16                  |
| Standard Chartered                            | 820,800   | 4,915              | 1.27                  |
| Trainline Plc                                 | 668,804   | 2,210              | 0.57                  |
| Unilever                                      | 187,857   | 7,227              | 1.87                  |
| Victrex                                       | 120,642   | 1,643              | 0.43                  |
| Volution Group                                | 728,720   | 3,173              | 0.82                  |
| Weir  | 275,704   | 5,015              | 1.30                  |
| Wise Plc                                      | 340,707   | 2,758              | 0.71                  |
| <b>Portfolio of investments</b>               |           | <b>388,523</b>     | <b>100.48</b>         |
| <b>Net other liabilities - -0.48% (0.77%)</b> |           | <b>(1,875)</b>     | <b>(0.48)</b>         |
| <b>Net assets</b>                             |           | <b>386,648</b>     | <b>100.00</b>         |

<sup>1</sup>Baillie Gifford UK & Balanced Funds ICVC related party (please refer to note 11).

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 31 January 2023.

## Comparative Tables

### Comparative Table: B Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 137.40   | 147.35   | 148.02   |
| Return before operating charges*              | 1.40   | (9.31)   | 0.10   |
| Operating charges                             | (0.64)   | (0.64)   | (0.77)   |
| Return after operating charges*               | 0.76   | (9.95)   | (0.67)   |
| Distributions                                 | (2.68)   | (2.76)   | (2.40)   |
| Retained distributions on accumulation shares | 2.68   | 2.76   | 2.40   |
| <b>Closing net asset value per share</b>      | <b>138.16</b>  | <b>137.40</b>  | <b>147.35</b>  |
| *After direct transaction costs of:           | 0.04   | 0.05   | 0.11   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 0.55%  | (6.75)%  | (0.45)%  |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 100,995  | 128,679  | 164,099  |
| Closing number of shares                      | 73,097,630   | 93,650,209   | 111,364,509  |
| Operating charges                             | 0.48% <sup>1</sup>   | 0.49% <sup>2</sup>   | 0.48%  |
| Direct transaction costs <sup>3</sup>         | 0.03%  | 0.04%  | 0.07%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 142.8  | 151.1  | 173.6  |
| Lowest share price (pence)                    | 122.5  | 115.9  | 143.7  |

## Comparative Tables cont.

### Comparative Table: B Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 129.25   | 141.50   | 144.42   |
| Return before operating charges*         | 1.31   | (8.99)   | 0.17   |
| Operating charges                        | (0.60)   | (0.61)   | (0.76)   |
| Return after operating charges*          | 0.71   | (9.60)   | (0.59)   |
| Distributions on income shares           | (2.52)   | (2.65)   | (2.33)   |
| <b>Closing net asset value per share</b> | <b>127.44</b>  | <b>129.25</b>  | <b>141.50</b>  |
| *After direct transaction costs of:      | 0.04   | 0.05   | 0.11   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 0.55%  | (6.78)%  | (0.41)%  |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 19,519   | 21,081   | 31,198   |
| Closing number of shares                 | 15,316,685   | 16,309,788   | 22,048,071   |
| Operating charges                        | 0.48% <sup>1</sup>   | 0.49% <sup>2</sup>   | 0.48%  |
| Direct transaction costs <sup>3</sup>    | 0.03%  | 0.04%  | 0.07%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 134.3  | 145.1  | 168.8  |
| Lowest share price (pence)               | 114.7  | 110.8  | 139.7  |

## Comparative Tables cont.

### Comparative Table: C Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 140.81   | 150.32   | 150.32   |
| Return before operating charges*              | 1.45   | (9.46)   | 0.05   |
| Operating charges                             | (0.03)   | (0.05)   | (0.05)   |
| Return after operating charges*               | 1.42   | (9.51)   | 0.00   |
| Distributions                                 | (3.37)   | (3.42)   | (3.18)   |
| Retained distributions on accumulation shares | 3.37   | 3.42   | 3.18   |
| <b>Closing net asset value per share</b>      | <b>142.23</b>  | <b>140.81</b>  | <b>150.32</b>  |
| *After direct transaction costs of:           | 0.04   | 0.05   | 0.11   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 1.01%  | (6.33)%  | 0.00%  |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 266,134  | 332,141  | 382,857  |
| Closing number of shares                      | 187,121,659  | 235,883,799  | 254,686,892  |
| Operating charges                             | 0.02% <sup>1</sup>   | 0.04% <sup>2</sup>   | 0.03%  |
| Direct transaction costs <sup>3</sup>         | 0.03%  | 0.04%  | 0.07%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 146.4  | 154.1  | 176.8  |
| Lowest share price (pence)                    | 126.0  | 118.7  | 146.6  |

<sup>1</sup>In November 2023, following the FCA's statement regarding communications related to PRIIPs and UCITS, the Investment Association amended its Guidance on Disclosure of Fund Charges and Costs, removing the requirement to include indirect costs associated with holding closed-ended investment funds from Ongoing Charges figures. Consequently, these costs are no longer included in the Ongoing Charges figures to January 2023. Had the indirect costs associated with holding closed-ended investment funds been included, the Ongoing Charges figure would have been 0.01% higher.

<sup>2</sup>In July 2020, the Investment Association issued Guidance on Disclosure of Fund Charges and Costs effective from 30 June 2022 which updated the Ongoing Charges disclosure requirements to include indirect costs associated with funds' holdings of closed-ended investment funds. This resulted in an increase of 0.01% in the Ongoing Charges figures disclosed as at 31 January 2023.

<sup>3</sup>The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website [www.bailliegifford.com](http://www.bailliegifford.com).



# Financial Statements

## Statement of Total Return for the year ended 31 January 2024

|   | Notes | 2024   |                | 2023   |                 |
|---|-------|--------|----------------|--------|-----------------|
|   |       | £'000  | £'000          | £'000  | £'000           |
| <b>Income</b>   |       |        |                |        |                 |
| Net capital gains/(losses)  | 1     |        | (8,239)        |        | (53,619)        |
| Revenue   | 3     | 11,211 |                | 12,865 |                 |
| Expenses  | 4     | (663)  |                | (797)  |                 |
| Net revenue before taxation   |       | 10,548 |                | 12,068 |                 |
| Taxation  | 5     | (93)   |                | (116)  |                 |
| Net revenue after taxation  |       |        | 10,455         |        | 11,952          |
| Total return before distributions   |       |        | 2,216          |        | (41,667)        |
| Distributions   | 6     |        | (10,437)       |        | (11,959)        |
| <b>Change in net assets attributable to shareholders from investment activities</b> |       |        | <b>(8,221)</b> |        | <b>(53,626)</b> |

## Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 January 2024

|  | 2024      |                | 2023     |                |
|--|-----------|----------------|----------|----------------|
|  | £'000     | £'000          | £'000    | £'000          |
| <b>Opening net assets attributable to shareholders</b>                       |           | <b>481,901</b> |          | <b>578,154</b> |
| Amounts receivable on issue of shares  | 13,504    |                | 20,974   |                |
| Amounts payable on cancellation of shares                                    | (109,310) |                | (74,548) |                |
|  |           | (95,806)       |          | (53,574)       |
| Dilution adjustment  |           | 149            |          | 149            |
| Change in net assets attributable to shareholders from investment activities |           | (8,221)        |          | (53,626)       |
| Retained distributions on accumulation shares                                |           | 8,625          |          | 10,798         |
| <b>Closing net assets attributable to shareholders</b>                       |           | <b>386,648</b> |          | <b>481,901</b> |

## Financial Statements cont.

### Balance Sheet as at 31 January 2024

|  | Notes | 2024<br>£'000   | 2023<br>£'000  |
|--|-------|-----------------|----------------|
| <b>Assets:</b>                                 |       |                 |                |
| Fixed assets:                                  |       |                 |                |
| Investments                                    | 13    | 388,523         | 478,212        |
| Current assets:                                |       |                 |                |
| Debtors  | 8     | 36,213          | 706            |
| Cash and bank balances                         | 9     | 6,944           | 8,407          |
| <b>Total assets</b>                            |       | <b>431,680</b>  | <b>487,325</b> |
| <b>Liabilities:</b>                            |       |                 |                |
| Creditors:                                     |       |                 |                |
| Bank overdrafts                                | 9     | (5,818)         | (4,649)        |
| Distributions payable                          |       | (286)           | (343)          |
| Other creditors                                | 10    | (38,928)        | (432)          |
| <b>Total liabilities</b>                       |       | <b>(45,032)</b> | <b>(5,424)</b> |
| <b>Net assets attributable to shareholders</b> |       | <b>386,648</b>  | <b>481,901</b> |

# Notes to the Financial Statements

## 1 Net capital

|                                   | 2024           | 2023            |
|-----------------------------------|----------------|-----------------|
|                                   | £'000          | £'000           |
| Non-derivative securities         | (8,182)        | (53,580)        |
| Currency gains/(losses)           | (43)           | (24)            |
| Transaction costs                 | (14)           | (15)            |
| <b>Net capital gains/(losses)</b> | <b>(8,239)</b> | <b>(53,619)</b> |

## 2 Purchases, sales and transaction costs

|  | 2024          | 2023          |
|--|---------------|---------------|
|  | £'000         | £'000         |
| <b>Purchases and transaction costs</b>                   |               |               |
| Gross purchases of equities excluding transaction costs  | 46,066        | 62,371        |
| Commissions  | 15            | 25            |
| Taxes  | 79            | 162           |
| Total transaction costs on equity purchases <sup>1</sup> | 94            | 187           |
| Gross purchases of funds excluding transaction costs     | 461           | -             |
| Commissions on purchases of funds                        | -             | -             |
| Taxes on purchases of funds                              | -             | -             |
| Total transaction costs on fund purchases <sup>1</sup>   | -             | -             |
| <b>Purchases including transaction costs</b>             | <b>46,621</b> | <b>62,558</b> |

<sup>1</sup>These amounts have been deducted in determining net capital gains/(losses).

|  | 2024 | 2023 |
|--|------|------|
|  | %    | %    |
| <b>Transaction costs as a percentage of principal amount</b> |      |      |
| Commission on equity purchases                               | 0.03 | 0.04 |
| Taxes on equity purchases                                    | 0.17 | 0.26 |

## Notes to the Financial Statements cont.

### 2 Purchases, sales and transaction costs (continued)

|  | 2024           | 2023          |
|--|----------------|---------------|
|  | £'000          | £'000         |
| <b>Sales and transaction costs</b>                   |                |               |
| Gross sales of equities excluding transaction costs  | 121,237        | 88,877        |
| Commissions  | (33)           | (27)          |
| Taxes  | (1)            | (3)           |
| Total transaction costs on equity sales <sup>1</sup> | (34)           | (30)          |
| Gross sales of funds excluding transaction costs     | 8,495          | 7,818         |
| Commissions on sales of funds                        | -              | -             |
| Taxes on sales of funds                              | -              | -             |
| Total transaction costs on fund sales <sup>1</sup>   | -              | -             |
| <b>Sales net of transaction costs</b>                | <b>129,698</b> | <b>96,665</b> |

<sup>1</sup>These amounts have been deducted in determining net capital gains/(losses).

|  | 2024   | 2023   |
|--|--------|--------|
|  | %      | %      |
| <b>Transaction costs as a percentage of principal amount</b> |        |        |
| Commission on equity sales                                   | (0.03) | (0.03) |
| Taxes on equity sales  | (0.00) | (0.00) |

|                                       | 2024       |                     | 2023       |                     |
|---------------------------------------|------------|---------------------|------------|---------------------|
|                                       | £'000      | % of average<br>NAV | £'000      | % of average<br>NAV |
| <b>Portfolio transaction costs</b>    |            |                     |            |                     |
| Commissions                           | 48         | 0.01                | 52         | 0.01                |
| Taxes                                 | 80         | 0.02                | 165        | 0.03                |
| <b>Total direct transaction costs</b> | <b>128</b> | <b>0.03</b>         | <b>217</b> | <b>0.04</b>         |

|                                  | 2024 | 2023 |
|----------------------------------|------|------|
|                                  | %    | %    |
| Average portfolio dealing spread | 0.13 | 0.15 |

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

## Notes to the Financial Statements cont.

### 2 Purchases, sales and transaction costs (continued)

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

### 3 Revenue

|                           | 2024          | 2023          |
|---------------------------|---------------|---------------|
|                           | £'000         | £'000         |
| UK dividends <sup>1</sup> | 8,984         | 10,028        |
| Overseas dividends        | 2,179         | 2,829         |
| Bank interest             | 48            | 8             |
| <b>Total revenue</b>      | <b>11,211</b> | <b>12,865</b> |

<sup>1</sup>Includes income from relevant Collective Investment Schemes.

### 4 Expenses

|  | 2024       | 2023       |
|--|------------|------------|
|  | £'000      | £'000      |
| <b>Payable to the ACD, associates of the ACD and agents of either of them:</b>               |            |            |
| Annual management charge   | 589        | 725        |
| <b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b> |            |            |
| Depositary's fee   | 33         | 38         |
| Bank charges   | 19         | 26         |
|  | 52         | 64         |
| <b>Other expenses:</b>   |            |            |
| Audit fee  | 9          | 7          |
| Professional fees  | 13         | 1          |
|  | 22         | 8          |
| <b>Total expenses</b>  | <b>663</b> | <b>797</b> |

## Notes to the Financial Statements cont.

### 5 Taxation

|                                       | 2024      | 2023       |
|---------------------------------------|-----------|------------|
|                                       | £'000     | £'000      |
| <b>Analysis of charge in the year</b> |           |            |
| Corporation tax                       | -         | -          |
| Overseas tax                          | 89        | 118        |
| Prior year tax reclaims written off   | 4         | -          |
| Tax recoverable on overseas dividends | -         | (2)        |
| <b>Total taxation</b>                 | <b>93</b> | <b>116</b> |

The Fund is subject to corporation tax at 20% (2023: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses substantially exceed the taxable income of the Fund and, as a result, there is no corporation tax charge.

At 31 January 2024, the Fund had excess management expenses of £4,914,000 (2023: £4,299,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing excess expenses.

The tax charge is explained as follows:

|   | 2024      | 2023       |
|---|-----------|------------|
|   | £'000     | £'000      |
| Net revenue before taxation   | 10,548    | 12,068     |
| Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2023: 20%) | 2,110     | 2,414      |
| Effects of:   |           |            |
| Non-taxable UK dividends  | (1,797)   | (2,006)    |
| Non-taxable overseas dividends  | (436)     | (566)      |
| Overseas tax on dividends   | 89        | 118        |
| Excess management expenses  | 123       | 158        |
| Prior year tax reclaims written off   | 4         | -          |
| Tax recoverable on overseas dividends   | -         | (2)        |
| <b>Total taxation</b>   | <b>93</b> | <b>116</b> |

## Notes to the Financial Statements cont.

### 6 Distributions

|  | 2024          | 2023          |
|--|---------------|---------------|
|  | £'000         | £'000         |
| Interim to 31 July                         | 2,471         | 2,479         |
| Final to 31 January                        | 6,542         | 8,782         |
|  | <b>9,013</b>  | <b>11,261</b> |
| Amounts deducted on cancellation of shares | 1,533         | 927           |
| Amounts added on issue of shares           | (109)         | (229)         |
| <b>Total distributions</b>                 | <b>10,437</b> | <b>11,959</b> |

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distributions per share are set out in the Distribution Tables.

### 7 Reconciliation of net revenue to net distributions for the year

|  | 2024          | 2023          |
|--|---------------|---------------|
|  | £'000         | £'000         |
| Net revenue after taxation for the year    | 10,455        | 11,952        |
| Add distributable revenue brought forward  | 4             | 11            |
| Less distributable revenue carried forward | (22)          | (4)           |
| <b>Net distributions for the year</b>      | <b>10,437</b> | <b>11,959</b> |

### 8 Debtors

|                                | 2024          | 2023       |
|--------------------------------|---------------|------------|
|                                | £'000         | £'000      |
| Receivable for issue of shares | -             | 329        |
| Sales awaiting settlement      | 35,834        | -          |
| Accrued income                 | 259           | 250        |
| Overseas tax recoverable       | 117           | 126        |
| VAT recoverable                | 1             | 1          |
| Other debtors                  | 2             | -          |
| <b>Total debtors</b>           | <b>36,213</b> | <b>706</b> |

### 9 Cash and bank balances

|                                     | 2024         | 2023         |
|-------------------------------------|--------------|--------------|
|                                     | £'000        | £'000        |
| Sterling bank accounts              | 6,944        | 8,407        |
| Sterling bank accounts overdrawn    | (5,818)      | (4,649)      |
| <b>Total cash and bank balances</b> | <b>1,126</b> | <b>3,758</b> |

## Notes to the Financial Statements cont.

### 10 Other creditors

|                                     | 2024          | 2023       |
|-------------------------------------|---------------|------------|
|                                     | £'000         | £'000      |
| Payable for cancellation of shares  | 38,848        | 359        |
| Purchases awaiting settlement       | 15            | -          |
| Due to the ACD or associates        | 49            | 58         |
| Due to the Depositary or associates | 7             | 8          |
| Other accrued expenses              | 9             | 7          |
| <b>Total other creditors</b>        | <b>38,928</b> | <b>432</b> |

### 11 Related party transactions

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts receivable and payable on the issue and cancellation of shares have been disclosed in notes 8 and 10 respectively.

Amounts paid to Baillie Gifford & Co Limited in respect of ACD fees are disclosed in note 4 with amounts due at the year end given in note 10.

The Fund invests in other funds for whom Baillie Gifford & Co, the ultimate parent company of the ACD, act as Investment Adviser and these funds are therefore considered to be related parties. Transactions with these related party funds are noted in the table below.

|   | 2024               |                |                 | 2023               |                |                 |
|---|--------------------|----------------|-----------------|--------------------|----------------|-----------------|
|   | Purchases<br>£'000 | Sales<br>£'000 | Income<br>£'000 | Purchases<br>£'000 | Sales<br>£'000 | Income<br>£'000 |
| Baillie Gifford British Smaller Companies Fund C Acc          | -                  | 6,696          | -               | -                  | 1,714          | 70              |
| Baillie Gifford Emerging Markets Growth Fund C Acc            | -                  | 788            | 762             | -                  | 2,769          | 570             |
| Baillie Gifford Emerging Markets Leading Companies Fund C Acc | -                  | 906            | 775             | -                  | 2,517          | 583             |
| Baillie Gifford Japanese Smaller Companies Fund C Acc         | 461                | 105            | 42              | -                  | 818            | 41              |

#### Shares held by the ACD and associates of the ACD

The shares held by the ACD and associates of the ACD as a percentage of the Fund's NAV were:

|                               | 2024 | 2023 |
|-------------------------------|------|------|
|                               | %    | %    |
| ACD and associates of the ACD | 0.00 | 0.00 |



## Notes to the Financial Statements cont.

### 12 Reconciliation of shares in issue

|                       | Shares in issue as at<br>31.01.23 | Shares issued | Shares cancelled | Shares converted | Shares in issue as at<br>31.01.24 |
|-----------------------|-----------------------------------|---------------|------------------|------------------|-----------------------------------|
| B Accumulation Shares | 93,650,209                        | 5,704,882     | (26,257,461)     | -                | 73,097,630                        |
| B Income Shares       | 16,309,788                        | 104,129       | (1,097,232)      | -                | 15,316,685                        |
| C Accumulation Shares | 235,883,799                       | 4,220,696     | (52,982,836)     | -                | 187,121,659                       |

### 13 Basis of valuation

|                                 | 2024<br>Assets<br>£'000 | 2023<br>Assets<br>£'000 |
|---------------------------------|-------------------------|-------------------------|
| Level 1: Quoted prices          | 353,214                 | 431,801                 |
| Level 2: Observable market data | 35,309                  | 46,411                  |
| Level 3: Unobservable data      | -                       | -                       |
| <b>Total</b>                    | <b>388,523</b>          | <b>478,212</b>          |

## Notes to the Financial Statements cont.

### 14 Derivatives and other financial instruments

#### Currency exposures

A proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

| Currency           | Net currency assets/(liabilities) |                                 |                | Net currency assets/(liabilities) |                                 |                |
|--------------------|-----------------------------------|---------------------------------|----------------|-----------------------------------|---------------------------------|----------------|
|                    | 2024                              |                                 |                | 2023                              |                                 |                |
|                    | Monetary exposures<br>£'000       | Non-monetary exposures<br>£'000 | Total<br>£'000 | Monetary exposures<br>£'000       | Non-monetary exposures<br>£'000 | Total<br>£'000 |
| Australian dollar  | -                                 | 6,930                           | 6,930          | -                                 | 6,902                           | 6,902          |
| Danish krone       | -                                 | 1,924                           | 1,924          | -                                 | 1,434                           | 1,434          |
| Euro               | -                                 | 26,056                          | 26,056         | -                                 | 30,631                          | 30,631         |
| Hong Kong dollar   | -                                 | 5,809                           | 5,809          | -                                 | 7,432                           | 7,432          |
| Japanese yen       | -                                 | 31,128                          | 31,128         | -                                 | 28,659                          | 28,659         |
| New Zealand dollar | -                                 | 475                             | 475            | -                                 | 408                             | 408            |
| Norwegian krona    | -                                 | 2,685                           | 2,685          | -                                 | 4,320                           | 4,320          |
| Polish zloty       | -                                 | 1,304                           | 1,304          | -                                 | 1,407                           | 1,407          |
| Singapore dollar   | -                                 | 2,603                           | 2,603          | -                                 | 2,894                           | 2,894          |
| Swedish krona      | -                                 | 6,868                           | 6,868          | -                                 | 9,400                           | 9,400          |
| Swiss franc        | -                                 | 2,633                           | 2,633          | -                                 | 2,158                           | 2,158          |
| UK sterling        | 1,126                             | 251,361                         | 252,488        | 3,758                             | 325,500                         | 329,258        |
| US dollar          | -                                 | 48,748                          | 48,748         | -                                 | 57,068                          | 57,068         |

Short-term debtors and creditors have not been disclosed.

Totals may not sum due to rounding.

The Fund invests in a generally diversified portfolio of assets. Consequently the ACD considers that a single measure of market sensitivity does not accurately reflect the risks faced by the Fund.

## Distribution Tables

Interim distribution for the period ended 31 July 2023

Group 1 : shares purchased prior to 1 February 2023

Group 2 : shares purchased 1 February 2023 to 31 July 2023

|                       | Net Revenue<br>(dividend<br>distribution) | Equalisation                | Distribution<br>(paid/accumulated<br>30.09.23) | Distribution<br>(paid/accumulated<br>30.09.22) |
|-----------------------|---|-----------------------------|--|--|
|                       | 31.07.23<br>pence per share               | 31.07.23<br>pence per share | 31.07.23<br>pence per share                    | 31.07.22<br>pence per share                    |
| <b>B Accumulation</b> |   |                             |  |  |
| Group 1               | 0.70000                                   | -                           | 0.70000  | 0.60000  |
| Group 2               | 0.15986                                   | 0.54014                     | 0.70000  | 0.60000  |
| <b>B Income</b>       |   |                             |  |  |
| Group 1               | 0.65000                                   | -                           | 0.65000  | 0.55000  |
| Group 2               | -   | 0.65000                     | 0.65000  | 0.55000  |
| <b>C Accumulation</b> |   |                             |  |  |
| Group 1               | 0.80000                                   | -                           | 0.80000  | 0.70000  |
| Group 2               | -   | 0.80000                     | 0.80000  | 0.70000  |

## Distribution Tables cont.

Final distribution for the period ended 31 January 2024

Group 1 : shares purchased prior to 1 August 2023

Group 2 : shares purchased 1 August 2023 to 31 January 2024

|                       | Net Revenue<br>(dividend<br>distribution) | Equalisation                | Distribution<br>(paid/accumulated<br>31.03.24) | Distribution<br>(paid/accumulated<br>31.03.23) |
|-----------------------|---|-----------------------------|--|--|
|                       | 31.01.24<br>pence per share               | 31.01.24<br>pence per share | 31.01.24<br>pence per share                    | 31.01.23<br>pence per share                    |
| <b>B Accumulation</b> |   |                             |  |  |
| Group 1               | 1.98000                                   | -                           | 1.98000  | 2.16000  |
| Group 2               | 0.25248                                   | 1.72752                     | 1.98000  | 2.16000  |
| <b>B Income</b>       |   |                             |  |  |
| Group 1               | 1.87000                                   | -                           | 1.87000  | 2.10000  |
| Group 2               | 0.30262                                   | 1.56738                     | 1.87000  | 2.10000  |
| <b>C Accumulation</b> |   |                             |  |  |
| Group 1               | 2.57000                                   | -                           | 2.57000  | 2.72000  |
| Group 2               | 0.52196                                   | 2.04804                     | 2.57000  | 2.72000  |

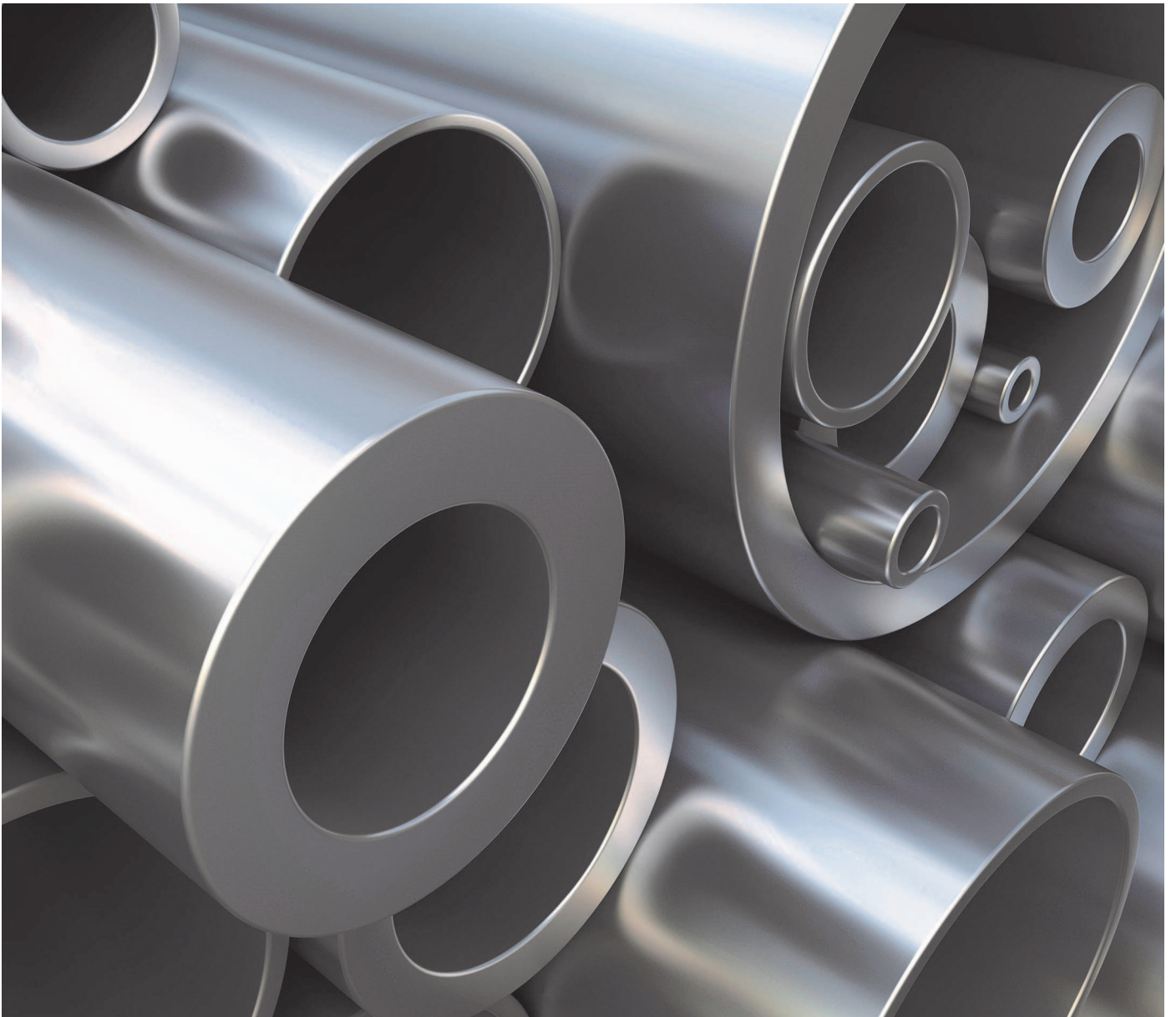
# Baillie Gifford™

Baillie Gifford UK Equity Alpha Fund

---

a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Annual Report & Financial Statements  
for the year ended 31 January 2024*



# Baillie Gifford UK Equity Alpha Fund

## Investment Objective

The Fund aims to outperform (after deduction of costs) the FTSE All-Share Index by at least 2% per annum over rolling five-year periods.

## Investment Policy

The Fund will invest at least 80% in shares of UK companies of any size and in any sector. UK companies are companies which are incorporated, domiciled or conduct a significant portion of their business in the UK. The Fund may also invest in companies which are listed, traded or quoted in the UK. The Fund will be concentrated, with a range of 30 to 50 holdings. Companies the Fund directly invests in will be selected following a norms-based evaluation. The Fund will comply with the Investment Advisor's policy on assessing breaches of the United Nations Global Compact as outlined in its ESG Principles and Guidelines document. The Fund will be actively managed.

## Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Market conditions can change rapidly and a fund in any rank can lose you your investment. The Fund is classified as above as it invests in company shares.

The indicator does not take into account the following relevant material risks:

The Fund is actively managed meaning the Investment Manager selects investments of their own choosing with the aim of achieving the Fund's objectives. This is done without seeking to replicate any index in either of performance or portfolio composition. This investment style, selecting companies with perceived greater long-term growth potential ahead of any short-term returns, in combination with the relative concentration of the Fund, may lead to prolonged periods of underperformance in certain market conditions, both in relation to the Fund's benchmark and in absolute terms.

Over shorter time periods the Fund's share price can be volatile and returns can be much higher or lower than our five-year average target. There is no guarantee this objective will be achieved over any time period.

The Fund's ESG investment policy limits the type of companies it can hold. The Fund may have different returns from funds with no such restrictions.

The limitations of third party data, which may be backward looking or estimated, may impact on the Funds ability to achieve any non-financial considerations.

In adverse market conditions it may be difficult to sell investments held by the fund in a timely manner and their value may fall significantly. This could affect how much money you receive and even delay the selling of your shares if dealing in the Fund is suspended.

Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.

You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

Where possible, charges are taken from income. If insufficient, the rest will be taken from capital, reducing the capital value of the Fund.

For a more detailed explanation of the risks, please see the "Risk Warnings" section of the prospectus.

## Baillie Gifford UK Equity Alpha Fund cont.

### **Adoption of Net Zero Asset Managers initiative**

---

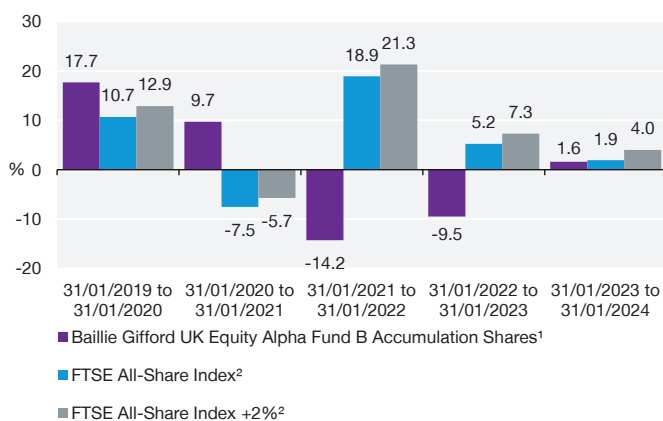
Baillie Gifford & Co, the Fund's Investment Manager, has joined the Net Zero Asset Managers initiative (NZAM), as part of the Investment Manager's commitment to support the goal of net zero greenhouse gas emissions by 2050, in line with global efforts to limit warming to 1.5°C.

This commitment includes supporting investing aligned with net zero emissions by 2050 or sooner, and the Fund has been managed in line with and counted towards the Investment Manager's net zero commitment.

As a long-term investor, the Investment Manager's investment process takes into account the long-term prospects (including long-term sustainability) of an investment. Consideration of climate-related factors, including NZAM commitments, and the impact of these on a company's competitive positioning form an integral part of this process.

# Investment Report

## Past Performance



The performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the annual management charge of 0.47% (until 30 September 2021, the annual management charge on Class B Shares was 0.55%). Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

## Past Performance

The investment objective of the Fund is to outperform (after deduction of costs) the FTSE All-Share Index (the 'Index') by at least 2% per annum (the 'target return') over rolling five-year periods. For the year to 31 January 2024 the return on B Accumulation Shares was 1.6%<sup>1</sup> compared to the Index of 1.9%<sup>2</sup> and the target return of 4.0%<sup>2</sup>. We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance, a period in line with the Fund's objectives. Over that period, the annualised return on B Accumulation Shares was 0.4%<sup>1</sup> compared to the return on the Index of 5.5%<sup>2</sup> and the target return of 7.6%<sup>2</sup>. Although periods of underperformance are inevitable given our style of investment, we fully appreciate that returns over the past few years will have disappointed investors in the Fund. The Fund struggled during 2021 and 2022 against a backdrop of high inflation and rising interest rates but we remain confident that our long-term growth approach will add value over time.

## Market Environment

Macroeconomic events continued to drive volatility in the UK equity market. However, the year ended with a stock market rally as UK inflation fell to 3.9%, its lowest level in over two years. A drop in fuel costs helped to drive the significant fall in inflation at the end of 2023 and raised hopes that the Bank of England might start to ease interest rates as early as spring 2024.

## Performance

Holdings in Abcam and Wise were notable contributors to 12 month performance. Abcam is a global leader in the manufacture and distribution of antibodies and other reagents to life sciences researchers and companies. The share price responded positively to news that the Board were reviewing, and subsequently accepted, a takeover bid by US life science conglomerate, Danaher. Following the announcements, we engaged with the CEO, CFO and the founder and then sold out of the holding at the end of October 2023.

The global FX transfer company, Wise, announced a series of strong trading updates. In its latest quarterly update, it reported customer growth of 30% year-over-year, driving a significant increase in earnings

<sup>1</sup>Source: FE, 10am dealing prices, income accumulated. <sup>2</sup>Source: Revolution and FTSE, total return. The target return outperformance is compounded daily therefore the index return plus the outperformance will not equal the target return. Please see Disclaimer on page 318. You should be aware that past performance is not a guide to future performance.



## Investment Report cont.

during the period. Encouragingly, the company has also made good progress in bolstering its operational teams, which is helping them meet accelerating demand for onboarding its business account customers.

Elsewhere, holdings in Burberry and Farfetch were notable detractors. After a strong start to the year, the share price of the luxury fashion designer and retailer, Burberry, lagged during the 12 month period as management flagged that a slowdown in the global luxury market could weigh on its ability to meet their full year profit guidance. Despite this, the management team reiterated their commitment to achieving their longer-term revenue target.

Finally, one company which continued to test our conviction during the period was a small holding in Farfetch, and after extensive engagement with the company, we decided to sell this holding in October. Whilst the business has seen impressive revenue growth throughout our ownership and we believe significant long-term potential remains, we had become increasingly concerned that the business had become unnecessarily complex and opaque and that the bar for successful execution had become much higher.

### **Notable Transactions**

We sold holdings in the life sciences company, Abcam, the luxury goods platform, Farfetch and the online wine, fashion and holiday retailers, Naked Wines, Boohoo and On The Beach, respectively. Having carefully reviewed our existing holdings, we used the proceeds to add to a number of longstanding positions, including Auto Trader, AJ Bell, Renishaw and Experian.

*Baillie Gifford & Co, 19 February 2024*

## Principal Holdings as at 31 January 2024

| Investment           | Percentage of total Fund |
|----------------------|--------------------------|
| Games Workshop Group | 7.65                     |
| 4imprint             | 7.60                     |
| Auto Trader          | 7.17                     |
| Experian             | 7.08                     |
| Wise Plc             | 4.94                     |
| Kainos Group         | 3.35                     |
| Softcat              | 3.32                     |
| Genus                | 3.32                     |
| Ashtead              | 3.31                     |
| AJ Bell              | 3.27                     |

## Material Portfolio Changes for the year ended 31 January 2024

| Largest Purchases                | Cost<br>£'000 | Largest Sales         | Proceeds<br>£'000 |
|----------------------------------|---------------|-----------------------|-------------------|
| Experian                         | 6,790         | Abcam Plc ADR         | 34,933            |
| Auto Trader                      | 5,739         | 4imprint              | 10,825            |
| Genus                            | 5,318         | Games Workshop Group  | 9,275             |
| AJ Bell                          | 4,330         | Rio Tinto             | 9,052             |
| Kainos Group                     | 4,283         | Hikma Pharmaceuticals | 8,480             |
| Moonpig Group Plc                | 3,555         | Experian              | 7,408             |
| Renishaw                         | 3,172         | Burberry              | 7,040             |
| Spirax-Sarco                     | 3,014         | Auto Trader           | 6,406             |
| Oxford Nanopore Technologies PLC | 1,240         | Lancashire Holdings   | 5,824             |
| 4imprint                         | 1,166         | Wise Plc              | 5,643             |

## Portfolio Statement as at 31 January 2024

| Stock description                               | Holding   | Market value £'000 | % of total net assets |
|---|-----------|--------------------|-----------------------|
| <b>Basic Materials - 2.18% (3.36%)</b>          |           |                    |                       |
| Rio Tinto                                       | 217,326   | 11,960             | 2.18                  |
| <b>Consumer Discretionary - 25.04% (26.15%)</b> |           |                    |                       |
| 4imprint  | 762,711   | 41,720             | 7.60                  |
| Burberry  | 710,916   | 9,295              | 1.69                  |
| Games Workshop Group                            | 424,031   | 41,979             | 7.65                  |
| Howden Joinery Group                            | 1,755,648 | 14,091             | 2.57                  |
| Moonpig Group Plc                               | 7,563,169 | 12,706             | 2.32                  |
| Trainline Plc                                   | 3,749,902 | 12,390             | 2.26                  |
| Wizz Air Holdings Plc                           | 262,558   | 5,221              | 0.95                  |
| <b>Consumer Staples - 5.33% (5.88%)</b>         |           |                    |                       |
| Diageo  | 501,725   | 14,349             | 2.62                  |
| Fevertree Drinks                                | 788,934   | 7,968              | 1.45                  |
| Ocado   | 1,264,329 | 6,911              | 1.26                  |
| <b>Financials - 12.55% (15.04%)</b>             |           |                    |                       |
| AJ Bell   | 5,679,499 | 17,959             | 3.27                  |
| Hargreaves Lansdown                             | 1,276,111 | 9,772              | 1.78                  |
| IP Group  | 8,258,236 | 4,319              | 0.79                  |
| Lancashire Holdings                             | 1,324,627 | 8,041              | 1.47                  |
| Molten Ventures                                 | 1,571,330 | 3,749              | 0.68                  |
| Prudential                                      | 1,193,102 | 9,764              | 1.78                  |
| St. James's Place                               | 1,033,529 | 6,759              | 1.23                  |
| Standard Chartered                              | 1,418,778 | 8,496              | 1.55                  |
| <b>Health Care - 6.85% (9.62%)</b>              |           |                    |                       |
| Creo Medical                                    | 5,098,195 | 2,116              | 0.38                  |
| Exscientia Ltd ADR                              | 428,768   | 1,953              | 0.36                  |
| Genus   | 794,389   | 18,223             | 3.32                  |
| Hikma Pharmaceuticals                           | 577,075   | 11,143             | 2.03                  |
| Oxford Nanopore Technologies PLC                | 1,470,205 | 2,357              | 0.43                  |
| PureTech Health                                 | 912,224   | 1,797              | 0.33                  |

## Portfolio Statement as at 31 January 2024 cont.

| Stock description                       | Holding   | Market value £'000 | % of total net assets |
|---|-----------|--------------------|-----------------------|
| <b>Industrials - 27.09% (22.57%)</b>    |           |                    |                       |
| Ashtead                                 | 348,792   | 18,144             | 3.31                  |
| Experian                                | 1,179,506 | 38,876             | 7.08                  |
| FDM Group                               | 1,644,689 | 7,549              | 1.38                  |
| Oxford Instruments                      | 269,663   | 5,987              | 1.09                  |
| Renishaw                                | 509,564   | 17,855             | 3.25                  |
| Smart Metering Systems                  | 567,192   | 5,394              | 0.98                  |
| Spirax-Sarco                            | 156,578   | 15,666             | 2.86                  |
| Weir                                    | 664,489   | 12,087             | 2.20                  |
| Wise Plc                                | 3,345,123 | 27,082             | 4.94                  |
| <b>Real Estate - 2.33% (2.14%)</b>      |           |                    |                       |
| Rightmove                               | 2,285,594 | 12,804             | 2.33                  |
| <b>Technology - 17.42% (13.23%)</b>     |           |                    |                       |
| Auto Trader                             | 5,396,812 | 39,332             | 7.17                  |
| Baltic Classifieds Group Plc            | 4,421,675 | 10,701             | 1.95                  |
| First Derivatives                       | 716,280   | 8,968              | 1.63                  |
| Kainos Group                            | 1,603,819 | 18,380             | 3.35                  |
| Softcat                                 | 1,260,403 | 18,225             | 3.32                  |
| <b>Portfolio of investments</b>         |           | <b>542,088</b>     | <b>98.79</b>          |
| <b>Net other assets - 1.21% (2.01%)</b> |           | <b>6,622</b>       | <b>1.21</b>           |
| <b>Net assets</b>                       |           | <b>548,710</b>     | <b>100.00</b>         |

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 31 January 2023.

# Comparative Tables

## Comparative Table: A Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 530.23   | 591.91   | 682.35   |
| Return before operating charges*              | 4.41   | (54.89)  | (80.98)  |
| Operating charges                             | (7.01)   | (6.79)   | (9.46)   |
| Return after operating charges*               | (2.60)   | (61.68)  | (90.44)  |
| Distributions                                 | (6.63)   | (4.40)   | (3.22)   |
| Retained distributions on accumulation shares | 6.63   | 4.40   | 3.22   |
| <b>Closing net asset value per share</b>      | <b>527.63</b>  | <b>530.23</b>  | <b>591.91</b>  |
| *After direct transaction costs of:           | 0.21   | 0.96   | 1.22   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | (0.49)%  | (10.42)%   | (13.25)%   |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 996  | 4,011  | 5,252  |
| Closing number of shares                      | 188,833  | 756,514  | 887,267  |
| Operating charges                             | 1.35%  | 1.34%  | 1.39% <sup>1</sup>   |
| Direct transaction costs <sup>2</sup>         | 0.04%  | 0.19%  | 0.18%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 555.8  | 607.7  | 727.9  |
| Lowest share price (pence)                    | 463.2  | 445.1  | 580.9  |

## Comparative Tables cont.

### Comparative Table: A Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 392.21   | 441.53   | 511.76   |
| Return before operating charges*         | 3.26   | (41.02)  | (60.65)  |
| Operating charges                        | (5.18)   | (5.02)   | (7.17)   |
| Return after operating charges*          | (1.92)   | (46.04)  | (67.82)  |
| Distributions on income shares           | (4.91)   | (3.28)   | (2.41)   |
| <b>Closing net asset value per share</b> | <b>385.38</b>  | <b>392.21</b>  | <b>441.53</b>  |
| *After direct transaction costs of:      | 0.15   | 0.71   | 0.92   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | (0.49)%  | (10.43)%   | (13.25)%   |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 139  | 367  | 300  |
| Closing number of shares                 | 36,067   | 93,459   | 67,839   |
| Operating charges                        | 1.35%  | 1.34%  | 1.40% <sup>1</sup>   |
| Direct transaction costs <sup>2</sup>    | 0.04%  | 0.19%  | 0.18%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 411.1  | 453.3  | 546.0  |
| Lowest share price (pence)               | 342.3  | 331.6  | 435.6  |

## Comparative Tables cont.

### Comparative Table: B Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 650.13   | 719.60   | 822.50   |
| Return before operating charges*              | 5.45   | (66.44)  | (98.46)  |
| Operating charges                             | (3.12)   | (3.03)   | (4.44)   |
| Return after operating charges*               | 2.33   | (69.47)  | (102.90)   |
| Distributions                                 | (13.58)  | (10.62)  | (10.92)  |
| Retained distributions on accumulation shares | 13.58  | 10.62  | 10.92  |
| <b>Closing net asset value per share</b>      | <b>652.46</b>  | <b>650.13</b>  | <b>719.60</b>  |
| *After direct transaction costs of:           | 0.25   | 1.18   | 1.48   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 0.36%  | (9.65)%  | (12.51)%   |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 370,519  | 466,806  | 624,921  |
| Closing number of shares                      | 56,787,836   | 71,801,841   | 86,842,258   |
| Operating charges                             | 0.49%  | 0.49%  | 0.54% <sup>3</sup>   |
| Direct transaction costs <sup>2</sup>         | 0.04%  | 0.19%  | 0.18%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 684.2  | 738.8  | 879.1  |
| Lowest share price (pence)                    | 571.6  | 544.4  | 706.2  |



## Comparative Tables cont.

### Comparative Table: B Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 393.27   | 442.62   | 513.47   |
| Return before operating charges*         | 3.32   | (40.94)  | (61.28)  |
| Operating charges                        | (1.89)   | (1.88)   | (2.77)   |
| Return after operating charges*          | 1.43   | (42.82)  | (64.05)  |
| Distributions on income shares           | (8.19)   | (6.53)   | (6.80)   |
| <b>Closing net asset value per share</b> | <b>386.51</b>  | <b>393.27</b>  | <b>442.62</b>  |
| *After direct transaction costs of:      | 0.15   | 0.73   | 0.92   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 0.36%  | (9.67)%  | (12.47)%   |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 17,311   | 22,789   | 57,049   |
| Closing number of shares                 | 4,478,774  | 5,794,885  | 12,888,822   |
| Operating charges                        | 0.49%  | 0.49%  | 0.54% <sup>3</sup>   |
| Direct transaction costs <sup>2</sup>    | 0.04%  | 0.19%  | 0.18%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 413.8  | 454.4  | 548.8  |
| Lowest share price (pence)               | 344.4  | 334.0  | 439.7  |

## Comparative Tables cont.

### Comparative Table: C Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 736.88   | 811.80   | 923.01   |
| Return before operating charges*              | 6.27   | (74.78)  | (111.02)   |
| Operating charges                             | (0.14)   | (0.14)   | (0.19)   |
| Return after operating charges*               | 6.13   | (74.92)  | (111.21)   |
| Distributions                                 | (18.83)  | (15.30)  | (17.15)  |
| Retained distributions on accumulation shares | 18.83  | 15.30  | 17.15  |
| <b>Closing net asset value per share</b>      | <b>743.01</b>  | <b>736.88</b>  | <b>811.80</b>  |
| *After direct transaction costs of:           | 0.29   | 1.31   | 1.67   |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | 0.83%  | (9.23)%  | (12.05)%   |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | 159,743  | 220,900  | 125,729  |
| Closing number of shares                      | 21,499,419   | 29,977,607   | 15,487,721   |
| Operating charges                             | 0.02%  | 0.02%  | 0.02%  |
| Direct transaction costs <sup>2</sup>         | 0.04%  | 0.19%  | 0.18%  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | 777.2  | 833.5  | 988.1  |
| Lowest share price (pence)                    | 650.1  | 616.2  | 796.7  |

## Comparative Tables cont.

### Comparative Table: C Income Shares

|  | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|--|--|--|--|
| <b>Change in net assets per share:</b>   |  |  |  |
| Opening net asset value per share        | 393.86   | 443.21   | 514.44   |
| Return before operating charges*         | 3.37   | (40.93)  | (61.57)  |
| Operating charges                        | (0.08)   | (0.08)   | (0.10)   |
| Return after operating charges*          | 3.29   | (41.01)  | (61.67)  |
| Distributions on income shares           | (10.05)  | (8.34)   | (9.56)   |
| <b>Closing net asset value per share</b> | <b>387.10</b>  | <b>393.86</b>  | <b>443.21</b>  |
| *After direct transaction costs of:      | 0.15   | 0.72   | 0.93   |
| <b>Performance:</b>                      |  |  |  |
| Return after charges                     | 0.84%  | (9.25)%  | (11.99)%   |
| <b>Other Information:</b>                |  |  |  |
| Closing net asset value (£'000)          | 2  | 2  | 2  |
| Closing number of shares                 | 500  | 500  | 500  |
| Operating charges                        | 0.02%  | 0.02%  | 0.02%  |
| Direct transaction costs <sup>2</sup>    | 0.04%  | 0.19%  | 0.18%  |
| <b>Prices:</b>                           |  |  |  |
| Highest share price (pence)              | 415.3  | 455.0  | 550.5  |
| Lowest share price (pence)               | 345.8  | 335.3  | 442.1  |

<sup>1</sup>With effect from 1 October 2021 the annual management charge for Class A Shares was reduced from 1.40% to 1.32%. As at 31 January 2022 the ACD considered 1.34% to be a more indicative rate for the ongoing charges figure for Class A Shares.

<sup>2</sup>The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website [www.bailliegifford.com](http://www.bailliegifford.com).

<sup>3</sup>With effect from 1 October 2021 the annual management charge for Class B Shares was reduced from 0.55% to 0.47%. As at 31 January 2022 the ACD considered 0.49% to be a more indicative rate for the ongoing charges figure for Class B Shares.

# Financial Statements

## Statement of Total Return for the year ended 31 January 2024

|   | Notes | 2024    |                 | 2023    |                  |
|---|-------|---------|-----------------|---------|------------------|
|   |       | £'000   | £'000           | £'000   | £'000            |
| <b>Income</b>   |       |         |                 |         |                  |
| Net capital gains/(losses)  | 1     |         | (15,873)        |         | (113,020)        |
| Revenue   | 3     | 16,413  |                 | 16,512  |                  |
| Expenses  | 4     | (2,165) |                 | (2,663) |                  |
| Net revenue before taxation   |       | 14,248  |                 | 13,849  |                  |
| Taxation  | 5     | -       |                 | -       |                  |
| Net revenue after taxation  |       |         | 14,248          |         | 13,849           |
| Total return before distributions   |       |         | (1,625)         |         | (99,171)         |
| Distributions   | 6     |         | (14,256)        |         | (13,845)         |
| <b>Change in net assets attributable to shareholders from investment activities</b> |       |         | <b>(15,881)</b> |         | <b>(113,016)</b> |

## Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 January 2024

|  | 2024      |                | 2023      |                |
|--|-----------|----------------|-----------|----------------|
|  | £'000     | £'000          | £'000     | £'000          |
| <b>Opening net assets attributable to shareholders</b>                       |           | <b>714,875</b> |           | <b>847,642</b> |
| Amounts receivable on issue of shares  | 9,100     |                | 24,254    |                |
| Amounts payable on cancellation of shares                                    | (171,866) |                | (213,513) |                |
| Creation of shares settled by transfer of stocks                             | -         |                | 156,593   |                |
|  |           | (162,766)      |           | (32,666)       |
| Dilution adjustment  |           | 339            |           | 428            |
| Change in net assets attributable to shareholders from investment activities |           | (15,881)       |           | (113,016)      |
| Retained distributions on accumulation shares                                |           | 12,143         |           | 12,487         |
| <b>Closing net assets attributable to shareholders</b>                       |           | <b>548,710</b> |           | <b>714,875</b> |

## Financial Statements cont.

### Balance Sheet as at 31 January 2024

|  | Notes | 2024<br>£'000  | 2023<br>£'000  |
|--|-------|----------------|----------------|
| <b>Assets:</b>                                 |       |                |                |
| Fixed assets:                                  |       |                |                |
| Investments                                    | 13    | 542,088        | 700,505        |
| Current assets:                                |       |                |                |
| Debtors  | 8     | 1,280          | 1,335          |
| Cash and bank balances                         | 9     | 11,241         | 14,752         |
| <b>Total assets</b>                            |       | <b>554,609</b> | <b>716,592</b> |
| <b>Liabilities:</b>                            |       |                |                |
| Creditors:                                     |       |                |                |
| Bank overdrafts                                | 9     | (3,570)        | -              |
| Distributions payable                          |       | (302)          | (326)          |
| Other creditors                                | 10    | (2,027)        | (1,391)        |
| <b>Total liabilities</b>                       |       | <b>(5,899)</b> | <b>(1,717)</b> |
| <b>Net assets attributable to shareholders</b> |       | <b>548,710</b> | <b>714,875</b> |

# Notes to the Financial Statements

## 1 Net capital

|                                   | 2024            | 2023             |
|-----------------------------------|-----------------|------------------|
|                                   | £'000           | £'000            |
| Non-derivative securities         | (15,442)        | (113,141)        |
| Currency gains/(losses)           | (423)           | 137              |
| Transaction costs                 | (8)             | (16)             |
| <b>Net capital gains/(losses)</b> | <b>(15,873)</b> | <b>(113,020)</b> |

## 2 Purchases, sales and transaction costs

|  | 2024          | 2023           |
|--|---------------|----------------|
|  | £'000         | £'000          |
| <b>Purchases and transaction costs</b>                   |               |                |
| Purchases of equities                                    | 43,965        | 318,671        |
| Equities transferred in                                  | -             | 154,219        |
| Gross purchases of equities excluding transaction costs  | 43,965        | 472,890        |
| Commissions  | 19            | 151            |
| Taxes  | 179           | 1,066          |
| Total transaction costs on equity purchases <sup>1</sup> | 198           | 1,217          |
| <b>Purchases including transaction costs</b>             | <b>44,163</b> | <b>474,107</b> |

<sup>1</sup>These amounts have been deducted in determining net capital gains/(losses).

|  | 2024 | 2023 |
|--|------|------|
|  | %    | %    |
| <b>Transaction costs as a percentage of principal amount</b> |      |      |
| Commission on equity purchases                               | 0.04 | 0.03 |
| Taxes on equity purchases                                    | 0.41 | 0.23 |

## Notes to the Financial Statements cont.

### 2 Purchases, sales and transaction costs (continued)

|  | 2024           | 2023           |
|--|----------------|----------------|
|  | £'000          | £'000          |
| <b>Sales and transaction costs</b>                   |                |                |
| Gross sales of equities excluding transaction costs  | 187,208        | 507,191        |
| Commissions  | (69)           | (195)          |
| Taxes  | (1)            | (1)            |
| Total transaction costs on equity sales <sup>1</sup> | (70)           | (196)          |
| <b>Sales net of transaction costs</b>                | <b>187,138</b> | <b>506,995</b> |

<sup>1</sup>These amounts have been deducted in determining net capital gains/(losses).

|  | 2024   | 2023   |
|--|--------|--------|
|  | %      | %      |
| <b>Transaction costs as a percentage of principal amount</b> |        |        |
| Commission on equity sales                                   | (0.04) | (0.04) |
| Taxes on equity sales  | (0.00) | (0.00) |

|                                       | 2024       |                  | 2023         |                  |
|---------------------------------------|------------|------------------|--------------|------------------|
|                                       | £'000      | % of average NAV | £'000        | % of average NAV |
| <b>Portfolio transaction costs</b>    |            |                  |              |                  |
| Commissions                           | 88         | 0.01             | 346          | 0.05             |
| Taxes                                 | 180        | 0.03             | 1,067        | 0.14             |
| <b>Total direct transaction costs</b> | <b>268</b> | <b>0.04</b>      | <b>1,413</b> | <b>0.19</b>      |

|                                  | 2024 | 2023 |
|----------------------------------|------|------|
|                                  | %    | %    |
| Average portfolio dealing spread | 0.26 | 0.24 |

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

## Notes to the Financial Statements cont.

### 3 Revenue

|                      | 2024          | 2023          |
|----------------------|---------------|---------------|
|                      | £'000         | £'000         |
| UK dividends         | 14,711        | 14,670        |
| Overseas dividends   | 1,526         | 1,798         |
| Bank interest        | 176           | 44            |
| <b>Total revenue</b> | <b>16,413</b> | <b>16,512</b> |

### 4 Expenses

|  | 2024         | 2023         |
|--|--------------|--------------|
|  | £'000        | £'000        |
| <b>Payable to the ACD, associates of the ACD and agents of either of them:</b>               |              |              |
| Annual management charge   | 2,063        | 2,567        |
| <b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b> |              |              |
| Depositary's fee   | 49           | 61           |
| Bank charges   | 44           | 28           |
|  | 93           | 89           |
| <b>Other expenses:</b>   |              |              |
| Audit fee  | 9            | 7            |
| <b>Total expenses</b>  | <b>2,165</b> | <b>2,663</b> |

### 5 Taxation

|                                       | 2024     | 2023     |
|---------------------------------------|----------|----------|
|                                       | £'000    | £'000    |
| <b>Analysis of charge in the year</b> |          |          |
| Corporation tax                       | -        | -        |
| <b>Total taxation</b>                 | <b>-</b> | <b>-</b> |

The Fund is subject to corporation tax at 20% (2023: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses substantially exceed the taxable income of the Fund and, as a result, there is no corporation tax charge.

At 31 January 2024, the Fund had excess management expenses of £21,657,000 (2023: £19,668,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing excess expenses.



## Notes to the Financial Statements cont.

### 5 Taxation (continued)

The tax charge is explained as follows:

|   | 2024     | 2023     |
|---|----------|----------|
|   | £'000    | £'000    |
| Net revenue before taxation   | 14,248   | 13,849   |
| Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2023: 20%) | 2,850    | 2,770    |
| Effects of:   |          |          |
| Non-taxable UK dividends  | (2,942)  | (2,934)  |
| Non-taxable overseas dividends  | (306)    | (360)    |
| Excess management expenses  | 398      | 524      |
| <b>Total taxation</b>   | <b>-</b> | <b>-</b> |

### 6 Distributions

|  | 2024          | 2023          |
|--|---------------|---------------|
|  | £'000         | £'000         |
| Interim to 31 July                         | 2,618         | 2,110         |
| Final to 31 January                        | 9,901         | 10,779        |
|  | <b>12,519</b> | <b>12,889</b> |
| Amounts deducted on cancellation of shares | 1,831         | 1,956         |
| Amounts added on issue of shares           | (94)          | (1,000)       |
| <b>Total distributions</b>                 | <b>14,256</b> | <b>13,845</b> |

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distributions per share are set out in the Distribution Tables.

### 7 Reconciliation of net revenue to net distributions for the year

|  | 2024          | 2023          |
|--|---------------|---------------|
|  | £'000         | £'000         |
| Net revenue after taxation for the year    | 14,248        | 13,849        |
| Add distributable revenue brought forward  | 10            | 6             |
| Less distributable revenue carried forward | (2)           | (10)          |
| <b>Net distributions for the year</b>      | <b>14,256</b> | <b>13,845</b> |

## Notes to the Financial Statements cont.

### 8 Debtors

|                                | 2024         | 2023         |
|--------------------------------|--------------|--------------|
|                                | £'000        | £'000        |
| Receivable for issue of shares | 97           | 115          |
| Sales awaiting settlement      | -            | 22           |
| Accrued income                 | 1,139        | 1,162        |
| Overseas tax recoverable       | 31           | 31           |
| VAT recoverable                | 1            | -            |
| Other debtors                  | 12           | 5            |
| <b>Total debtors</b>           | <b>1,280</b> | <b>1,335</b> |

### 9 Cash and bank balances

|                                     | 2024         | 2023          |
|-------------------------------------|--------------|---------------|
|                                     | £'000        | £'000         |
| Sterling bank accounts              | 8,898        | 12,741        |
| Foreign currency bank accounts      | 2,343        | 2,011         |
|                                     | 11,241       | 14,752        |
| Sterling bank accounts overdrawn    | (3,570)      | -             |
| <b>Total cash and bank balances</b> | <b>7,671</b> | <b>14,752</b> |

### 10 Other creditors

|                                     | 2024         | 2023         |
|-------------------------------------|--------------|--------------|
|                                     | £'000        | £'000        |
| Payable for cancellation of shares  | 1,320        | 1,170        |
| Purchases awaiting settlement       | 528          | -            |
| Due to the ACD or associates        | 165          | 206          |
| Due to the Depositary or associates | 6            | 8            |
| Other accrued expenses              | 8            | 7            |
| <b>Total other creditors</b>        | <b>2,027</b> | <b>1,391</b> |

### 11 Related party transactions

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts receivable and payable on the issue and cancellation of shares have been disclosed in notes 8 and 10 respectively.

Amounts paid to Baillie Gifford & Co Limited in respect of ACD fees are disclosed in note 4 with amounts due at the year end given in note 10.

## Notes to the Financial Statements cont.

### 11 Related party transactions (continued)

#### Shares held by the ACD and associates of the ACD

The shares held by the ACD and associates of the ACD as a percentage of the Fund's NAV were:

|                               | 2024 | 2023 |
|-------------------------------|------|------|
|                               | %    | %    |
| ACD and associates of the ACD | 0.56 | 2.34 |

### 12 Reconciliation of shares in issue

|                       | Shares in issue as at<br>31.01.23 | Shares issued | Shares cancelled | Shares converted | Shares in issue as at<br>31.01.24 |
|-----------------------|-----------------------------------|---------------|------------------|------------------|-----------------------------------|
| A Accumulation Shares | 756,514                           | 8,861         | (163,580)        | (412,962)        | 188,833                           |
| A Income Shares       | 93,459                            | 379           | (7,576)          | (50,195)         | 36,067                            |
| B Accumulation Shares | 71,801,841                        | (20,652)      | (15,328,318)     | 334,965          | 56,787,836                        |
| B Income Shares       | 5,794,885                         | 135,438       | (1,503,229)      | 51,680           | 4,478,774                         |
| C Accumulation Shares | 29,977,607                        | 1,195,440     | (9,673,628)      | -                | 21,499,419                        |
| C Income Shares       | 500                               | 500           | (500)            | -                | 500                               |

### 13 Basis of valuation

|                                 | 2024           | 2023           |
|---------------------------------|----------------|----------------|
|                                 | Assets         | Assets         |
|                                 | £'000          | £'000          |
| Level 1: Quoted prices          | 542,088        | 700,505        |
| Level 2: Observable market data | -              | -              |
| Level 3: Unobservable data      | -              | -              |
| <b>Total</b>                    | <b>542,088</b> | <b>700,505</b> |

# Distribution Tables

Interim distribution for the period ended 31 July 2023

Group 1 : shares purchased prior to 1 February 2023

Group 2 : shares purchased 1 February 2023 to 31 July 2023

|                | Net Revenue<br>(dividend<br>distribution) | Equalisation                | Distribution<br>(paid/accumulated<br>30.09.23) | Distribution<br>(paid/accumulated<br>30.09.22) |
|----------------|---|-----------------------------|--|--|
|                | 31.07.23<br>pence per share               | 31.07.23<br>pence per share | 31.07.23<br>pence per share                    | 31.07.22<br>pence per share                    |
| A Accumulation |   |                             |  |  |
| Group 1        | 0.60000                                   | -                           | 0.60000  | 0.60000  |
| Group 2        | -   | 0.60000                     | 0.60000  | 0.60000  |
| A Income       |   |                             |  |  |
| Group 1        | 0.45000                                   | -                           | 0.45000  | 0.45000  |
| Group 2        | -   | 0.45000                     | 0.45000  | 0.45000  |
| B Accumulation |   |                             |  |  |
| Group 1        | 2.50000                                   | -                           | 2.50000  | 1.55000  |
| Group 2        | -   | 2.50000                     | 2.50000  | 1.55000  |
| B Income       |   |                             |  |  |
| Group 1        | 1.50000                                   | -                           | 1.50000  | 0.95000  |
| Group 2        | -   | 1.50000                     | 1.50000  | 0.95000  |
| C Accumulation |   |                             |  |  |
| Group 1        | 3.50000                                   | -                           | 3.50000  | 2.25000  |
| Group 2        | -   | 3.50000                     | 3.50000  | 2.25000  |
| C Income       |   |                             |  |  |
| Group 1        | 1.90000                                   | -                           | 1.90000  | 1.20000  |
| Group 2        | 1.90000                                   | -                           | 1.90000  | 1.20000  |

## Distribution Tables cont.

Final distribution for the period ended 31 January 2024

Group 1 : shares purchased prior to 1 August 2023

Group 2 : shares purchased 1 August 2023 to 31 January 2024

|                       | Net Revenue<br>(dividend<br>distribution) | Equalisation                | Distribution<br>(paid/accumulated<br>31.03.24) | Distribution<br>(paid/accumulated<br>31.03.23) |
|-----------------------|---|-----------------------------|--|--|
|                       | 31.01.24<br>pence per share               | 31.01.24<br>pence per share | 31.01.24<br>pence per share                    | 31.01.23<br>pence per share                    |
| <b>A Accumulation</b> |   |                             |  |  |
| Group 1               | 6.03000                                   | -                           | 6.03000  | 3.80000  |
| Group 2               | 1.45638                                   | 4.57362                     | 6.03000  | 3.80000  |
| <b>A Income</b>       |   |                             |  |  |
| Group 1               | 4.46000                                   | -                           | 4.46000  | 2.83000  |
| Group 2               | 1.25182                                   | 3.20818                     | 4.46000  | 2.83000  |
| <b>B Accumulation</b> |   |                             |  |  |
| Group 1               | 11.08000                                  | -                           | 11.08000                                       | 9.07000  |
| Group 2               | 3.76494                                   | 7.31506                     | 11.08000                                       | 9.07000  |
| <b>B Income</b>       |   |                             |  |  |
| Group 1               | 6.69000                                   | -                           | 6.69000  | 5.58000  |
| Group 2               | 2.01993                                   | 4.67007                     | 6.69000  | 5.58000  |
| <b>C Accumulation</b> |   |                             |  |  |
| Group 1               | 15.33000                                  | -                           | 15.33000                                       | 13.05000                                       |
| Group 2               | 3.80610                                   | 11.52390                    | 15.33000                                       | 13.05000                                       |
| <b>C Income</b>       |   |                             |  |  |
| Group 1               | 8.15000                                   | -                           | 8.15000  | 7.14000  |
| Group 2               | 8.15000                                   | -                           | 8.15000  | 7.14000  |



# Baillie Gifford™

## Glenfinlas Global Fund

---

a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Annual Report & Financial Statements  
for the year ended 31 January 2024*



# Investment Report

Following the closure of the fund on 13 November 2015, the ACD is no longer actively seeking subscriptions for the Fund.



## Principal Holdings as at 31 January 2024

| Investment                             | Percentage of total Fund |
|--|--------------------------|
| Espirito Santo Financials <sup>1</sup> | 0.00                     |
| African Minerals Ltd <sup>1</sup>      | 0.00                     |

<sup>1</sup>This stock was delisted at the year end and has been valued at the Investment Adviser's valuation and therefore is categorised as level 3 in note 13.

This Fund is no longer available for subscription. On 13 November 2015, all shares in the Fund were redeemed and the proceeds paid to the shareholders on 18 November 2015. The remaining holdings have been valued at zero, based on the Investment Adviser's valuation, as detailed in the Portfolio Statement.

## Portfolio Statement as at 31 January 2024

| Stock description                            | Holding | Market value £'000 | % of total net assets |
|--|---------|--------------------|-----------------------|
| <b>Luxembourg - 0.00% (0.00%)</b>            |         |                    |                       |
| Espirito Santo Financials <sup>1</sup>       | 32,000  | -                  | 0.00                  |
| <b>UK - 0.00% (0.00%)</b>                    |         |                    |                       |
| African Minerals Ltd <sup>1</sup>            | 51,500  | -                  | 0.00                  |
| <b>Portfolio of investments</b>              |         | <b>-</b>           | <b>0.00</b>           |
| <b>Net other liabilities - 0.00% (0.00%)</b> |         | <b>-</b>           | <b>0.00</b>           |
| <b>Net assets</b>                            |         | <b>-</b>           | <b>0.00</b>           |

<sup>1</sup>This stock was delisted at the year end and has been valued at the Investment Adviser's valuation and therefore is categorised as level 3 in note 13.

All investments are approved securities within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 31 January 2023.

This Fund is no longer available for subscription. On 13 November 2015, all shares in the Fund were redeemed and the proceeds paid to the shareholders on 18 November 2015.

# Comparative Table

## Comparative Table: Z Accumulation Shares

|   | Financial Year Ended<br>31 January 2024<br>(pence per share) | Financial Year Ended<br>31 January 2023<br>(pence per share) | Financial Year Ended<br>31 January 2022<br>(pence per share) |
|---|--|--|--|
| <b>Change in net assets per share:</b>        |  |  |  |
| Opening net asset value per share             | 0.00   | 0.00   | 0.00   |
| Return before operating charges*              | -  | -  | -  |
| Operating charges                             | -  | -  | -  |
| Return after operating charges*               | -  | -  | -  |
| Distributions                                 | -  | -  | -  |
| Retained distributions on accumulation shares | -  | -  | -  |
| <b>Closing net asset value per share</b>      | <b>0.00</b>  | <b>0.00</b>  | <b>0.00</b>  |
| *After direct transaction costs of:           | n/a  | n/a  | n/a  |
| <b>Performance:</b>                           |  |  |  |
| Return after charges                          | -  | -  | -  |
| <b>Other Information:</b>                     |  |  |  |
| Closing net asset value (£'000)               | -  | -  | -  |
| Closing number of shares <sup>1</sup>         | -  | -  | -  |
| Operating charges                             | -  | -  | -  |
| Direct transaction costs                      | -  | -  | -  |
| <b>Prices:</b>                                |  |  |  |
| Highest share price (pence)                   | n/a  | n/a  | n/a  |
| Lowest share price (pence)                    | n/a  | n/a  | n/a  |

<sup>1</sup>This Fund is no longer available for subscription. On 13 November 2015, all shares in the Fund were redeemed and the proceeds paid to the shareholders on 18 November 2015.

# Financial Statements

## Statement of Total Return for the year ended 31 January 2024

|   | Notes | 2024  |       | 2023  |       |
|---|-------|-------|-------|-------|-------|
|   |       | £'000 | £'000 | £'000 | £'000 |
| Income  |       |       |       |       |       |
| Net capital result  | 1     | -     | -     | -     | -     |
| Revenue   | 3     | -     | -     | -     | -     |
| Expenses  | 4     | -     | -     | -     | -     |
| Net result before taxation  |       | -     | -     | -     | -     |
| Taxation  | 5     | -     | -     | -     | -     |
| Net result after taxation   |       | -     | -     | -     | -     |
| Total return before distributions   |       | -     | -     | -     | -     |
| Distributions   | 6     | -     | -     | -     | -     |
| <b>Change in net assets attributable to shareholders from investment activities</b> |       | -     | -     | -     | -     |

## Statement of Change in Net Assets Attributable to Shareholders for the year ended 31 January 2024

|  | 2024  |       | 2023  |       |
|--|-------|-------|-------|-------|
|  | £'000 | £'000 | £'000 | £'000 |
| <b>Opening net assets attributable to shareholders</b>                       |       | -     |       | -     |
| Amounts receivable on issue of shares  | -     | -     | -     | -     |
| Amounts payable on cancellation of shares                                    | -     | -     | -     | -     |
| Dilution adjustment  |       | -     |       | -     |
| Change in net assets attributable to shareholders from investment activities |       | -     |       | -     |
| <b>Closing net assets attributable to shareholders</b>                       |       | -     |       | -     |

## Financial Statements cont.

### Balance Sheet as at 31 January 2024

|  | Notes | 2024<br>£'000 | 2023<br>£'000 |
|--|-------|---------------|---------------|
| <b>Assets:</b>                                 |       |               |               |
| Current assets:                                |       |               |               |
| Investments                                    | 13    | -             | -             |
| Debtors  | 8     | 5             | 5             |
| Cash and bank balances                         | 9     | -             | -             |
| <b>Total assets</b>                            |       | <b>5</b>      | <b>5</b>      |
| <b>Liabilities:</b>                            |       |               |               |
| Creditors:                                     |       |               |               |
| Other creditors                                | 10    | (5)           | (5)           |
| <b>Total liabilities</b>                       |       | <b>(5)</b>    | <b>(5)</b>    |
| <b>Net assets attributable to shareholders</b> |       | <b>-</b>      | <b>-</b>      |

# Notes to the Financial Statements

## 1 Net capital Result

|                           | 2024  | 2023  |
|---------------------------|-------|-------|
|                           | £'000 | £'000 |
| <b>Net capital result</b> | -     | -     |

## 2 Purchases, sales and transaction costs

|  | 2024  | 2023  |
|--|-------|-------|
|  | £'000 | £'000 |

### Purchases and transaction costs

|   |   |   |
|---|---|---|
| Gross purchases of equities excluding transaction costs | - | - |
| Commissions   | - | - |
| Taxes   | - | - |
| Total transaction costs on equity purchases             | - | - |
| <b>Purchases including transaction costs</b>            | - | - |

|  | 2024 | 2023 |
|--|------|------|
|  | %    | %    |

### Transaction costs as a percentage of principal amount

|                                |      |      |
|--------------------------------|------|------|
| Commission on equity purchases | 0.00 | 0.00 |
| Taxes on equity purchases      | 0.00 | 0.00 |

|  | 2024  | 2023  |
|--|-------|-------|
|  | £'000 | £'000 |

### Sales and transaction costs

|   |   |   |
|---|---|---|
| Gross sales of equities excluding transaction costs | - | - |
| Commissions   | - | - |
| Taxes   | - | - |
| Total transaction costs on equity sales             | - | - |
| <b>Sales net of transaction costs</b>               | - | - |

|  | 2024 | 2023 |
|--|------|------|
|  | %    | %    |

### Transaction costs as a percentage of principal amount

|                            |      |      |
|----------------------------|------|------|
| Commission on equity sales | 0.00 | 0.00 |
| Taxes on equity sales      | 0.00 | 0.00 |

## Notes to the Financial Statements cont.

### 2 Purchases, sales and transaction costs (continued)

|                                       | 2024     |                  | 2023     |                  |
|---------------------------------------|----------|------------------|----------|------------------|
|                                       | £'000    | % of average NAV | £'000    | % of average NAV |
| <b>Portfolio transaction costs</b>    |          |                  |          |                  |
| Commissions                           | -        | 0.00             | -        | 0.00             |
| Taxes                                 | -        | 0.00             | -        | 0.00             |
| <b>Total direct transaction costs</b> | <b>-</b> | <b>0.00</b>      | <b>-</b> | <b>0.00</b>      |
|                                       |          |                  |          |                  |
|                                       |          |                  | 2024     | 2023             |
|                                       |          |                  | %        | %                |
| Average portfolio dealing spread      |          |                  | 0.00     | 0.00             |

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares; broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

### 3 Revenue

|                      | 2024     | 2023     |
|----------------------|----------|----------|
|                      | £'000    | £'000    |
| <b>Total revenue</b> | <b>-</b> | <b>-</b> |

## Notes to the Financial Statements cont.

### 4 Expenses

|  | 2024     | 2023     |
|--|----------|----------|
|  | £'000    | £'000    |
| <b>Payable to the ACD, associates of the ACD and agents of either of them:</b>               |          |          |
| Expenses rebate  | (5)      | (5)      |
| <b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b> |          |          |
| Depositary's fee   | -        | -        |
| Bank charges   | -        | -        |
|  | -        | -        |
| <b>Other expenses:</b>   |          |          |
| Audit fee  | 5        | 5        |
| <b>Total expenses</b>  | <b>-</b> | <b>-</b> |

### 5 Taxation

|                                       | 2024     | 2023     |
|---------------------------------------|----------|----------|
|                                       | £'000    | £'000    |
| <b>Analysis of charge in the year</b> |          |          |
| Corporation tax                       | -        | -        |
| <b>Total taxation</b>                 | <b>-</b> | <b>-</b> |

The Fund is subject to corporation tax at 20% (2022: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses combined with offsetable overseas tax exceed the taxable income of the Fund and the result is no corporation tax payable by the Fund.

|   | 2024     | 2023     |
|---|----------|----------|
|   | £'000    | £'000    |
| Net revenue before taxation   | -        | -        |
| Net expense before taxation multiplied by the standard rate of corporation tax of 20% (2023: 20%) | -        | -        |
| <b>Total taxation</b>   | <b>-</b> | <b>-</b> |

### 6 Distributions

|                            | 2024     | 2023     |
|----------------------------|----------|----------|
|                            | £'000    | £'000    |
| <b>Total distributions</b> | <b>-</b> | <b>-</b> |

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distributions per share are set out in the Distribution Table.



## Notes to the Financial Statements cont.

### 7 Reconciliation of net revenue to net distributions for the year

|  | 2024     | 2023     |
|--|----------|----------|
|  | £'000    | £'000    |
| Net result after taxation for the year | -        | -        |
| <b>Net distributions for the year</b>  | <b>-</b> | <b>-</b> |

### 8 Debtors

|                      | 2024     | 2023     |
|----------------------|----------|----------|
|                      | £'000    | £'000    |
| Amounts due from ACD | 5        | 5        |
| <b>Total debtors</b> | <b>5</b> | <b>5</b> |

### 9 Cash and bank balances

|                                     | 2024     | 2023     |
|-------------------------------------|----------|----------|
|                                     | £'000    | £'000    |
| Sterling bank accounts              | -        | -        |
| <b>Total cash and bank balances</b> | <b>-</b> | <b>-</b> |

### 10 Other creditors

|                              | 2024     | 2023     |
|------------------------------|----------|----------|
|                              | £'000    | £'000    |
| Other accrued expenses       | 5        | 5        |
| <b>Total other creditors</b> | <b>5</b> | <b>5</b> |

### 11 Related party transactions

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company.

During the year Baillie Gifford & Co Limited deemed it appropriate to reimburse expenses to the Fund. The amount of expenses reimbursed is given in note 4 with amounts receivable at the year end given in note 8. Any amount due to be refunded back to the ACD, relating to surplus revenue, is given in note 10.

### 12 Reconciliation of shares in issue

|                       | Shares in issue as at<br>31.01.23 | Shares issued | Shares cancelled | Shares converted | Shares in issue as at<br>31.01.24 |
|-----------------------|-----------------------------------|---------------|------------------|------------------|-----------------------------------|
| Z Accumulation Shares | -                                 | -             | -                | -                | -                                 |

## Notes to the Financial Statements cont.

### 13 Basis of valuation

|   | 2024     | 2023     |
|---|----------|----------|
|   | Assets   | Assets   |
|   | £'000    | £'000    |
| Level 1: Quoted prices                  | -        | -        |
| Level 2: Observable market data         | -        | -        |
| Level 3: Unobservable data <sup>1</sup> | -        | -        |
| <b>Total</b>                            | <b>-</b> | <b>-</b> |

<sup>1</sup>For further information on the assets included in Level 3, as at 31 January 2024, please refer to the Portfolio Statement.

# Distribution Table

Final distribution for the year ended 31 January 2024

Group 1 : shares purchases prior to 1 February 2023

Group 2 : shares purchased 1 February 2023 to 31 January 2024

|                | Net Revenue                 | Equalisation                | Distribution<br>(paid/accumulated<br>30.03.24) | Distribution<br>(paid/accumulated<br>30.03.23) |
|----------------|-----------------------------|-----------------------------|--|--|
|                | 31.01.24<br>pence per share | 31.01.24<br>pence per share | 31.01.24<br>pence per share                    | 31.01.23<br>pence per share                    |
| Z Accumulation |                             |                             |  |  |
| Group 1        | n/a                         | n/a                         | n/a  | n/a  |
| Group 2        | n/a                         | n/a                         | n/a  | n/a  |



## General Information

### Dilution Adjustment

A sub-fund suffers dilution (reduction) in the value of the Scheme Property attributable to it because the actual costs of buying or selling investments for the sub-fund deviate from the mid-market values generally used in calculating the price of shares in the sub-fund. Such deviation may occur as a result of the costs (which may include dealing charges and taxes) incurred in dealing in such investments and of any spread between the buying and selling prices of such investments. It is not possible to predict accurately whether dilution is likely to occur.

The COLL Rules allow the cost of dilution to be (1) met directly from the Scheme Property attributable to the sub-fund or (2) addressed by the imposition on investors of a dilution levy on the issue by the Company, subscriptions facilitated by the ACD, cancellation by the Company or redemption by the ACD of shares in the sub-fund or (3) dealt with by means of a dilution adjustment, which is the policy which has been adopted by the ACD in relation to the sub-funds of the Company. With a view to mitigating the effects of dilution, the ACD therefore reserves the right at its sole discretion to make a dilution adjustment in the calculation of the dealing price, and thereby swing the dealing price, of shares in any sub-fund of the Company if in its opinion the existing shareholders (for net purchases of shares) or remaining shareholders (for net redemptions of shares) might otherwise be adversely affected. By 'purchases' of shares we mean issues by the Company and subscriptions facilitated by the ACD and by 'redemptions' of shares we mean cancellations by the Company and redemptions by the ACD.

The COLL Rules acknowledge that the need to make a dilution adjustment may depend on the volume of purchases of shares or redemptions of shares. Accordingly, the ACD reserves the right at its sole discretion to impose a dilution adjustment in the following circumstances:

- (a) If the sub-fund is experiencing steady decline (net outflow of investment).
- (b) If the sub-fund is experiencing steady growth (net inflow of investment).

- (c) If the sub-fund is experiencing large levels of net purchases or net redemptions relative to its size.
- (d) Where the sub-fund experiences net purchases or net redemptions on any Dealing Day exceeding a particular value or a particular percentage of the value of the sub-fund.
- (e) In any other circumstances where the ACD believes it will be in the interests of shareholders to make a dilution adjustment.

The ACD is currently of the opinion that it is in the best interests of shareholders in the Company to make a dilution adjustment whenever dealings in the shares of any sub-fund result in shares in that sub-fund being issued or cancelled by the Company. The ACD believes that this policy should result in no significant dilution occurring. The adjustment will take account of any spread between the buying and selling prices of the relevant sub-fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments, as the case may be.

The level of the dilution adjustment is set by the ACD based on prevailing market conditions. Where liquidity is restricted and trading in size in the portfolio's investments results in significant movement in the prices of these investments the ACD may adjust the level of the dilution adjustment to protect the interests of the ongoing investors in a sub-fund. The ACD has thresholds for the sub-funds for daily net inflows or outflows of cash into or out of the sub-funds. Above these thresholds, which vary by sub-fund and according to market conditions, the ACD will increase the dilution adjustment to reflect the increased dealing costs incurred by the sub-funds as a result of larger inflows and outflows. A consequence of this policy is, however, that smaller transactions made on any day that the relevant threshold is exceeded will also trade at the price incorporating the higher adjustment and this may lead to increased dealing costs. Whether an adjustment may be necessary will depend upon the net movement into or out of a sub-fund on any given day and on the underlying market conditions on that day and it is therefore not possible to predict when an adjustment may be made.

## General Information cont.

### **Dilution Adjustment cont.**

On any Dealing Day when the Company neither issues nor cancels shares in a sub-fund the price of shares in that sub-fund will not contain any dilution adjustment.

This policy to swing the dealing price will be subject to regular review and may change. The ACD's decision on whether or not to make a dilution adjustment, and on what level of adjustment to make in particular circumstances or generally, will not prevent it from making a different decision in similar circumstances in the future.

Where a dilution adjustment is applied, it will increase the dealing price when there are net inflows into the relevant sub-fund and decrease the dealing price when there are net outflows. The dealing price of each class of share in a sub-fund will be calculated separately but any dilution adjustment will in percentage terms affect the dealing price of shares of each class identically.

On the occasions when no dilution adjustment is made there may be an adverse impact on the value of the Scheme Property attributable to the relevant sub-fund.

### **Stamp Duty Reserve Tax ('SDRT')**

Generally, there will be no SDRT charge when shareholders surrender or redeem shares. However, where the redemption is satisfied by a non-pro rata in-specie redemption, then a charge to SDRT may apply.

### **Taxation Reporting**

In order to fulfil its legal obligations, the ACD is required to collect and report certain information about shareholders (and in some circumstances the shareholder's controlling persons), including their identity, tax residency, tax status and financial information relating to their shareholding. Shareholders must provide the ACD with any information required to meet these obligations, and may also be asked to provide self-certifications and tax reference numbers or the equivalent. The ACD reserves the right to refuse an

application for shares or a transfer of shares until it receives a declaration as to the shareholder's tax residency or status in the form prescribed by the ACD.

The ACD is also required to provide to HMRC certain information regarding shareholders, payments made to shareholders and proceeds arising on the disposal of shares, and HMRC may pass such information on to the tax authorities of another jurisdiction.

### **Share Classes**

The net asset value per share and the number of shares in each class are shown in the Comparative Tables sections of the relevant sub-funds. The distributions per share class are shown in the Distribution Tables. In each sub-fund all share classes have the same rights on winding up.

With effect from 1 March 2022 Class A Shares are only available to persons with a written agreement with the ACD or one of its associates. This requirement for a written agreement does not apply to those who held Shares in this Class as at 28 February 2022 and who will continue to hold Shares in this Class.

Class C Shares are only available to persons to whom an associate of the ACD provides services under an investment management agreement or who has a separate fee arrangement with the ACD or one of its associates.

Class G Shares are only available to persons who were previously invested in Baillie Gifford International Private Pension Fund (a pension fund that was a unit-linked fund of Baillie Gifford Life Limited, an associate of the ACD) and such other persons as the ACD may permit at its sole discretion.

Class J Shares are only available to persons who has, or whose agent or associate has, a separate agreement, governing aggregate investment flows and marketing activity, in place with the ACD or one of its associates.

Class K Shares are only available to persons to whom an associate of the ACD provides services under an investment management agreement or who has a separate fee arrangement with the ACD or one of its associates.

## General Information cont.

### Share Classes cont.

---

Class L Shares are only available to persons who has, or whose agent has, a separate fee arrangement in place with the ACD or one of its associates.

Class P Shares are available to persons who: (i) are considered by the ACD to be institutional pension platforms and who have a relevant agreement with the ACD or an associate of the ACD; or (ii) are otherwise considered appropriate by the ACD at its sole discretion.

Class W Shares are only available to persons who has, or whose agent has, a separate fee arrangement with the ACD or one of its associates, in relation to the relevant Class W Shares.

The minimum lump sum investments are shown in the table on page 320.

### Equalisation

---

The Company will operate grouping for equalisation. Each class of shares will operate its own equalisation account. Shares subscribed for during an distribution period are called Group 2 shares. Shares subscribed for during any previous distribution period are called Group 1 shares. Group 2 shares contain in their subscription price an amount called equalisation which represents a proportion of the net income of the sub-fund that has accrued up to the date of subscription. The amount of equalisation is averaged across all the shareholders of Group 2 shares and is refunded to them as part of their first distribution and is treated as a return of capital for tax purposes. Being capital it is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

An 'income equalisation-like' mechanism will be operated by the ACD for conversions. The ACD will ensure that the mechanism is operated to ensure fair treatment of those converting their shares and other shareholders in the affected classes.

### Fund Charges and Costs

---

For further details on the costs associated with investing in the sub-funds of the ICVC, please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website [www.bailliegifford.com](http://www.bailliegifford.com).

### Conflicts of Interest

---

From time to time, there may be situations that give rise to a material interest or conflict of interest. Such interests can arise between the interests of the ACD, the Investment Adviser, other persons associated with them and the interests of the sub-funds and their shareholders. A material interest or a conflict of interest can also arise between the interests of different shareholders. In such circumstances the ACD will put in place effective organisational and administrative arrangements to manage and monitor the material interest or conflict of interest in a way that ensures shareholders are treated fairly, or where it is impractical to manage the conflict, it will be disclosed.

The ACD, the Investment Adviser and other persons associated with them may, from time to time, act as authorised corporate directors, investment managers or advisers to other persons, companies or funds which follow similar investment objectives to the sub-funds. It is therefore possible that the ACD and/or the Investment Adviser may in the course of their business have potential conflicts of interest with the Company or a particular sub-fund. Each of the ACD and the Investment Adviser will, however, have regard in such event to, amongst other things, its obligation to act in the best interest of the Company so far as practicable, having regard to its obligations to other clients, when undertaking any investment where potential conflicts of interest may arise. The Depositary may, from time to time, act as the depositary or trustee of other companies or funds.

## General Information cont.

### **Conflicts of Interest cont.**

Full details of the ACD's conflicts of interest policy can be inspected at the offices of the ACD at Calton Square, 1 Greenside Row, Edinburgh EH1 3AN during normal business hours.

### **Third Party Data Provider Disclaimer**

No third party data provider ('Provider') makes any warranty, express or implied, as to the accuracy, completeness or timeliness of the data contained herewith nor as to the results to be obtained by recipients of the data. No Provider shall in any way be liable to any recipient of the data for any inaccuracies, errors or omissions in the index data included in this document, regardless of cause, or for any damages (whether direct or indirect) resulting therefrom.

No Provider has any obligation to update, modify or amend the data or to otherwise notify a recipient thereof in the event that any matter stated herein changes or subsequently becomes inaccurate.

Without limiting the foregoing, no Provider shall have any liability whatsoever to you, whether in contract (including under an indemnity), in tort (including negligence), under a warranty, under statute or otherwise, in respect of any loss or damage suffered by you as a result of or in connection with any opinions, recommendations, forecasts, judgments, or any other conclusions, or any course of action determined, by you or any third party, whether or not based on the content, information or materials contained herein.

### **MSCI Index Data**

The MSCI information may only be used for your internal use, may not be reproduced or re-disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or

guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an 'as is' basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the 'MSCI Parties') expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. ([www.msci.com](http://www.msci.com))

### **MSCI Barra**

Barra, LLC's analytics and data ([www.msci.com](http://www.msci.com)) were used in the preparation of this report. Copyright [2022] BARRA, LLC. All Rights Reserved. Barra reserves the right to restrict the Client's publication or distribution of such research and reports to other entities if, in Barra's judgment, Barra or any of its Vendors may be foregoing the opportunity for direct revenues from those entities.

### **FTSE Russell Index Data**

London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). © LSE Group 2023. FTSE Russell is a trading name of certain of the LSE Group companies. "FTSE®" "Russell®", "FTSE Russell®", is/are a trade mark(s) of the relevant LSE Group companies and is/are used by any other LSE Group company under license. All rights in the FTSE Russell indexes or data vest in the relevant LSE Group company which owns the index or the data. Neither LSE Group nor its licensors accept any liability for any errors or omissions in the indexes or data and no party may rely on any indexes or data contained in this communication. No further distribution of data from the LSE Group is permitted without the relevant LSE Group company's express written consent. The LSE Group does not promote, sponsor or endorse the content of this communication.



## General Information cont.

### **Taskforce on Climate-related Financial Disclosures**

---

Following the adoption of the Taskforce on Climate-related Financial Disclosures' ('TCFD') recommendations into the FCA's ESG sourcebook, Baillie Gifford & Co Limited is required to publish its 'TCFD entity report' by 30 June each year, detailing how in its role as ACD it takes climate-related matters into account in managing investments on behalf of clients and consumers. The regulations also require the ACD to prepare a TCFD product report for each sub-fund on how climate-related matters are taken into account within the sub-fund, including a core set of climate-related metrics. The reports must be made available on the ACD's website and a clear and prominent signpost to the product report for each authorised sub-fund must be included within each set of annual and interim financial statements. The ACD has chosen a reference period covering 12 months up to 31 December and will publish the reports by the 30 June each year. The latest product reports covering the period up to 31 December 2022 are available in the website via this link:[Literature/Individual Investors/Baillie Gifford](#)

## General Information cont.

### Minimum Lump Sum Investment Amounts and Annual Management Charge

|   | Class A | Class B <sup>1</sup> | Class C  | Class G  | Class J |
|---|---------|----------------------|----------|----------|---------|
| Minimum lump sum investments:                               |         |                      |          |          |         |
| Baillie Gifford British Smaller Companies Fund <sup>1</sup> | n/a     | n/a                  | n/a      | n/a      | n/a     |
| Baillie Gifford Global Alpha Growth Fund                    | £1,000  | £100,000             | £250,000 | n/a      | n/a     |
| Baillie Gifford Global Alpha Paris-Aligned Fund             | n/a     | £100,000             | £250,000 | n/a      | n/a     |
| Baillie Gifford Global Income Growth Fund                   | £1,000  | £100,000             | £250,000 | n/a      | £1,000  |
| Baillie Gifford International Fund                          | £1,000  | £100,000             | £250,000 | £250,000 | n/a     |
| Baillie Gifford Managed Fund                                | £1,000  | £100,000             | £250,000 | n/a      | n/a     |
| Baillie Gifford Responsible Global Equity Income Fund       | n/a     | £100,000             | £250,000 | n/a      | £1,000  |
| Baillie Gifford UK and Worldwide Equity Fund                | n/a     | £100,000             | £250,000 | n/a      | n/a     |
| Baillie Gifford UK Equity Alpha Fund                        | £1,000  | £100,000             | £250,000 | n/a      | n/a     |
| Glenfinlas Global Fund <sup>1</sup>                         | n/a     | n/a                  | n/a      | n/a      | n/a     |
|   |         | Class K              | Class L  | Class P  | Class W |
| Minimum lump sum investments:                               |         |                      |          |          |         |
| Baillie Gifford British Smaller Companies Fund <sup>1</sup> |         | n/a                  | n/a      | n/a      | n/a     |
| Baillie Gifford Global Alpha Growth Fund                    |         | n/a                  | £1,000   | n/a      | £1,000  |
| Baillie Gifford Global Alpha Paris-Aligned Fund             |         | n/a                  | n/a      | n/a      | n/a     |
| Baillie Gifford Global Income Growth Fund                   |         | n/a                  | n/a      | £250,000 | n/a     |
| Baillie Gifford International Fund                          |         | n/a                  | n/a      | n/a      | n/a     |
| Baillie Gifford Managed Fund                                |         | £250,000             | n/a      | n/a      | n/a     |
| Baillie Gifford Responsible Global Equity Income Fund       |         | n/a                  | n/a      | £250,000 | £1,000  |
| Baillie Gifford UK and Worldwide Equity Fund                |         | n/a                  | n/a      | n/a      | n/a     |
| Baillie Gifford UK Equity Alpha Fund                        |         | n/a                  | n/a      | n/a      | n/a     |
| Glenfinlas Global Fund <sup>1</sup>                         |         | n/a                  | n/a      | n/a      | n/a     |

<sup>1</sup>Baillie Gifford British Smaller Companies Fund and Glenfinlas Global Fund are no longer available for subscription.

## General Information cont.

### Minimum Lump Sum Investment Amounts and Annual Management Charge cont.

|   | Class A | Class B | Class C | Class G | Class J |
|---|---------|---------|---------|---------|---------|
| Annual management charge:                                   |         |         |         |         |         |
| Baillie Gifford British Smaller Companies Fund <sup>1</sup> | n/a     | n/a     | n/a     | n/a     | n/a     |
| Baillie Gifford Global Alpha Growth Fund                    | 1.42%   | 0.57%   | Nil     | n/a     | n/a     |
| Baillie Gifford Global Alpha Paris-Aligned Fund             | n/a     | 0.57%   | Nil     | n/a     | n/a     |
| Baillie Gifford Global Income Growth Fund                   | 1.35%   | 0.50%   | Nil     | n/a     | 0.35%   |
| Baillie Gifford International Fund                          | 1.42%   | 0.57%   | Nil     | 0.50%   | n/a     |
| Baillie Gifford Managed Fund                                | 1.50%   | 0.40%   | Nil     | n/a     | n/a     |
| Baillie Gifford Responsible Global Equity Income Fund       | n/a     | 0.50%   | Nil     | n/a     | 0.35%   |
| Baillie Gifford UK and Worldwide Equity Fund                | n/a     | 0.45%   | Nil     | n/a     | n/a     |
| Baillie Gifford UK Equity Alpha Fund                        | 1.32%   | 0.47%   | Nil     | n/a     | n/a     |
| Glenfinlas Global Fund <sup>1</sup>                         | n/a     | n/a     | n/a     | n/a     | n/a     |
|   | Class K | Class L | Class P | Class W |         |
| Annual management charge:                                   |         |         |         |         |         |
| Baillie Gifford British Smaller Companies Fund <sup>1</sup> |         | n/a     | n/a     | n/a     | n/a     |
| Baillie Gifford Global Alpha Growth Fund                    |         | n/a     | 0.50%   | n/a     | Note2   |
| Baillie Gifford Global Alpha Paris-Aligned Fund             |         | n/a     | n/a     | n/a     | n/a     |
| Baillie Gifford Global Income Growth Fund                   |         | n/a     | n/a     | 0.45%   | n/a     |
| Baillie Gifford International Fund                          |         | n/a     | n/a     | n/a     | n/a     |
| Baillie Gifford Managed Fund                                |         | 0.32%   | n/a     | n/a     | n/a     |
| Baillie Gifford Responsible Global Equity Income Fund       |         | n/a     | n/a     | 0.45%   | Note3   |
| Baillie Gifford UK and Worldwide Equity Fund                |         | n/a     | n/a     | n/a     | n/a     |
| Baillie Gifford UK Equity Alpha Fund                        |         | n/a     | n/a     | n/a     | n/a     |
| Glenfinlas Global Fund <sup>1</sup>                         |         | n/a     | n/a     | n/a     | n/a     |

<sup>1</sup>Baillie Gifford British Smaller Companies Fund and Glenfinlas Global Fund are no longer available for subscription.

<sup>2</sup>Where the combined net asset value of the relevant Class W Shares (accumulation and income) is equal to or greater than £100 million, the following fee scale will be applied to the whole of the net asset value of the relevant Class W Shares:

- 0.57% on the first £60 million;
- 0.35% on the next £540 million; and
- 0.33% thereafter.

Where the combined net asset value of the relevant Class W Shares (accumulation and income) is less than £100 million a rate of 0.57% shall be applied to the whole of the net asset value of the relevant Class W Shares.

<sup>3</sup>Where the combined net asset value of the relevant Class W Shares (accumulation and income) is equal to or greater than £100 million, the following fee scale will be applied to the whole of the net asset value of the relevant Class W Shares:

- 0.50% on the first £60 million;
- 0.35% on the next £190 million;
- 0.30% on the next £500 million; and
- 0.25% thereafter.

Where the combined net asset value of the relevant Class W Shares (accumulation and income) is less than £100 million a rate of 0.50% shall be applied to the whole of the net asset value of the relevant Class W Shares.

## General Information cont.

### Active Share

Active Share is a measure of how actively managed a Fund is and is calculated by taking 100 minus the % of the Fund that overlaps with the comparative index. The Active Share as at the year end and the comparative index for each sub-fund is shown in the table below. The Active Share has been shown against these indices to highlight the active management style against what is deemed to be the most relevant index for each sub-fund.

| Sub-fund  | Active Share | Comparative Index  |
|---|--------------|--|
| Baillie Gifford Global Alpha Growth Fund              | 82%          | MSCI ACWI Index  |
| Baillie Gifford Global Alpha Paris-Aligned Fund       | 82%          | MSCI ACWI Index  |
| Baillie Gifford Global Income Growth Fund             | 86%          | MSCI ACWI Index  |
| Baillie Gifford International Fund                    | 81%          | MSCI ACWI ex UK Index  |
| Baillie Gifford Managed Fund                          | 82%          | Investment Association Mixed Investment 40 – 85% Shares Sector Median <sup>1</sup> |
| Baillie Gifford Responsible Global Equity Income Fund | 86%          | MSCI ACWI Index  |
| Baillie Gifford UK and Worldwide Equity Fund          | 77%          | 60% FTSE All-Share Index and 40% Overseas <sup>2</sup>                             |
| Baillie Gifford UK Equity Alpha Fund                  | 88%          | FTSE All-Share Index   |

<sup>1</sup>As this is a peer group benchmark, and therefore stock-level data is unavailable, we instead use an appropriately weighted composite of representative indices to estimate active share.

<sup>2</sup>As this is a peer group benchmark, and therefore stock-level data is unavailable, we instead use a representative index to estimate active share.

## General Information cont.

### Portfolio Turnover Ratio

Portfolio Turnover Ratio is a measure of portfolio change or trading activity in a Fund. It is calculated as the minimum of purchases and sales in a month, divided by the average market value of the Fund. The annual turnover is then calculated as the sum of the monthly turnover figures for the 12 month period.

| Sub-fund  | Portfolio Turnover Ratio |
|---|--------------------------|
| Baillie Gifford Global Alpha Growth Fund              | 18%                      |
| Baillie Gifford Global Alpha Paris-Aligned Fund       | 19%                      |
| Baillie Gifford Global Income Growth Fund             | 12%                      |
| Baillie Gifford International Fund                    | 19%                      |
| Baillie Gifford Managed Fund                          | 13%                      |
| Baillie Gifford Responsible Global Equity Income Fund | 13%                      |
| Baillie Gifford UK and Worldwide Equity Fund          | 12%                      |
| Baillie Gifford UK Equity Alpha Fund                  | 8%                       |

Portfolio Turnover Ratios have not been disclosed for Baillie Gifford British Smaller Companies Fund and Glenfinlas Global Fund as these Funds are no longer available for subscription.

## General Information cont.

### Corporate Governance

---

The Investment Adviser has a clear and considered policy towards its shareholder responsibilities, following its own detailed guidelines, when addressing corporate governance matters at the companies in which it invests and actively exercising its votes. The Investment Adviser recognises that companies operate under significantly differing conditions and for this reason it takes a pragmatic and flexible approach to corporate governance, whereby it applies its guidelines with care and gives due consideration to the specific circumstances of individual companies.

The Investment Adviser looks to have confidence in the quality and integrity of management. Consequently, its investment process involves keeping closely in touch with company management, learning how it plans to take the company's business forward and seeking to understand its goals and attitude towards shareholders. It believes that such dialogue is important in selecting successful investments and that it gets at the substance of corporate governance rather than concentrating merely on matters of form. Nevertheless, where the formal aspects of a company's corporate governance fall short of best practice and this is not fully supported by its circumstances, the Investment Adviser encourages improvements in face to face meetings and, where appropriate, votes against management recommendations at general meetings.

The Investment Adviser recognises that the right to vote on corporate proposals is the key formal mechanism by which shareholders play a role in a company's governance. It makes considered use of these votes and endeavours to contact companies to encourage improvements before it votes against management recommendations. Although the Investment Adviser generally supports management, it assesses each company proposal on its merits and avoids voting in a routine or mechanistic manner. In general, the Investment Adviser focuses on the issues it feels are most significant and where it can be most effective. Such issues include the alignment of management's interests

with those of shareholders, the effective operation of the board and its committees and the protection of shareholder rights.

The Investment Adviser's policy on social, environmental and ethical matters is integrated with its approach to corporate governance and, as such, it is based on dialogue and engagement rather than exclusion. Where appropriate, it discusses with company management those areas that may be most closely related to shareholder value such as sustainability, environmental impact, human rights and employee welfare. It also takes account of these matters in the selection, retention and realisation of investments, as part of its normal investment research and analysis process, where it thinks they may have a material impact on current or future valuations.

## The Group's Funds

### Baillie Gifford Bond Funds ICVC

Baillie Gifford Emerging Markets Bond Fund<sup>1</sup>  
 Baillie Gifford High Yield Bond Fund  
 Baillie Gifford Investment Grade Bond Fund  
 Baillie Gifford Investment Grade Long Bond Fund<sup>2</sup>  
 Baillie Gifford Strategic Bond Fund

### Baillie Gifford Investment Funds ICVC

Baillie Gifford Climate Optimism Fund  
 Baillie Gifford Diversified Growth Fund  
 Baillie Gifford Long Term Global Growth Investment Fund  
 Baillie Gifford Multi Asset Growth Fund  
 Baillie Gifford Positive Change Fund  
 Baillie Gifford Sustainable Multi Asset Fund

### Baillie Gifford Investment Funds II ICVC

Baillie Gifford Health Innovation Fund  
 Baillie Gifford Japanese Income Growth Fund  
 Baillie Gifford Sterling Aggregate Bond Fund  
 Baillie Gifford Sustainable Growth Fund  
 Baillie Gifford Sustainable Income Fund  
 Baillie Gifford UK Equity Core Fund

### Baillie Gifford Overseas Growth Funds ICVC

Baillie Gifford American Fund  
 Baillie Gifford China Fund  
 Baillie Gifford Developed Asia Pacific Fund  
 Baillie Gifford Emerging Markets Growth Fund  
 Baillie Gifford Emerging Markets Leading Companies Fund  
 Baillie Gifford European Fund  
 Baillie Gifford Global Discovery Fund  
 Baillie Gifford Japanese Fund  
 Baillie Gifford Japanese Smaller Companies Fund  
 Baillie Gifford Pacific Fund

### Baillie Gifford UK & Balanced Funds ICVC

Baillie Gifford British Smaller Companies Fund<sup>3</sup>  
 Baillie Gifford Global Alpha Growth Fund  
 Baillie Gifford Global Alpha Paris-Aligned Fund  
 Baillie Gifford Global Income Growth Fund  
 Baillie Gifford International Fund  
 Baillie Gifford Managed Fund  
 Baillie Gifford Responsible Global Equity Income Fund  
 Baillie Gifford UK and Worldwide Equity Fund  
 Baillie Gifford UK Equity Alpha Fund  
 Glenfinlas Global Fund<sup>4</sup>

<sup>1</sup>With effect from 22 January 2024 Baillie Gifford Emerging Markets Bond Fund is no longer available for subscription.

<sup>2</sup>With effect from 6 December 2023 Baillie Gifford Investment Grade Long Bond fund is no longer available for subscription.

<sup>3</sup>With effect from 27 June 2023 Baillie Gifford British Smaller Companies Fund is no longer available for subscription.

<sup>4</sup>Glenfinlas Global Fund is no longer available for subscription.

**For further information about the Funds or  
Baillie Gifford's range of OEICS, please:**

Contact us at: Client Relations Team  
Baillie Gifford & Co Limited,  
Calton Square, 1 Greenside Row,  
Edinburgh EH1 3AN

Call our Client Relations Team on 0800 917 2113. Your call may be recorded for training or monitoring purposes.

Visit our website at [www.bailliegifford.com](http://www.bailliegifford.com), or email us on [trusenquiries@bailliegifford.com](mailto:trusenquiries@bailliegifford.com).

Or fax us on 0131 275 3955.



