Baillie Gifford Managed Fund

31 March 2024

About Gifford Update

Philosophy	Long-term investment horizon Growth bias Stock picking approach which results in a portfolio that looks very different from the average
Partnership	100% owned by 57 partners with average 21 years' service Ownership aligns our interests with those of our clients Enables us to take a thoughtful, long-term view in all that we do Stability, quality and consistency

Investment Proposition

The Fund seeks to produce long-term capital growth by investing in equities, bonds and cash. The equity portfolio is managed on a regional basis, with our specialist regional teams selecting what they consider to be the best growth stocks in their respective areas. The bond portfolios comprise both corporate bonds chosen by our Credit team and government bonds and currency positions selected by the Macro Strategy team. The Fund also actively allocates between equities, bonds and cash based on our prevailing view on the long-term attractiveness of each asset class.

Fund Facts

Fund Launch Date	01 April 1987
Fund Size	£5792.0m
IA Sector	Mixed Investment 40-85% Shares
Active Share	82%*
Current Annual Turnover	15%

*Estimate relative to a weighted composite of representative indices.

Fund Manager

Name	Years' Experience
Steven Hay	30
Iain McCombie*	30

*Partner

Definitions

IA Sectors are provided by the Investment Association. These sectors break up the universe of available funds to help investors navigate the large number of available products.

Active Share is a measure of the Fund's overlap with the benchmark. An active share of 100 indicates no overlap with the index and an active share of zero indicates a portfolio that tracks the index.

Turnover is calculated by taking the smaller figure of either total purchases or total sales for the month and dividing it by an average market value. **The Annual Turnover** is then calculated as the sum of the monthly turnover figures for the 12-month period.

Periodic Performance is a method of evaluating how a fund is doing over time. It compares a fund's performance in each period to its performance in past periods. It also looks at the performance of the fund to the performance of an index or its peers.

Discrete Performance is a method of evaluating the degree to which a fund performs compared against its benchmark on a given date.

Credit ratings measure the creditworthiness of a bond issuer, such as a company or government. It tells you how likely the issuer is to pay back the money borrowed when they issued the bond. A higher rating means the issuer is considered more reliable and less likely to default on their debt, while a lower rating indicates a higher risk of not getting the invested money back. Baillie Gifford uses a blend of credit ratings from three agencies, Moody's, Fitch and S&P. Where there is no official rating for a bond issuer, Baillie Gifford will rate these internally. The ratings scale from highest to lowest (AAA, AA, A, BBB, BB, B, CCC, CC and C).

Fund Objective

To achieve capital growth over rolling five-year periods.

The manager believes an appropriate comparison for this Fund is the Investment Association Mixed Investment 40-85% Shares Sector median given the investment policy of the Fund and the approach taken by the manager when investing.

Periodic Performance

	3 Months	1 Year	3 Years (p.a.)	5 Years (p.a.)
Class B-Acc (%)	4.1	10.2	-2.5	6.3
Sector Median (%)*	4.2	10.2	3.4	5.2

Source: FE. Total return net of charges, in sterling.
Share class returns calculated using 10am prices.
Baillie Gifford operates a single swinging price for the Fund and, therefore, may apply a dilution adjustment to the price to protect long-term investors from the costs associated with buying and selling underlying investments that result from other investors joining or leaving the Fund. This adjustment will affect relative performance, either positively or negatively.
*IA Mixed Investment 40-85% Shares Sector.

Discrete Performance

	31/03/19-31/03/20	31/03/20-31/03/21	31/03/21-31/03/22	31/03/22-31/03/23	31/03/23-31/03/24
Class B-Acc (%)	0.2	46.4	-8.2	-8.5	10.2
Sector Median (%)*	-8.0	26.4	5.2	-4.5	10.2

Source: FE. Total return net of charges, in sterling.
Share class returns calculated using 10am prices.
Baillie Gifford operates a single swinging price for the Fund and, therefore, may apply a dilution adjustment to the price to protect long-term investors from the costs associated with buying and selling underlying investments that result from other investors joining or leaving the Fund. This adjustment will affect relative performance, either positively or negatively.
*IA Mixed Investment 40-85% Shares Sector.

Market environment

A quarter of the way through 2024, and not much has changed – in financial markets at least – since the end of last year. The likely path of interest rates remains in focus, with cuts now expected as inflation is on a downward trend. By the end of March, the market settled on an expectation of three rate cuts by the Federal Reserve (the central bank of the US, and the most influential globally) this year. This was a good thing for equities, with the global FTSE All World equity index rising by 9 per cent in sterling terms during the quarter. This was led in large part by US equities which have continued their strong run. In bonds, there are still pockets of concern around sticky inflation in some developed markets, whose bonds were weak as a result. Meanwhile, corporate bonds performed well.

Wars in Europe and the Middle East show no signs of ending. Political elections loom in major world economies this year. Inflation, whilst heading in the right direction, is proving stickier than many would like. The outlook, therefore, comes with the rather large asterisk of being 'subject to unforeseeable change'. In any case, holding tightly to short-term market forecasts has never been our approach. Whatever the backdrop on a given day, be it storm or calm, a long-term perspective is always critical, and generally offers many more reasons for optimism than the headlines suggest.

Performance

The Fund produced a positive return over the quarter. Some of the larger contributors to performance benefited from the rise of Artificial Intelligence (AI).

Most notable was the holding in NVIDIA, which continued to be strong following a remarkable rise in 2023. NVIDIA's Graphics Processing Units (GPUs) are uniquely well-placed to create new AI applications, a trend we expect to continue for many years as businesses across all sectors of the economy seek ever-greater productivity and efficiency advantages. We trimmed the holding after this strong run for diversification reasons.

In the Emerging Markets portion of the Fund, semiconductor manufacturer TSMC was a standout. Given the ongoing enthusiasm for AI, and TSMC's expectation of strong financial results looking ahead, the company has performed well. And in Europe, ASML saw its share price rise. The Dutch company makes the machines which in turn manufacture semiconductor chips, and so should profit from what we expect to be durable demand for these products for a long time to come. The company has built an enviable competitive position in its niche and continues to churn out strong financial results – during the quarter, the company announced sales growth of over 50 per cent year-over-year.

Less positively, a small number of firms faced operational challenges detracted from performance.

For example, worries about demand and rising competition saw Tesla's shares fall after the company trimmed its near-term delivery forecasts. Tesla is producing more vehicles than ever, recently surpassing 6 million units manufactured. It removes barriers to widespread adoption of electric vehicles by designing attractive cars and lowering costs. The company is financially robust and producing at a scale others may find increasingly difficult to match.

In the UK, St. James's Place was weak following several changes to its charging structure in 2023. We have discussed these with the chairman, chief executive and chief financial officer. Recent results highlighted solid financial performance but were overshadowed by a £426 million provision for potential client refunds due to a surge in complaints about service levels. We continue to monitor the situation closely.

HelloFresh was another notable detractor and has been a disappointing investment. Over time it has become clear that HelloFresh's meal kits are a discretionary purchase, not a more robust subscription service as we had hoped. As a result, the company has resorted to discounting aggressively and the level of customer churn is high. We have now sold out of the remaining holding.

The bond portion of the Fund was flat over the quarter, with corporate bonds adding to returns. Most notably strength was seen in the riskier High Yield space, where bond yields are higher to compensate for a greater risk of default. Positive returns in corporate bonds were offset by government bonds which were weaker. This was exacerbated by strength in sterling, which was negative for non-sterling positions.

Stewardship

Our long-term investment approach is not just about holding periods. It is also about building strong relationships with the key individuals that manage the companies held by the Fund, supporting them through difficult times, and effecting change where we believe it is needed.

A quality company starts with an aligned board. During the quarter, we engaged with Ocado's Remuneration committee chair, as well as the chair of the board, about our concerns with executive pay – namely performance targets and unlimited payouts. After outlining our issues, the board amended its policy to better align pay outcomes with company, and therefore shareholder, performance.

Elsewhere, we also had a reassuring discussion with Tesla on supply chain management in China; encouraged Petrobras to be more ambitious on its climate objectives; and sought to better understand the direction of travel for AI drug discovery company Exscientia following board upheaval.

Notable transactions

We made minimal changes to the portfolio overall, reflecting our confidence in current holdings.

Several Scandinavian businesses were purchased for the Fund, including two biotech companies: Genmab, a Danish business which has built an antibody engineering platform, and Camurus, a Swedish company which reformulates existing medicines into injectables. We also took a holding in IDP Education, an Australian business set to benefit from demand for English language courses.

Market Outlook

We are often asked about the prospects for growth equities. It is difficult to be specific with an answer. One might imagine the goldilocks scenario for our style of investing – disinflation brings rates down; wars in Ukraine and Gaza come to an end; world leaders start to play nice. Even by our optimistic standards, that scenario seems unrealistic.

So, how do we position the Fund for the next nine months? The answer: we don't. Our strong long-term track record is founded on a tried and tested investment process that seeks to find and hold fantastic businesses for a long time. There will be periods where we're out of favour (see 2022) but in the long run it is company fundamentals that drive share prices, not interest rates. The fate of our holdings will therefore be decided by their ability to take advantage of the opportunities ahead of them. On that basis, we have plenty of confidence in the Fund to deliver over the long term.

Transactions from 01 January 2024 to 31 March 2024.

New Purchases

Stock Name	Transaction Rationale
Assa Abloy	Assa Abloy leads the fragmented access solutions industry. Scale economies and reputation matter the most in the commercial and institutional business where Assa Abloy is most dominant. It has a long runway of decades-long mechanical to electronic tailwind ahead and still some runway to recycle capital to Mergers and Acquisitions (M&A) despite its size on the back of decades of built-up M&A and integration experience, both on the Board and executive team. Based on these attractions, we purchased a holding for the portfolio.
Aurora	Aurora develops autonomous driving technology. Overland freight in the United States is an almost trillion-dollar market. Aurora's hardware and software enable heavy goods vehicles to drive without human control. This could markedly improve freight industry safety and cost. Aurora plans to launch its autonomous freight system this year. We took a small holding in recognition of its relatively early stage and sizeable upside potential.
Camurus	Camurus is a Swedish biotech company which does not do drug discovery but instead reformulates existing medicines as 'long-acting injectables' (LAIs) using its proprietary drug delivery technology, FluidCrystal. Thus far, it has found most success in the opioid market, and while the opportunity for treating opioid addiction is substantial, Camurus' long-term value lies in extending its FluidCrystal technology to develop LAIs for a variety of other medicines. The company is growing rapidly, is already profitable and can also see its profit margins rise over time simply through operating leverage alone. With these attractions in mind, we took a new holding for the portfolio.
Genmab	Genmab is a Danish biotech company, founded in 1999. Genmab has built an unrivalled antibody engineering technology platform that has allowed it to pioneer new and more effective drugs and become the partner of choice for the development of antibody drugs worldwide. Since 2017 it has brought to market two wholly owned drugs for B-cell lymphoma (one for a blood cancer and one for metastatic cervical cancer), and eight royalty-generating partnered products, including three blockbusters (>$1bn revenues), one of which, Darzalex is nearing $10bn in sales. It has achieved scale and profitability while maintaining the focus on innovation and agility that large pharmaceutical companies tend to lack. The combination of science know-how, cornered technology, and scale means that it can count on an above-average success rate for not only getting drugs approved, but also commercialising them. Based on these attractions, we took a new holding for the portfolio.
IDP Education	IDP Education has two main businesses: International English Language Testing System (IELTS) English language exam and student placement. IELTS enjoys a strong regulatory edge, as it is one of the few exams that the governments of English-speaking countries accept for student and work visas. We expect the IELTS business to deliver steady growth for a long period thanks to the resilient demand from test takers aspiring to study and work abroad. The student placement business has faster growth opportunities, as the company can increase its market share with the help of its strong digital capabilities. We believe the current share price fails to capture the strength of the IELTS brand and the size of the opportunity for the student placement business. Therefore, we decided to take a holding.
Nu	Nu is a Brazilian "challenger bank" that aims to reshape the Latin American financial system and promote financial inclusion. Existing customers are poorly served by a financial system that leaves large numbers unserved and where banks have been able to earn higher returns than in many markets, a consequence of historically volatile economic conditions and a degree of regulatory capture. Nu has acquired tens of millions of customers by providing a simple but desirable product (a credit card) with enhanced customer experience and a lower cost. It has a distinctive and long-term culture, a durable cost advantage over incumbents, and a highly motivated and thoughtful leadership team. We have therefore taken a holding.

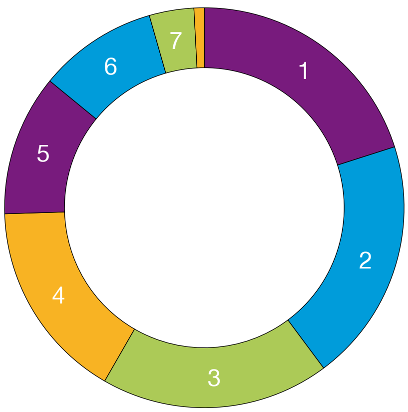
Complete Sales

Stock Name	Transaction Rationale
AUTO1	We sold the holding in German used-car marketplaces business, AUTO1. The company has made decent operational progress but we are cognisant that it faces a difficult challenge balancing its push towards profitability while simultaneously growing its direct-to-consumer platform, Autohero. Growing Autohero likely involves spending more on marketing while investing in refurbishment sites but this would come at a cost to the profitability drive. Meanwhile, there is also the prospect of increased competition on the horizon. With these challenges in mind, we decided to sell the position and reinvest in other ideas.
Chegg	We have sold the position in the education business, Chegg. The company offers support for learners at schools, colleges and universities through its range of study resources, online tutors and learning tools. It has made a substantial shift online from its printed study guide heritage, but we have been disappointed by the company's progress when challenged first by the disruption to students caused by Covid and then by the emergence of artificial intelligence competition from the likes of ChatGPT. We have not been able to build investment conviction in the management team's strategy from here, and amidst underwhelming current financial progress, we decided to sell this position from the portfolio.
HelloFresh	We have sold the shares in the meal kit company HelloFresh. This has been a bad investment. We first invested for clients in 2021 and we believed that consumers' behaviours surrounding grocery shopping and mealtimes were shifting and that HelloFresh was removing friction in this process. We felt it had the potential to become an important part of households' weekly spending, particularly as it expanded the offering by including different diets, more meal types and variations of meal kits. We recognised this was a hard business, but HelloFresh had proven successful in outcompeting peers, achieving leading market shares and producing decent economics which could improve in time. However, after suffering a material hangover from the Covid period, this has not come to pass. The company recently issued second profit warning in as many quarters and it has become clear to us that the core meal kits business is in decline and that the growth of its more nascent ready-to-eat offering, Factor, would not be enough to offset this in the near term. With concerns over execution, communication, and the core business itself, we decided to exit.
Nidec	Nidec is a Japanese electric motor maker. Our initial investment case was based on the potential for Nidec to deliver rapid organic growth following its entry into Electric Vehicle (EV) traction motors. While the company has made some progress in this area, it has not met our expectations. We are concerned by the intensifying level of competition in this segment, particularly in China, as well as the level of change in the senior management team. We have therefore decided to sell the holding.
Twilio	We sold the Twilio holding, which provides business software to enable simple and widespread communication. Twilio can potentially disrupt a trillion-plus-dollar communications industry, but leadership changes have contributed to our reduced conviction in the leadership's vision to fully pursue this enormous opportunity.
Zalando	Zalando has been a poor investment. Europe largest online fashion marketplace, it performed well in both share price and operational terms through covid, experiencing strong growth in both users and revenues. Since then, growth has been much more muted and we have noted that its model of offering the broadest possible selection for customers has not been enough to stop customers beginning their online buying journey via a search engine or by going direct to their brand of choice. Meanwhile, Zalando's ancillary services for brands, such as in marketing and fulfilment, have failed to make the impact on profitability that we had hoped for. As a result, we decided to sell the holding and invest in other ideas.

Fund Name	Update
Baillie Gifford Managed Fund	Our 'base case' expectation for the US economy is a repeat of 2023's benign environment. Specifically, Gross Domestic Product (GDP) growth will be around 2 per cent with a buoyant labour market supporting consumption balanced by encouraging progress on a reduction in inflation. We think the Federal Reserve (America's central bank) will start to gradually reduce interest rates as inflation settles close to target. This would be positive for bonds. That said, there are pockets of 'sticky' inflation, and there remains a chance that an unforeseen event pushes rate cuts back further. The Managed Fund's fixed income holdings had a duration (a measure of sensitivity to interest rate moves) of 6.2 years at the end of the quarter, versus a benchmark duration of circa 6 years. Within that, we are underweight duration in Developed Market (DM) government bonds, while overweight Emerging Markets (EM), given what we believe is a positive economic environment for EM bonds, more of which raised rates early to stave off inflation. Within EM government bonds, we are enthusiastic about opportunities in select Central and Latin American countries, such as Mexico, Brazil and Peru. We also hold bonds issued by South Korea and Turkey among others. These offer good starting yields along with the potential for capital growth. Within DM, we're enthusiastic about positions across Europe, Australia and New Zealand, of which the latter was the first DM to begin to cut interest rates back in 2021. Corporate bond credit spreads (the additional yield on offer for lending to companies rather than countries) fell over the quarter as the market continued to respond positively to signals that a 'soft landing' scenario (that is falling inflation without severe recession) is playing out. This meant that strong demand for corporate debt outstripped rising supply, with new issuance of credit picking up over the quarter as companies responded to more attractive financing conditions. Given the more benign economic backdrop we have become more positive on the outlook for credit, leading us to buy some individual BBB and BB-rated bonds. Our objective was to maintain an above-index yield without adding significant credit risk.

Credit ratings measure the creditworthiness of a bond issuer, such as a company or government. It tells you how likely the issuer is to pay back the money borrowed when they issued the bond. A higher rating means the issuer is considered more reliable and less likely to default on their debt, while a lower rating indicates a higher risk of not getting the invested money back. Baillie Gifford uses a blend of credit ratings from three agencies, Moody's, Fitch and S&P. Where there is no official rating for a bond issuer, Baillie Gifford will rate these internally. The ratings scale from highest to lowest (AAA, AA, A, BBB, BB, B, CCC, CC and C).

Geographic Exposure



		%
1	UK	20.1
2	Europe (ex UK)	19.7
3	North America	18.5
4	Overseas Bonds	16.2
5	Developed Asia Pacific	11.4
6	Emerging Markets	9.6
7	UK Bonds	3.6
8	Cash & Derivatives	0.8

A negative cash position may sometimes occur due to obligations awaiting settlement.

Top Ten Equity Holdings

Stock Name	Description of Business	% of Portfolio
Amazon.com	E-commerce, computing infrastructure, streaming and more	1.5
The Trade Desk	Advertising platform	1.5
NVIDIA	Designer of Graphics Processing Units and accelerated computing technology	1.4
Shopify	Cloud-based commerce platform provider	1.4
TSMC	Semiconductor manufacturer	1.4
ASML	Semiconductor equipment manufacturer	1.2
Meta Platforms	Social media and advertising platform	1.0
Schibsted	Media and classifieds advertising platforms	1.0
Kingspan Group	Building materials provider	1.0
Ryanair	European low-cost airline	0.9
Total		12.4

Voting Activity

Votes Cast in Favour		Votes Cast Against		Votes Abstained/Withheld	
Companies	21	Companies	4	Companies	None
Resolutions	278	Resolutions	12	Resolutions	None

We engage with holdings on a case-by-case basis according to what we deem the most material issues
Financial Conduct Authority (FCA) has published its Sustainability Disclosure Requirements (SDR) regulation at the end of 2023 which will apply to UK based investment funds and includes a new fund labelling framework and anti-greenwashing rule. We are currently exploring the best option for the Fund
We will publish our 2023 Investment Activities Stewardship Report in April 2024

Company Engagement

Engagement Type	Company
Environmental	Adyen N.V., Affirm Incorporated, BHP Group Limited, Burford Capital Limited, Eurofins Scientific SE, Fanuc Corporation, HashiCorp, Inc., Hoshizaki Corporation, Kering SA, Kingspan Group plc, Kobe Bussan Co., Ltd., Mettler-Toledo International Inc., Nexans S.A., Penumbra, Inc., Petroleo Brasileiro S.A. - Petrobras, Prudential plc, Sea Limited, Sprout Social, Inc., Watsco, Inc.
Social	DSV A/S, Fanuc Corporation, Kering SA, Petroleo Brasileiro S.A. - Petrobras, Recruit Holdings Co., Ltd., Tesla, Inc., Unilever PLC
Governance	ASML Holding N.V., Auto Trader Group plc, Burford Capital Limited, Compagnie Financière Richemont SA, DSV A/S, Datadog, Inc., Diploma PLC, Eurofins Scientific SE, Evotec SE, Exscientia, Fanuc Corporation, Genmab A/S, Guardant Health, Inc., HashiCorp, Inc., Hoshizaki Corporation, Informa plc, Kering SA, Kobe Bussan Co., Ltd., Melrose Industries PLC, Mettler-Toledo International Inc., MonotaRO Co., Ltd., Netflix, Inc., Nexans S.A., Ocado Group plc, PDD Holdings Inc., PT Bank Rakyat Indonesia (Persero) Tbk, Penumbra, Inc., Petroleo Brasileiro S.A. - Petrobras, Rivian Automotive, Inc., Roblox Corporation, Samsung Electronics Co., Ltd., Sartorius Stedim Biotech S.A., Sea Limited, Sprout Social, Inc., Sysmex Corporation, The Trade Desk, Inc., Unicharm Corporation, Victrex plc, Workday, Inc., adidas AG
Strategy	AIA Group Limited, Amazon.com, Inc., DoorDash, Inc., Fanuc Corporation, Guardant Health, Inc., Mettler-Toledo International Inc., PDD Holdings Inc., Petroleo Brasileiro S.A. - Petrobras, Recruit Holdings Co., Ltd.

For further details on company engagement please contact us. You can also find further information on how we integrate environmental, social and governance (ESG) matters into our investment approach, here.

Asset Name	Fund %
Equities	
UK	
AstraZeneca	0.90
Bunzl	0.83
Rio Tinto	0.80
RELX	0.80
Legal & General	0.75
Diageo	0.70
Unilever	0.67
Marks & Spencer	0.66
Howden Joinery Group	0.65
Babcock International	0.62
Auto Trader	0.61
Experian	0.58
Ashtead	0.58
Prudential	0.56
Inchcape	0.55
Hikma Pharmaceuticals	0.51
Standard Chartered	0.51
Informa	0.51
Weir	0.50
Lancashire Holdings	0.46
Just Group	0.45
Rightmove	0.42
Intermediate Capital Group	0.37
Hiscox	0.33
PageGroup	0.31
Persimmon	0.31
Volution Group	0.29
St. James's Place	0.29
Wise Plc	0.29
Bodycote	0.28
Burberry	0.27
Melrose Industries	0.26
Games Workshop Group	0.25
Bellway	0.25
IG Group	0.24
Halma	0.23
Diploma	0.23
Renishaw	0.23
Trainline Plc	0.23
Greggs	0.22
Hargreaves Lansdown	0.20

Asset Name	Fund %
Breedon Group	0.20
Keller	0.17
Victrex	0.15
IntegraFin	0.12
Genus	0.11
Molten Ventures	0.10
Kainos Group	0.10
Sabre Insurance Gp	0.09
Close Brothers	0.08
Enquest	0.07
Ocado	0.06
Helical	0.06
Dowlais Group Plc	0.04
Fisher (James) & Sons	0.03
Exscientia Ltd ADR	0.01
Total UK	20.07

North America	
Amazon.com	1.54
The Trade Desk	1.47
NVIDIA	1.42
Shopify 'A'	1.41
Meta Platforms Inc	1.05
Doordash Inc	0.89
Netflix Inc	0.88
Cloudflare Inc	0.75
Moderna Inc	0.69
Tesla Inc	0.69
Workday Inc	0.62
CoStar Group	0.52
Duolingo Inc	0.51
Watsco Inc	0.45
Datadog	0.44
Pinterest	0.36
Roblox	0.35
Wayfair Inc	0.33
Sweetgreen	0.33
Inspire Medical Systems	0.32
Affirm Holdings Inc Class A	0.32
Snowflake Inc	0.31
Samsara	0.24
Roku	0.22
Alnylam Pharmaceuticals	0.22

Asset Name	Fund %
Insulet	0.22
Sprout Social	0.20
Coursera Inc	0.19
Hashicorp Inc	0.17
Penumbra Inc	0.16
Denali Therapeutics	0.15
Guardant Health Inc	0.14
YETI Holdings	0.14
Doximity Inc	0.14
Chewy	0.14
Oddity	0.13
10X Genomics Inc Class A	0.11
Recursion Pharmaceuticals Inc	0.08
Lemonade Inc	0.07
Ginkgo Bioworks Holdings Inc	0.05
Sana Biotechnology Inc	0.04
Rivian Automotive Inc	0.04
Aurora Innovation Class A Common	0.02
Abiomed CVR Line	0.00
Total North America	18.51

Europe (ex UK)	
ASML	1.25
Schibsted B	0.99
Kingspan Group	0.97
Ryanair	0.94
Atlas Copco B	0.87
Prosus N.V.	0.83
Sartorius Stedim Biotech	0.82
IMCD Group NV	0.77
Adyen NV	0.76
Avanza Bank Holding	0.75
Hypoport	0.69
Nexans	0.60
DSV	0.59
Allegro.eu	0.58
EQT	0.57
EXOR	0.55
Richemont	0.54
Moncler	0.50
Reply Spa	0.48
Kering	0.44
Lonza Group	0.42

Asset Name	Fund %
Dassault Systemes	0.42
Spotify Technology SA	0.41
Mettler-Toledo	0.41
Epiroc B	0.34
LVMH	0.29
Assa Abloy 'B'	0.29
Wizz Air Holdings Plc	0.29
Beijer Ref	0.29
adidas	0.28
Kinnevik	0.26
Royal Unibrew A/S	0.21
Genmab	0.20
Soitec	0.20
Delivery Hero AG	0.20
AutoStore Hdgs	0.18
Evotec	0.15
Eurofins	0.15
CRISPR Therapeutics AG	0.14
Camurus	0.11
Total Europe (ex UK)	19.74

Developed Asia Pacific	
Baillie Gifford Japanese Smaller Cos Fund C Acc	0.66
MS&AD Insurance	0.62
SoftBank Group	0.54
United Overseas Bank	0.52
James Hardie Industries	0.51
SMC	0.49
SBI Holdings	0.48
Recruit Holdings	0.41
Techtronic Industries	0.38
Olympus	0.36
Fast Retailing	0.34
Shiseido	0.32
Shimano	0.32
Denso	0.32
Cochlear	0.28
Hong Kong Exchanges & Clearing	0.27
BHP Group Ltd (Aus. listing)	0.27
Galaxy Entertainment Group	0.25
Murata	0.25
Tokyo Electron	0.23
Xero Ltd	0.22

Asset Name	Fund %
Sugi Holdings	0.22
Nintendo	0.22
Unicharm	0.21
Chugai Pharmaceutical	0.21
Keyence	0.20
REA Group	0.20
Nippon Paint	0.17
AIA Group	0.17
FANUC	0.16
Cosmos Pharmaceutical	0.15
Technopro Holdings	0.14
Hoshizaki Corp	0.14
Treasury Wine Estates	0.13
LY Corp	0.13
Sysmex Corp	0.13
Tsingtao Brewery 'H'	0.10
Asahi Group Holdings	0.10
Kobe Bussan Co Ltd	0.10
MonotaRO Co	0.09
freee K.K.	0.08
Ryman Healthcare Ltd	0.08
CyberAgent Inc	0.08
iFAST Corp	0.06
IDP Education	0.06
Total Developed Asia Pacific	11.41
Emerging Markets	
TSMC	1.36
Samsung Electronics	0.87
Tencent	0.57
First Quantum Minerals	0.49
Reliance Industries Ltd	0.47
Petrobras Common ADR	0.45
MercadoLibre	0.45
Jio Financial Services Ltd	0.40
Sea Ltd ADR	0.37
HDFC Bank	0.37
FEMSA ADR	0.36
Bank Rakyat Indonesia	0.36
Nu Holdings Ltd.	0.35
PDD Holdings Inc	0.30
Kweichow Moutai 'A'	0.29
Cemex ADR	0.29

Asset Name	Fund %
Meituan	0.29
B3 S.A.	0.29
ICICI Prudential Life Insurance	0.28
Ping An Insurance	0.28
Samsung SDI Co Ltd	0.26
Grupo Financiero Banorte	0.24
Byd Company 'H'	0.22
Norilsk Nickel ADR	0.00
Mmc Norilsk Nickel	0.00
Sberbank Of Russia	0.00
Total Emerging Markets	9.63
Total Equities	79.36
Fixed Income	
UK Bonds	
Credit	1.91
Government	1.70
Total UK Bonds	3.61
Overseas Bonds	
Credit	7.12
Government	9.08
Total Overseas Bonds	16.20
Total Fixed Income	19.81
Cash & Derivatives	
Cash & Derivatives	0.83
Total Cash & Derivatives	0.83
Total Fund	100.00

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

As at March 3rd 2022, five Russian holdings were valued at zero by our Fair Value Pricing Committee due to the ongoing issues in the Russian market: Magnit, Norilsk Nickel, Moscow Exchange, Ozon and Sberbank.

Share Class	Share Class Inception Date	ISIN	SEDOL	Annual Management Fee (%)	Ongoing Charge Figure (%)
Class B-Acc	01 April 1987	GB0006010168	0601016	0.40	0.43
Class B-Inc	01 April 1987	GB0006007909	0600790	0.40	0.43

The table displays the primary shares classes. Other share classes may be available for those investors who have a separate arrangement. Charges will reduce the value of your investment. Please refer to the Prospectus and Key Investor Information Document for further details.
The Ongoing Charges Figure ('OCF') may be lower than previous declarations as a result of a revision to how the indirect fees associated with closed-ended investment companies need to be shown. This does not necessarily mean that fund expenses have gone down rather that we have reverted to how they have been calculated until 30 June 2022 to reflect the revised Investment Association's Guidance on Disclosure of Fund Charges and Costs (July 2020, updated January 2022, revised November 2023). A more detailed Costs and Charges disclosure is available upon request.

Risk Warnings

Investment markets can go down as well as up and market conditions can change rapidly. The value of an investment in the Fund, and any income from it, can fall as well as rise and investors may not get back the amount invested. The specific risks associated with the Fund include:

— Custody of assets, particularly in emerging markets, involves a risk of loss if a custodian becomes insolvent or breaches duties of care.

— The Fund invests in emerging markets where difficulties in dealing, settlement and custody could arise, resulting in a negative impact on the value of your investment.

— 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. The issuers of bonds in which the Fund invests, particularly in emerging markets, may not be able to pay the bond income as promised or could fail to repay the capital amount.

— The Fund has exposure to foreign currencies and changes in the rates of exchange will cause the value of any investment, and income from it, to fall as well as rise and you may not get back the amount invested.

— Derivatives may be used to obtain, increase or reduce exposure to assets and may result in the Fund being leveraged. This may result in greater movements (down or up) in the price of shares in the Fund. It is not our intention that the use of derivatives will significantly alter the overall risk profile of the Fund.

— The Fund's share price can be volatile due to movements in the prices of the underlying holdings and the basis on which the Fund is priced.

Further details of the risks associated with investing in the Fund can be found in the Key Investor Information Document or the Prospectus, copies of which are available at bailliegifford.com.

Additional Fund Information

The Fund is a sub-fund of the Baillie Gifford UK & Balanced Funds ICVC (Investment Company with Variable Capital) which is an umbrella Open-Ended Investment Company. Its Authorised Corporate Director ('ACD') is Baillie Gifford & Co Limited.

The yields quoted are historic yields based on distributions paid by the Fund in the previous 12 months as a percentage of the mid-market share price, as at the date shown. Investors may be subject to tax on their distributions.

The ongoing charges figure is based on the expenses for the financial year and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. Further explanation of all the charges and costs relating to this Fund can be found in the Enhanced Disclosure of Fund Charges and Costs document which is available through our website, bailliegifford.com.

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. An active share of 100 indicates no overlap with the comparative index and an active share of zero indicates a portfolio that tracks the comparative index. The comparative index for this Fund is the median of The Investment Association Mixed 40-85% Shares Sector. 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.

Turnover is calculated by taking the smaller figure of either total purchases or total sales for the month and dividing it by an average market value. The Annual Turnover is then calculated as the sum of the monthly turnover figures for the 12 month period.

Throughout the report, all figures are rounded, so any totals may not sum. Not all stocks mentioned may be held by the portfolio.

Further Information

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

This report does not provide you with all the facts that you need to make an informed decision about investing in the Fund. You need to read the associated Key Investor Information Document and Supplementary Information Document and decide whether to contact an authorised intermediary.

Target Market

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

Additional Geographical Location Information

Israel: This Report, as well as investment in the Fund described herein, is directed at and intended for Investors that fall within at least one category in each of: (1) the First Schedule of the Israeli Securities Law, 1968 ("Sophisticated Investors"); and (2) the First Schedule of the Investment Advice Law ("Qualified Clients").
Singapore: In Singapore the Fund is on the Monetary Authority of Singapore's List of Restricted schemes. This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this information memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of shares in the Fund may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor pursuant to Section 304 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA") or (ii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Contact Us

For further information about the Fund or Baillie Gifford's range of OEICs, please contact us at the below address, call our Client Relations Team on 0800 917 2113 or 0131 275 3499 (your call may be recorded for training or monitoring purposes), visit our website at bailliegifford.com or email enquiries@bailliegifford.com.

All information as at 31 March 2024 and source is Baillie Gifford & Co unless otherwise stated.

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