Baillie Gifford™

Stewardship Report

Pan Europe

For professional use only.

Risk factors

The views expressed should not be considered as advice or a recommendation to buy, sell or hold a particular investment. They reflect opinion and should not be taken as statements of fact nor should any reliance be placed on them when making investment decisions.

This communication was produced and approved in September 2024 and has not been updated subsequently. It represents views held at the time of writing and may not reflect current thinking.

Potential for profit and loss

All investment strategies have the potential for profit and loss. Past performance is not a guide to future returns. It should not be assumed that recommendations/transactions made in the future will be profitable or will equal performance of the securities mentioned.

All information is sourced from Baillie Gifford & Co and is current unless otherwise stated.

The images used in this article are for illustrative purposes only.

Baillie Gifford™

CS2078838 Pan European Stewardship Report 0824
Ref: 115224

Contents

Introduction

The European Equities Team, responsible for the Pan Europe portfolio, integrates environmental, social and governance (ESG) issues into the investment process. As long-term investors, we believe that considering a company's material ESG characteristics will help us better understand its long-term resilience and growth potential.

Integration is achieved through a combination of company-specific and thematic ESG research, engagement on significant issues and proxy voting activity. This report provides an overview of our approach, including:

- How we integrate ESG
- Board engagement and outlier governance
- Baillie Gifford's Stewardship Principles
- Updates on our climate audit and Net Zero commitment
- Examples of our company engagements
- A record of our proxy voting activities.

We believe stewardship is critical in pursuing successful long-term investment outcomes, and we are committed to improving. We hope you find our views helpful and look forward to conversations with you on these important matters.

How we integrate ESG

Research framework

The European Equities Team's 10-question research framework is used to assess all holdings. The ESG principles contained within the Edge and Alignment pillar are core to the integration process. Questions 3, 6 and 7 of our Research Framework ask: "Does the company have a special culture?", "Are management and stakeholders well aligned?", and "How does it contribute to society?". We believe that if a company fails to answer these questions satisfactorily, then our conviction in its ability to grow sustainably over time will be greatly reduced. These questions are deliberately broad and can cover governance, environmental and/or social issues, as appropriate. Our analysis will focus on the most material issues, according to a company's business model and its context.

The European Equities Team, which includes an integrated ESG analyst, is primarily responsible for researching and integrating ESG principles in decision-making and portfolio management. In addition, a well-resourced ESG function provides valuable input and support regarding ESG data, regulation, and proxy voting.

This process ensures that despite ESG's vast complexity, we have the scope and flexibility to examine the appropriate degree of detail for each individual company to support the delivery of long-term returns for our clients.

The Pan Europe 10 question (10Q) investment framework

01 What is the five-year growth potential?

02 What about the next ten years and beyond?

03 Does the company have a special culture?

04 How sustainable is the competitive position?

05 Are returns attractive and improving?

06 Are management and stakeholders well aligned?

07 How does it contribute to society?

08 How likely is a 2x return over 5 years?

09 How might we make more than this?

10 What doesn't the market appreciate this?

Exclusions

Our Pan European Strategy also mitigates ESG risks by formally excluding ‘sin’ sector companies from its investable universe by applying two different types of ethical screen: sector-based and performance-based. These assessments will be made on the basis of third party data sources (such as Sustainalytics and MSCI), supplemented by additional research from our ESG team and integrated analyst, as required. This sector-based screen means the portfolio will not invest in any companies that derive more than 10 per cent of their annual revenues from the production or sale of:

a. alcohol, weapons and armaments or adult entertainment;

b. fossil fuels; and

c. the provision of gambling services.

There is a lower threshold for investments in companies that derive more than 5 per cent of their annual revenues from the production of tobacco.

Performance-based screen (norms-based evaluation): The portfolio will assess equities using a norms-based evaluation which is grounded in the 10 principles of the United Nations Global Compact. These cover areas including human rights, labour rights, environmental safeguards and combating bribery and corruption. Holdings deemed inconsistent with the UN Global Compact are subject to enhanced due diligence and a program of engagement and, where we do not observe progress, will be excluded.

Net zero commitment: The strategy also has a Net Zero commitment, which means that all holdings are actively assessed and prioritised for engagement based on their alignment to a 1.5C/Net Zero 2050 pathway in line with the goals of the Paris Agreement. The climate audit is the assessment framework that records our ongoing assessment of existing holdings based on the extent of the company’s ambitions and ability to reduce direct and value chain emissions in line with a 1.5C/Net Zero 2050. The purpose of aligning the portfolio with net zero commitments is to provide additional insight into the positioning of the holdings, to underpin our interactions with companies and push for better information to support our investment decisions in pursuit of the portfolio’s objective.

Board engagement and outlier governance

Introduction

The European Equities team actively seeks out entrepreneurial and unique leadership styles and is open-minded about the unconventional governance structures that may accompany them. One factor that unites every company, however, is the board of directors which acts as the bridge between outside investors and management. An effective board is one that can adapt to match the dynamism of companies. It is agile, deliberative, thoughtful, and fit for purpose. It is an important underpinning to a company's long-term resilience and sustainable growth. As a minority investor who sits outside of the boardroom, assessing board effectiveness presents a challenge. Corporate governance disclosures and alignment with local governance codes only provide a baseline, compliance-led view of governance. To go beyond a tick-box approach and address the informational asymmetry we face, we have proactively sought discussions with the board chairs of our holdings – with a particular focus on governance outliers. These provide an opportunity for insight into the quality of discussion and debate as markers of board effectiveness, even if a company does not subscribe to governance norms.

Our meetings have highlighted the value that lies in extending our discussions beyond management. They have also reinforced the trade-offs inherent in board composition and how best-practice, rules-based governance does not necessarily equate to effective governance fit for a company's specific context. For instance, corporate governance codes can be prescriptive on percentage levels of independence and director tenures in order to qualify as independent. Although renewal of board directors is important for bringing fresh perspectives, the expertise of long-serving directors can also be invaluable, particularly during periods of succession. The emphasis that we place on levels of board independence will also vary according to a company's ownership structure and stage in the corporate lifecycle – we do not view it as an end in itself. Individual characteristics that can determine a director's contribution to overall board effectiveness include industry expertise, personal connections, and the ability to challenge and/or coach management as appropriate. Board chairs and the board also play a pivotal role in successful CEO succession planning, which is relevant for at least ten of our portfolio companies over the past year.

An effective board is one that can adapt to match the dynamism of companies.

Here we outline just two examples of the engagements we have conducted with board chairs over the past year:

01. Mettler-Toledo

Mettler-Toledo makes, sells, and services precision instruments to a wide range of industries. Its weighing, measuring, and analytical tools are used by laboratories, as well as in industrial and retail settings. Mettler-Toledo's compound revenue growth and consistent earnings growth have translated to significant share price appreciation during our holding period.

© Mettler Toledo.

Outlier characteristics

Mettler-Toledo had one of the longest average director tenures in the portfolio, which made it a governance outlier. The company's relative 'board entrenchment' was skewed by the presence of a long-tenured Chair and Lead Independent Director. Our comfort with Robert F. Spoerry as a long-tenured board chair is due to his extensive expertise, he was the CEO for fourteen years, and the alignment he brought as a meaningful inside shareholder. He also provided continuity following the transition from a previous long-serving CEO in April 2021. Upon his retirement announcement at the end of 2023, we engaged with the chair to discuss his reflections on the company's success and the governance structures that have supported this.

Effective governance

Through our discussion, we learned that Mettler-Toledo has always sought an active board Chair. This was described as someone who has the 'courage to step in, and willingness to step out' when it comes to strategic decision-making. One example being the recommendation to diversify and de-risk Mettler-Toledo's exposure to China in the post-COVID environment and pursue alternative growth initiatives to offset the impact. This strategic recommendation came at a point in time when the CEO, Partick Kaltenbach, was still relatively new in post. We also noted that there had been robust succession planning for the Chair position too. His replacement, Roland Diggelmann, the ex-CEO of Roche Diagnostics, had spent over a year on the board already. Combined with the two additional board appointments who bring valuable expertise from the pharmaceuticals industry, Mettler-Toledo now has a broad mix of tenures on its board.

02. DSV

DSV is a freight forwarding and logistics solutions company. It operates through three segments: Air & Sea, Road, and Solutions.

DSV has pursued a successful acquisition strategy, which has driven its growth to become one of the largest freight forwarders globally.

© Shutterstock / Vytautas Kielaitis.

Outlier characteristics

The termination of DSV's CEO Jens Bjorn before the end of his term came as a surprise and corporate announcements regarding the decision also lacked detail. As this was an unusual example of succession planning in the portfolio, we reached out to the Chair Thomas Plenborg to probe into why succession had been enacted early and how it was being managed. We also used it as an opportunity to discuss his reflections on board composition, the balance of the board's skills today and how these might evolve in future.

Effective governance

We learned that succession had been a regular agenda item at the board and nomination committee meetings. Jens Bjorn had also endorsed Jens Lund (COO) as the successor. There was clear continuity given that Lund himself had already been with DSV for 20 years. The fact that the changes across the wider executive team were all internal hires we saw as a further indication of DSV's bench strength and strong talent pipeline. Jens Lund had been leading a detailed strategy review, including ways to reinvigorate the commercial organisation to recover market share, and the board felt that he should own the delivery of this. We interpreted the early activation of the CEO succession plan as a demonstration of board strength and effectiveness.

The chair also mentioned the tension he'd encountered regarding board turnover. There had been pushback from board members against making too many changes in quick succession, but at the same time, he faced external pressure from investors who expect long-tenured directors to roll off the board after ten to twelve years in the interests of board renewal. We reassured Thomas that we take a more principles, rather than rules based approach to governance, which led us to the valuable contribution that internal hires can bring to the board. Jans Moller, the vice chairman, who used to run DSV's Air and Sea division was referenced as a board member that is both hugely knowledgeable and influential on Mergers & Acquisition activity.

Summary

We take a nuanced view of corporate governance and avoid a tick-box approach. Our engagements with board chairs have helped us to build relationships and additional avenues for insight beyond our discussions with management. They also provide us witha more holistic view on effective governance that fits a company's particular context. We will continue this exercise and extend it beyond the governance outliers in the portfolio.

Climate audit

Climate change and the energy transition pose risks and opportunities that are material to competitive edge and investment returns. Our stewardship incorporates active consideration of the deep systems change that is unfolding and the implications it poses for our portfolio holdings. To guide our actions, we have established a Net Zero ambition and by 2030 we commit that 90% of portfolio companies by number will demonstrate robust alignment with appropriate net zero pathways. By 2040, all of the portfolio will be so-aligned. New buys will have an extra two years to comply.

By **2030**

The climate audit records our assessment of company alignment with the global goal established by the Paris Agreement to limit warming to less than 1.5C this century; aka the achievement of Net Zero emissions by 2050. Implicit in this are appropriate, but varying, pathways for emissions by business sector and region, and an understanding that technologies, and the very concept of alignment itself, will evolve over time.

By **2050**

The climate audit captures alignment in two dimensions. When researching or meeting with a company we cross-reference to the audit.

01

The first is to assess the extent to which targets, strategy (and increasingly actual emissions performance) are set to deliver falling emission volumes (or, for some, intensity) over time.

02

Secondly, each company is allocated to one of four transition role categories that provides a broad assessment of the underlying business and strategic positioning, from “materially challenged” through to “solutions innovator”.

Assessment of Net Zero targets

To mark a company as showing leadership in 1.5C alignment, leadership equates to target disclosures and pathways that are consistent with the Science Based Target initiative and/or the Transition Pathway Initiative. For the Pan Europe Fund, roughly 67% of holdings by market value have targets to reduce direct and value chain emissions in line with the Paris Agreement.

Assessment of transition role

In this dimension, we assess the fundamental positioning of each company relative to a successful transition towards net zero emissions globally. The judgements are company-specific rather than being founded on sector-based assumptions, and predominantly qualitative in nature. This allows us to classify different companies in the same sector in different categories depending on their overall potential to transition. Our assessment currently has four categories:

- Solution innovator: companies whose primary purpose is the innovation and commercialisation of products and services that will drive a successful transition.
- Potential influencer: companies who are carbon-light by direct emissions, but have the opportunity to accelerate the transition through their choices and influence.
- Potential evolver: companies that tend to be carbon-heavy, or strongly embedded in the higher carbon economy, but are beginning to develop viable pathways to transition.
- Materially challenged: companies whose core business is likely to decline through the transition, with their pathway to strategic adaptation to a low-carbon world unclear.

A majority of the portfolio by market value are considered potential influencers (more than 53%) of the transition, while a significant proportion are considered potential evolvers (40%). Solutions innovators make up roughly 2% of the portfolio by market value. The only portion that we would classify as materially challenged (roughly 1%) is due to our holding in Wizz Air. The company faces material transition risks in the form of higher operating costs, as the costs of carbon increase, and other restrictions as emissions regulations tighten. On the one hand, Wizz should be well placed to navigate structurally higher industry costs that arise from environmental regulation as the most efficient operator with the youngest fleet. However, it has also yet to make an explicit commitment to Sustainable Aviation Fuel, unlike Ryanair, which is a key route to decarbonization – after fleet renewal. We have engaged with this very issue, as outlined in the engagements section.

Climate alignment

The climate audit is useful for comparing company carbon emission targets and strategy alignment with a 1.5C future. These are useful inputs but only half of the story. In addition to those companies leading the way in their operational decarbonisation pathway, we recognise that the low-carbon transition presents a real opportunity for other companies to provide climate change solutions. The climate audit helps us assess and visualise this element, demonstrated in the cross plot, below.

Potential transition role	Lagging	Preparing	Leading
Solution innovator Key enabler of decarbonisation			Nexans
Potential influencer Carbon light with an opportunity to be part of the solution	Adyen NV, AutoStore Hdgs, CRISPR Therapeutics AG, FD Technologies, Genmab, Hypoport, Topicus.Com Inc	Eurofins, Games Workshop Group, Hargreaves Lansdown, Lonza Group, Oxford Nanopore Technologies PLC, Vostok New Ventures	Avanza Bank Holding, Beijer Ref, Dassault Systemes, EQT, Evotec, Mettler-Toledo, Prosus N.V., Reply Spa, Rightmove, Sartorius Stedim Biotech, Schibsted B, Softcat, Spotify Technology SA
Potential evolver Environmentally challenged with opportunity to be part of the solution	Delivery Hero Ag, IMCD Group NV	EXOR	Adidas Group, Allegro.eu, ASML, Atlas Copco B, DSV B, Epiroc B, Kering, Kinspan Group, Kinnevik B Shares, LVMH, Moncler, Renishaw, Richemont, Ryanair ADR, Soitec
Materially challenged Environmentally challenged with limited scope for adapting	Wizz Air Holdings Plc		

Emissions reduction goals and performance

Baillie Gifford's stewardship principles

Long-term value creation

We believe that companies that are run for the long term are more likely to be better investments over our clients' time horizons. We encourage our holdings to be ambitious, focusing on long-term value creation and capital deployment for growth. We know events will not always run according to plan. In these instances we expect management to act deliberately and to provide appropriate transparency. We think helping management to resist short-term demands from shareholders often protects returns. We regard it as our responsibility to encourage holdings away from destructive financial engineering towards activities that create genuine value over the long run. Our value will often be in supporting management when others don't.

Alignment in vision and practice

Alignment is at the heart of our stewardship approach. We seek the fair and equitable treatment of all shareholders alongside the interests of management. While assessing alignment with management often comes down to intangible factors and an understanding built over time, we look for clear evidence of alignment in everything from capital allocation decisions in moments of stress to the details of executive remuneration plans and committed share ownership. We expect companies to deepen alignment with us, rather than weaken it, where the opportunity presents itself.

Governance fit for purpose

Corporate governance is a combination of structures and behaviours; a careful balance between systems, processes and people. Good governance is the essential foundation for long-term company success. We firmly believe that there is no single governance model that delivers the best long-term outcomes. We therefore strive to push back against one-dimensional global governance principles in favour of a deep understanding of each company we invest in. We look, very simply, for structures, people and processes which we think can maximise the likelihood of long-term success. We expect to trust the boards and management teams of the companies we select, but demand accountability if that trust is broken.

Sustainable business practices

A company's ability to grow and generate value for our clients relies on a network of interdependencies between the company and the economy, society and environment in which it operates. We expect holdings to consider how their actions impact and rely on these relationships. We believe long-term success depends on maintaining a social licence to operate and look for holdings to work within the spirit and not just the letter of the laws and regulations that govern them. Material factors should be addressed at the board level as appropriate.

Engagement examples

As patient, active owners, we aim to engage with the companies we invest in on behalf of our clients, encouraging a long-term focus and meaningful change when needed. The following are some examples of engagements linked to the five stewardship principles.

1 Long-term value creation

2 Alignment in vision and practice

3 Governance fit for purpose

4 Sustainable business practice

Wizz Air 4

Objective: Our engagement priorities for Wizz are its decarbonisation pathway, safety and employee oversight, and customer service policy reform. We discussed these material ESG issues with the Senior Independent Director, Barry Ecclestone, who is a veteran of the aeronautical industry and an asset to Wizz's board.

Discussion: Wizz is emphasising efficiency improvements to reach its carbon targets, which are the most ambitious in the sector from a carbon intensity perspective. In order to decouple absolute emissions growth from industry growth, however, a paradigm shift in plane design is needed and incumbent manufacturers do not yet have a solution. The reason why Wizz has not made its own explicit Sustainable Aviation Fuel commitment, unlike Ryanair, is because of the lack of visibility in supply. We learned it had established a safety, security & and operational compliance board committee due to external factors and that this had not been in response to specific internal issues. Wizz is investing in its customer service systems, to address earlier shortcomings, and the measures it is taking seem comprehensive.

Outcome: This discussion reinforced the difficulties of decarbonising and the airlines' dependency on plane manufacturers' innovation pathways. We were reassured by board oversight of safety and the progress Wizz was able to demonstrate in claims management. Subsequent to this engagement the UK regulator said that Wizz Air had sufficiently improved refund processes. We will continue to monitor Wizz's progress in these material areas.

Richemont 3

Objective: This call was to further test board dynamics and succession planning with Wendy Luhabe, who is the appointed representative of minority 'A' shares at Richemont. We wanted to extend our board outreach after signals of dysfunctional governance from previous engagements with the Lead Independent Director and Executive Chair, Johann Rupert. We had outlined our concerns in a letter to the board around what we perceived to be a lack of challenge and evidence of robust succession planning for the executive chair

Discussion: We noted the importance of objective input into succession planning, which the executive Johann Rupert's position as chair of the nomination committee could potentially undermine. Wendy assured us that a process is well underway and pointed to the ongoing board refreshment as one indication of this. As part of this process, the board will temporarily reach a total of eighteen members, but this will fall back to fourteen in 2025.

Outcome: We gained a better understanding of board dynamics, succession planning, and the rationale for the appointment of a non-independent to chair of the audit committee. This call helped from a relationship-building perspective, and we learned that we were the first investors to speak to the 'A' shares representative. However, it was unable to address our corporate governance concerns fully and we are considering what voting action to take at the Annual General Meeting in Autumn 2024.

Allegro 2 3

Objective: We spoke with Allegro's chair of the remuneration committee. Our objective for the call was to provide input and get clarity on the more unusual elements of the remuneration structure. This included a "special" (separate) award program related to the Mall Group and WE|DO acquisition.

Discussion: We discussed Allegro's remuneration philosophy and the context behind the special and separate long-term award related to the Mall Group and WE|DO acquisition. We were told that such awards would not become the norm. In this case, the rationale was down to the timing of the CEO changeover. It was the outgoing CEO that was a big driver for the transaction, of a very different business, but the new CEO who is now responsible for the integration. Improved disclosure now includes a mathematical calculation for the annual bonus. This helps us as investors assess pay for performance. Allegro had come under pressure by one of the proxy advisory firms to incorporate a Total Shareholder Return (TSR) metric. However, we pushed back on this suggestion, based on Allegro's context. The large private equity stakes in the business create a potential overhang, i.e. a risk of a drop in the share price if they were to sell large blocks of shares. This is something that is outside of management's control.

Outcome: We voted in favour of the remuneration proposals at the Allegro AGM. While we usually don't encourage awards outside of the standard remuneration structure, this call provided reassurance that the special award represented a one-off and related to the timing of the CEO changeover. We were encouraged by Allegro's improving disclosures and receptivity to feedback.

Kering 4

Objective: We believe Kering's work on supply chain traceability and transparency is industry-leading. This has been corroborated by the Fashion Transparency Index, a credible third-party initiative that placed Gucci (~50% of group revenues) top of the table in its 2023 rankings. Traceability in the supply chain matters because this is where the textile industry's greatest impact lies, as Kering's Environmental Profit and Loss accounting clearly demonstrates (~84% of its total footprint). This engagement was to gain a better understanding of Kering's supply chain traceability playbook. There may be learnings for other holdings whose practices are less mature. We spoke with Marie-Claire Daveu, Chief Sustainability Officer, and Laurence Barrère, Sustainable Finance Director.

Discussion: Kering's target is 100% traceability by country of origin for its 'key' raw materials – leather, wool, cotton, cashmere, cellulose fibres, and gold. This is already within reach, 97% in 2023, although there is already an aspiration to have oversight down to the farm level. We discussed the underpinnings of Kering's progress on traceability to date, which can be broken down into certification, supplier contract clauses, collaboration, and technology. As it can be one of many buyers of its raw materials, Kering is proactive around collaborations to amplify its influence. Evidence of Kering's convening power was evident from the collaboration with Inditex and Conservation International in scaling its Regenerative Agriculture Fund.

Outcome: Our in-depth discussion helped us to understand the components of Kering's leading supply chain practices on traceability. We believe the company is well placed to navigate increasingly stringent supply chain regulations and that it plays an important convening role in the industry. The learnings can inform our engagement with other holdings.

Proxy voting report

Active consideration of environmental, social and governance issues also takes place through proxy voting activities, which can inform voting decisions (see Proxy voting guidelines 2024).

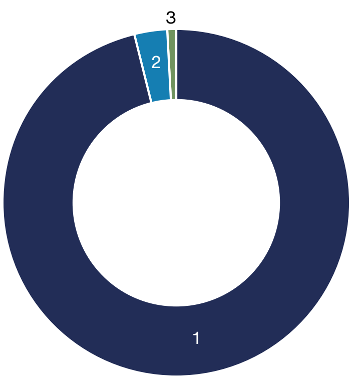
Our investment-led voting decisions focus on what we believe are our clients' best interests. The investment managers are actively involved in this process. We do not outsource any stewardship activities and communicate to company management if we vote against them to maintain an ongoing dialogue. Voting supports our ability to build long-term relationships with investee companies and strengthens our position when engaging with them.

We are open-minded about the different ways to govern and manage a company, and sceptical about the usefulness of overly prescriptive policies or checklists when voting. With respect to voting, we will always evaluate proposals on a case-by-case basis, based on what we believe to be in the best long-term interests of our clients. All our voting decisions are taken internally; we do not outsource our voting or engagement to third parties. Our dedicated ESG team, in conjunction with the relevant investment teams, is responsible for making voting decisions and conducting the appropriate engagement with companies.

Total votes

953

Pan Europe proxy voting record (2023)

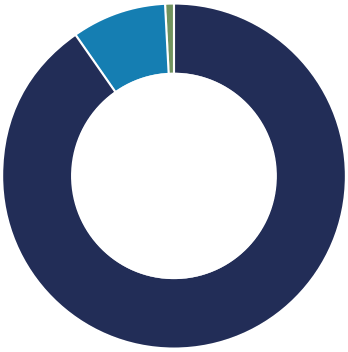


1	For	96.2%
2	Against	3.0%
3	Abstain	0.7%

Source: Baillie Gifford. Data from 1 January to 31 December 2023.
Figures may not sum due to rounding.
Based on a representative portfolio.

Management resolutions: breakdown of voting activity

Share capital



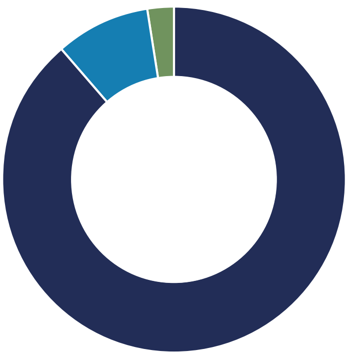
●	For	90.6%
●	Against	8.7%
●	Abstain	0.8%

Example – Spotify

We opposed the EGM resolution for a five-year authority to issue equity up to 206,166,600 shares (approx. 106% of current issued share capital) and exclude pre-emptive rights. This is a general request without any specific purpose and was a renewal of the current authority set out in the Articles of Association. This significantly exceeded the level of dilution without pre-emption rights that we are usually comfortable with (i.e. 10%). We contacted the company in advance to query the request and were told that the scale of the requested authorisation was typical of among Luxembourg-incorporated companies and that they were wanting to roll-over the same authority that shareholders gave them in 2018. We did not find this reason sufficiently compelling and decided to oppose the resolution.

For 90.6% Against 8.7% Abstain 0.8%

Remuneration



●	For	88.8%
●	Against	8.8%
●	Abstain	2.4%

Example – CRISPR

We voted against executive compensation at the AGM due to concerns with how executive remuneration is structured, specifically due to the payment of retention awards. We are generally concerned regarding the use of retention awards as it can indicate that the incentive plans aren't working effectively. Our preference would be for the company to assess the structure of long-term incentive plans to ensure that they adequately incentivise plan members without the need for additional retention awards. We engaged with the Lead Independent Director to explain the rationale for our voting action after the AGM and discussed how the remuneration structure could be improved. We also relayed our willingness to be consulted ahead of any future changes to CRISPR's approach to executive pay and will monitor for any developments ahead of the next AGM.

For 88.8% Against 8.8% Abstain 2.4%

Important information

Baillie Gifford & Co and Baillie Gifford & Co Limited are authorised and regulated by the Financial Conduct Authority (FCA). Baillie Gifford & Co Limited is an Authorised Corporate Director of OEICs.

Baillie Gifford Overseas Limited provides investment management and advisory services to non-UK Professional/Institutional clients only. Baillie Gifford Overseas Limited is wholly owned by Baillie Gifford & Co. Baillie Gifford & Co and Baillie Gifford Overseas Limited are authorised and regulated by the FCA in the UK.

Persons resident or domiciled outside the UK should consult with their professional advisers as to whether they require any governmental or other consents in order to enable them to invest, and with their tax advisers for advice relevant to their own particular circumstances.

Financial Intermediaries

This communication is suitable for use of financial intermediaries. Financial intermediaries are solely responsible for any further distribution and Baillie Gifford takes no responsibility for the reliance on this document by any other person who did not receive this document directly from Baillie Gifford.

Europe

Baillie Gifford Investment Management (Europe) Ltd (BGE) is authorised by the Central Bank of Ireland as an AIFM under the AIFM Regulations and as a UCITS management company under the UCITS Regulation. BGE also has regulatory permissions to perform Individual Portfolio Management activities. BGE provides investment management and advisory services to European (excluding UK) segregated clients. BGE has been appointed as UCITS management company to the following UCITS umbrella company; Baillie Gifford Worldwide Funds plc. BGE is a wholly owned subsidiary of Baillie Gifford Overseas Limited, which is wholly owned by Baillie Gifford & Co. Baillie Gifford Overseas Limited and Baillie Gifford & Co are authorised and regulated in the UK by the Financial Conduct Authority.

Hong Kong

Baillie Gifford Asia (Hong Kong) Limited 柏基亞洲(香港)有限公司 is wholly owned by Baillie Gifford Overseas Limited and holds a Type 1 licence from the Securities & Futures Commission of Hong Kong to market and distribute Baillie Gifford's range of collective investment schemes to professional investors in Hong Kong. Baillie Gifford Asia (Hong Kong) Limited 柏基亞洲(香港)有限公司 can be contacted at Suites 2713-2715, Two International Finance Centre, 8 Finance Street, Central, Hong Kong, Telephone +852 3756 5700.

South Korea

Baillie Gifford Overseas Limited is licensed with the Financial Services Commission in South Korea as a cross border Discretionary Investment Manager and Non-discretionary Investment Adviser.

Japan

Mitsubishi UFJ Baillie Gifford Asset Management Limited ('MUBGAM') is a joint venture company between Mitsubishi UFJ Trust & Banking Corporation and Baillie Gifford Overseas Limited. MUBGAM is authorised and regulated by the Financial Conduct Authority.

Australia

Baillie Gifford Overseas Limited (ARBN 118 567 178) is registered as a foreign company under the Corporations Act 2001 (Cth) and holds Foreign Australian Financial Services Licence No 528911. This material is provided to you on the basis that you are a 'wholesale client' within the meaning of section 761G of the Corporations Act 2001 (Cth) ('Corporations Act'). Please advise Baillie Gifford Overseas Limited immediately if you are not a wholesale client. In no circumstances may this material be made available to a 'retail client' within the meaning of section 761G of the Corporations Act. This material contains general information only. It does not take into account any person's objectives, financial situation or needs.

South Africa

BGO is licensed with the Financial Sector Conduct Authority in South Africa as a Financial Services Provider (FSP No 44870) in terms of section 8 of the Financial Advisory and Intermediary Services Act, 2002. This licence authorises BGO to carry on financial intermediary services business on behalf of South African clients.

North America

Baillie Gifford International LLC is wholly owned by Baillie Gifford Overseas Limited; it was formed in Delaware in 2005 and is registered with the SEC. It is the legal entity through which Baillie Gifford Overseas Limited provides client service and marketing functions in North America. Baillie Gifford Overseas Limited is registered with the SEC in the United States of America. The Manager is not resident in Canada, its head office and principal place of business is in Edinburgh, Scotland. Baillie Gifford Overseas Limited is regulated in Canada as a portfolio manager and exempt market dealer with the Ontario Securities Commission ('OSC'). Its portfolio manager licence is currently passported into Alberta, Quebec, Saskatchewan, Manitoba and Newfoundland & Labrador whereas the exempt market dealer licence is passported across all Canadian provinces and territories. Baillie Gifford International LLC is regulated by the OSC as an exempt market and its licence is passported across all Canadian provinces and territories. Baillie Gifford Investment Management (Europe) Limited ('BGE') relies on the International Investment Fund Manager Exemption in the provinces of Ontario and Quebec.

Israel

Baillie Gifford Overseas is not licensed under Israel's Regulation of Investment Advising, Investment Marketing and Portfolio Management Law, 5755-1995 (the Advice Law) and does not carry insurance pursuant to the Advice Law. This material is only intended for those categories of Israeli residents who are qualified clients listed on the First Addendum to the Advice Law.

Singapore

BGAS is regulated by the Monetary Authority of Singapore as a holder of a capital markets services licence to conduct fund management activities for institutional investors and accredited investors in Singapore. BGO as a foreign related corporation of BGAS, has entered into a cross-border business arrangement with BGAS, and shall be relying upon the exemption under regulation 4 of the Securities and Futures (Exemption for Cross-Border Arrangements) (Foreign Related Corporations) Regulations 2021 which enables both BGO and BGAS to market the full range of segregated mandate services to institutional investors and accredited investors in Singapore. The information contained in this presentation is meant purely for informational purposes and should not be relied upon as financial advice.

bailliegifford.com/pan-europe

Calton Square, 1 Greenside Row, Edinburgh EH1 3AN
Telephone +44 (0)131 275 2000