

Baillie Gifford Global Alpha Paris-Aligned Fund

31 December 2024

About Baillie Gifford

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

Investment Proposition

The Fund invests in an actively managed portfolio of stocks from around the world with the intention of delivering significantly higher total returns than the MSCI ACWI Index. The fund's three dedicated investment managers draw on a combination of their own investment ideas and those of our various investment teams to produce a portfolio that typically holds 70-120 stocks.

The Fund applies a four-stage screening process to negotiate the pathway to net zero. This includes both quantitative and qualitative screens. The Fund strips out companies that generate more than 10% of revenues from the extraction and/or production of oil, gas and thermal coal as well as companies that generate more than 50% of revenues from service provision to those industries. Secondly, we subject our highest emitting holdings to a proprietary 3-question analysis, where we seek to understand the ambitions, mitigation, and appetite of investee company management teams to truly embrace the low carbon transition. Third, we commit to 100% of the portfolio being Net Zero aligned by 2040, and finally, our ongoing active management of the portfolio ensures it delivers on its commitment of maintaining a carbon footprint that is lower than that of the EU Paris Aligned Benchmark.

Fund Facts

Fund Launch Date	15 April 2021
Fund Size	£319.2m
IA Sector	Global
Active Share	79%*
Current Annual Turnover	27%
Current number of stocks	84
Stocks (guideline range)	70-120

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

Fund Manager

Name	Years' Experience
Malcolm MacColl*	25
Spencer Adair*	24
Helen Xiong*	16

*Partner

Fund Objective

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 carbon footprint that is lower than that of the MSCI ACWI EU Paris Aligned Requirements Index.

The manager believes this is an appropriate target given the investment policy of the Fund and the approach taken by the manager when investing. In addition, the manager believes an appropriate performance comparison for this Fund is the Investment Association Global Sector.

There is no guarantee that this objective will be achieved over any time period and actual investment returns may differ from this objective, particularly over shorter time periods.

Periodic Performance

	3 Months	1 Year	3 Years (p.a.)	Since Inception (p.a.) [†]
Class B-Acc (%)	4.3	14.3	-0.4	0.1
Index (%) [*]	6.1	20.1	8.7	10.0
Target (%) ^{**}	6.7	22.6	10.9	12.3
Sector Average (%) ^{***}	3.5	12.6	4.1	5.8

Source: FE, Revolution, MSCI. Total return net of charges, in sterling.

Share class returns calculated using 10am prices, while the Index is calculated close-to-close.

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.

[†]15/04/2021

^{*}MSCI ACWI Index.

^{**}MSCI ACWI Index, as stated in sterling, by at least 2% per annum over rolling five-year periods.

^{***}IA Global Sector.

Discrete Performance

	31/12/19- 31/12/20	31/12/20- 31/12/21	31/12/21- 31/12/22	31/12/22- 31/12/23	31/12/23- 31/12/24
Class B-Acc (%)	N/A	N/A	-22.5	11.7	14.3
Index (%) [*]	N/A	N/A	-7.6	15.9	20.1
Target (%) ^{**}	N/A	N/A	-5.8	18.2	22.6
Sector Average (%) ^{***}	N/A	N/A	-11.1	12.7	12.6

Source: FE, Revolution, MSCI. Total return net of charges, in sterling.

Share class returns calculated using 10am prices, while the Index is calculated close-to-close.

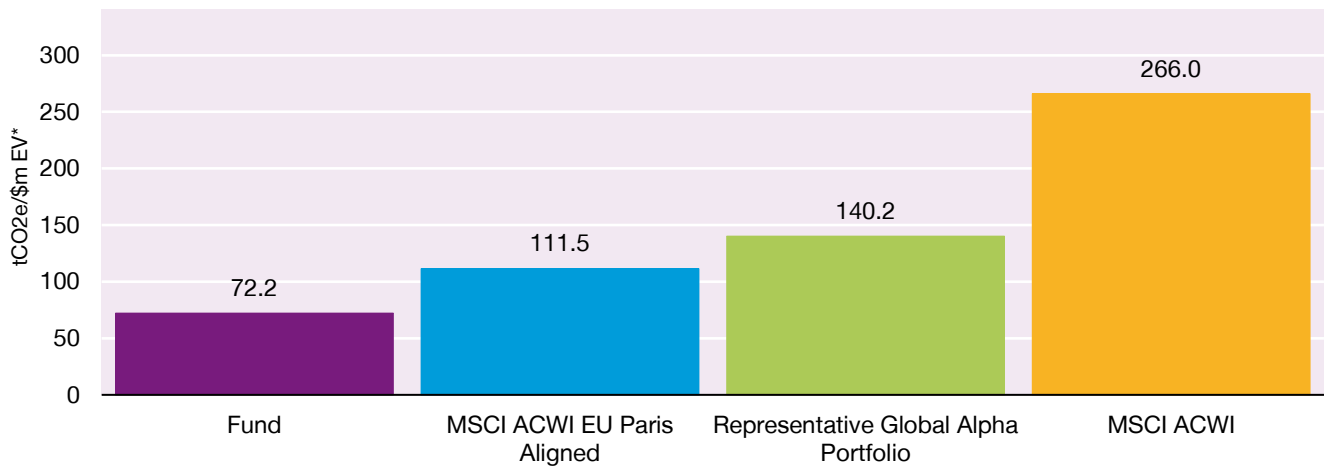
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Carbon Footprint

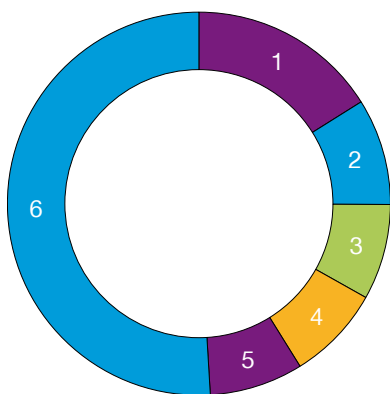


Source: Baillie Gifford & Co, FactSet, MSCI ESG Research. As at 31 December 2024.

*Includes Cash

These numbers have not been adjusted for an inflation in enterprise value

Top Five Percentage Contributors to the Portfolio’s Weighted Average Greenhouse Gas Intensity



Top 5 Carbon Intensity Contributors		(%)
1	CRH	16.1
2	Stella-Jones	9.0
3	Ryanair	8.1
4	AutoZone	8.0
5	CBRE Group Inc	7.9
6	Other	51.0

Commentary

The portfolio's carbon footprint remains below that of the MSCI ACWI EU Paris Aligned Requirements Index. The Greenhouse Gas data above reflects phase 2 of the incorporation of scope 3 emissions, as per the European Commission Delegated Regulation 2020/1818.

During the quarter we met with Amazon to discuss several sustainability topics, including the company's continued decarbonisation ambitions and efforts to engage with and monitor its vast supply chain. Given the scale and complexity of the company's operations, we expect to continue regularly engaging with the company on a number of sustainability challenges.

As part of Disruption Week 2024 (our live webinar series exploring forces driving the growth of some of the world's most exciting companies) one of Global Alpha's Trusted Advisors, Michael Taylor, explored the US infrastructure renaissance. This included a particular focus on our enthusiasm for opportunities in response to the risks posed by climate change. Visit bailliegifford.com/disruptionweek to watch the recording.

Market environment

Global stock markets showed mixed performance over the quarter, with sustained outperformance seen particularly at some of the largest US technology companies, coupled with periods of volatility due to changing economic conditions and geopolitical uncertainties. Stock markets around the world responded to the US presidential election outcome, with businesses and sectors viewed as beneficiaries of Trump's likely policies rising in value, and those perceived as vulnerable selling off. Ongoing US-China trade tensions and their impact on global supply chains also continued to influence market dynamics, particularly in light of Trump announcing plans for potential new tariffs on Chinese imports.

Performance

The Fund underperformed the MSCI AWCI Index over the quarter. Detractors from performance included the US health insurer Elevance Health and the Danish pharmaceutical business Novo Nordisk.

Elevance Health has had a tough year. It has a large customer base of Medicaid customers, but this group has shrunk following the reintroduction of enrolment eligibility requirement that had been suspended during and immediately after the pandemic. The company's exposure to this part of the customer population appears to have been seen as a vulnerability in the aftermath of Trump's election. We view Elevance as a critical piece of US healthcare infrastructure that is expanding the range of services it can offer. We think it can return to steady compound growth as it works through a tricky adjustment.

During the quarter, Novo Nordisk released the eagerly awaited results of its late-stage clinical trial for its CagriSema product, heralded as a potentially higher-efficacy weight loss alternative to existing products. Trial results showed that CagriSema helped patients reduce their weight by 22.7%, below the 25% the company had forecast. As a leader in diabetes and metabolic disease, we expect Novo Nordisk to gain a significant share of the obesity market. We continue to believe the company has an under-appreciated competitive advantage in manufacturing that will be technically difficult and costly to replicate.

Contributors to performance include the e-commerce platform Shopify, which announced a strong financial update. Shopify is growing revenues quickly and is generating such strong cash margins that it plans to recycle further margin gains into investment in the business. Its artificial intelligence (AI) productivity tools for its merchant customers are

making it easier to operate online stores and we expect Shopify to continue to innovate. We have taken the opportunity to moderate the position size following the jump in share price.

US food delivery giant DoorDash is going from strength to strength. Despite intense competition, it dominates the market, is achieving growth in subscriber members and is delivering growth not just in its core restaurant delivery platform but also through other new verticals (such as groceries) as it expands into adjacent categories. We retain high conviction in the long-term future for DoorDash to become the last-mile delivery partner for merchants across the US and beyond.

A new position for the Fund (purchased in September), the US coffee chain Dutch Bros saw its share price perform well following strong results that beat expectations. We believe the company's long-term goal of reaching over 4000 outlets over the next 10-15 years (from a base of around 950 today) - alongside the potential to improve what are already excellent store-level economics by introducing mobile order & pay and adding more food products to its menu - makes this a compelling investment case.

Notable transactions

In the final quarter of the year, we bought one new position: Brookfield Corporation. Brookfield is one of the world's largest alternative investment management companies, investing in areas such as real estate, infrastructure, and renewables. The company's strong track record in directly managing real assets and its 'one-stop-shop' global scale leave it well-positioned to benefit from a boom in spending on infrastructure and private credit. We took advantage of an attractive entry price to bring this strong diversifier into the Fund.

We took the chance to moderate some position sizes this quarter (having added to them previously) as share prices have risen as a reflection of strong progress made. These include Shopify (see above) and advertising technology company The Trade Desk, which has seen robust demand for its programmatic advertising services. The position size of the heating, ventilation, and air conditioning business Comfort Systems was also reduced on share price strength, with the company benefiting from supportive legislation to replace and upgrade US infrastructure, the reshoring of US manufacturing, and the green energy transition.

Market Outlook

In recent months, stock markets have focussed heavily on the potential winners and losers that may come from Trump's presidency, changes in interest rate expectations, and, of course, the deployment of artificial intelligence. We agree that these are important considerations, but we focus instead on our fundamental belief that share prices will follow earnings growth over the long term, as they have done for over a century. The companies we own are making solid and improving progress in pursuit of their own growth opportunities. This progress is supported by the breadth of growth drivers represented in the Fund, the diversity of which we have been increasing. Progress at a company level, combined with this wide range of growth drivers, gives us confidence in the outlook for the coming years.

Stock Level Attribution

Top and Bottom Ten Contributors to Relative Performance

Quarter to 31 December 2024

Stock Name	Contribution (%)
Shopify	0.6
Doordash Inc	0.5
Amazon.com	0.4
Dutch Bros Inc.	0.4
Cloudflare Inc	0.3
Block Inc	0.2
Netflix Inc	0.2
The Trade Desk	0.2
Mastercard	0.2
Datadog	0.1
Elevance Health Inc	-0.9
Tesla Inc	-0.5
Novo Nordisk	-0.4
Apple	-0.4
Broadcom Inc	-0.4
Nexans	-0.3
Prosus N.V.	-0.3
Atlas Copco B	-0.3
Advanced Drainage Systems	-0.3
Olympus	-0.3

One Year to 31 December 2024

Stock Name	Contribution (%)
Meta Platforms Inc.	0.8
Doordash Inc	0.8
The Trade Desk	0.6
SEA Ltd	0.5
Spotify Technology SA	0.5
Comfort Systems USA	0.5
TSMC	0.4
Amazon.com	0.4
Shopify	0.4
CATL	0.4
Elevance Health Inc	-1.2
Novo Nordisk	-0.7
NVIDIA	-0.7
Tesla Inc	-0.7
Broadcom Inc	-0.6
B3 S.A.	-0.5
Moderna Inc	-0.5
Apple	-0.5
PDD Holdings	-0.4
Albemarle	-0.4

Source: Revolution, MSCI. Baillie Gifford Global Alpha Paris-Aligned Fund relative to MSCI ACWI Index.

Some stocks may only have been held for part of the period.

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

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

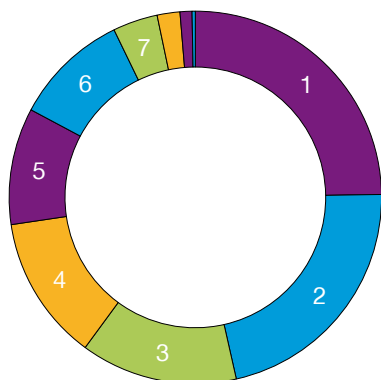
Transactions from 01 October 2024 to 31 December 2024.

New Purchases

Stock Name	Transaction Rationale
Brookfield Corp	<p>Brookfield Corporation is the holding company of one of the world's largest owners and operators of real and alternative assets. Almost half of its underlying assets are a controlling stake in Brookfield Asset Management (BAM), with the rest made up of operating businesses, such as its infrastructure, property and renewables divisions, and a growing wealth solutions business. From its origins as an industrial conglomerate, Brookfield began managing third-party assets in the 1990s and now has over \$1 trillion in assets under management. Its strong track record directly managing real assets and its 'one-stop-shop' global scale leave it well-positioned to benefit from a boom in spending on infrastructure and private credit. At the same time, its fee model means clients are 'locked-in' over long periods. Lastly, the complexity of the holding company assets means it currently trades at a large discount to the underlying asset value. This discount could narrow as the company lists the rest of its BAM shares. The combination of Brookfield's strong track record, structural growth, and an attractive entry price have led us to take an initial position in the company.</p>

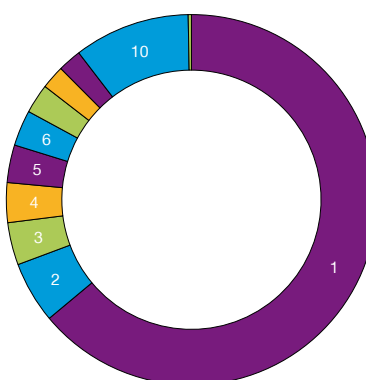
There were no complete sales during the period.

Sector Exposure



		%
1	Consumer Discretionary	24.8
2	Information Technology	21.7
3	Communication Services	13.6
4	Financials	12.6
5	Health Care	10.1
6	Industrials	10.0
7	Materials	3.9
8	Real Estate	2.0
9	Consumer Staples	1.0
10	Cash	0.3

Geographic Exposure



		%
1	United States	63.9
2	Netherlands	5.4
3	China	3.7
4	Japan	3.5
5	Canada	3.3
6	Taiwan	3.1
7	Sweden	2.6
8	Ireland	2.1
9	France	2.1
10	Others	10.1
11	Cash	0.3

As well as cash in the bank, the cash balance includes unsettled cash flows arising from both shareholder flows and outstanding trades. Therefore, a negative balance may arise from timing differences between shareholder flows and security trading, and does not necessarily represent a bank overdraft.

Top Ten Holdings

Stock Name	Description of Business	% of Portfolio
Amazon.com	E-commerce, computing infrastructure, streaming and more	5.1
Microsoft	Technology company offering software, hardware and cloud services	4.8
NVIDIA	Designer of Graphics Processing Units and accelerated computing technology	4.7
Meta Platforms	Social media and advertising platform	4.4
Prosus	Portfolio of online consumer companies including Tencent	3.1
TSMC	Semiconductor manufacturer	3.1
DoorDash	Provides restaurant food delivery services	2.9
Mastercard	Global electronic payments network and related services	2.7
Elevance Health Inc.	US health insurer	2.5
Service Corporation International	Funeral services operator	2.4
Total		35.8

Voting Activity

Votes Cast in Favour		Votes Cast Against		Votes Abstained/Withheld	
Companies	10	Companies	3	Companies	None
Resolutions	91	Resolutions	10	Resolutions	None

Company Engagement

Engagement Type	Company
Environmental	AeroVironment, Inc., Amazon.com, Inc., Analog Devices, Inc., Moderna, Inc., Neogen Corporation, PDD Holdings Inc., Samsung Electronics Co., Ltd., Sea Limited, Shopify Inc., The Trade Desk, Inc.
Social	Albemarle Corporation, Amazon.com, Inc., Cloudflare, Inc., CyberAgent, Inc., PDD Holdings Inc., Samsung Electronics Co., Ltd., Sea Limited, The Trade Desk, Inc.
Governance	AIA Group Limited, Albemarle Corporation, Amazon.com, Inc., Analog Devices, Inc., B3 S.A. - Brasil, Bolsa, BalcAo, Bellway p.l.c., CBRE Group, Inc., Compagnie Financière Richemont SA, CyberAgent, Inc., Kweichow Moutai Co., Ltd., Microsoft Corporation, Moderna, Inc., Moody's Corporation, Neogen Corporation, Olympus Corporation, Ryanair Holdings plc, Samsung Electronics Co., Ltd., Schibsted ASA, Shopify Inc., SiteOne Landscape Supply, Inc.
Strategy	Albemarle Corporation, B3 S.A. - Brasil, Bolsa, BalcAo, Cloudflare, Inc., Epiroc AB (publ), Moderna, Inc., Sea Limited, The Trade Desk, Inc.

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 %	Asset Name	Fund %
Amazon.com	5.1	PDD Holdings	0.8
Microsoft	4.8	Thermo Fisher Scientific	0.7
NVIDIA	4.7	Walt Disney	0.7
Meta Platforms	4.4	Comfort Systems USA	0.7
Prosus	3.1	Eaton	0.7
TSMC	3.1	CoStar	0.7
DoorDash	2.9	Kweichow Moutai	0.7
Mastercard	2.7	Stella-Jones	0.7
Elevance Health Inc.	2.5	Builders FirstSource	0.7
Service Corporation International	2.4	ASM International	0.7
Shopify	2.1	SMC	0.7
Alphabet	2.0	Epiroc	0.7
The Trade Desk	2.0	Samsung Electronics	0.6
Block	1.8	SiteOne Landscape Supply	0.6
Netflix	1.6	Entegris	0.6
Novo Nordisk	1.6	B3	0.6
Adyen	1.6	Brookfield Corporation	0.5
Analog Devices	1.5	Nippon Paint	0.5
CATL	1.5	Floor & Decor	0.5
AutoZone	1.4	Rakuten	0.5
Cloudflare	1.3	YETI Holdings	0.5
MercadoLibre	1.3	Albemarle	0.5
CBRE Group Inc	1.3	Bellway	0.4
CRH	1.2	LVMH	0.4
S&P Global Inc	1.2	Soitec	0.4
Richemont	1.2	Sartorius Stedim Biotech	0.4
Atlas Copco	1.2	Genmab	0.4
Texas Instruments	1.1	Brunswick Corp	0.4
AJ Gallagher	1.1	Shiseido	0.3
Olympus	1.1	CyberAgent	0.3
Markel	1.0	Mobileye	0.3
Sea Limited	1.0	Neogen Corporation	0.3
Moody's	1.0	Moderna	0.3
AIA	1.0	Sberbank	0.0
Martin Marietta Materials	1.0	Abiomed CVR Line	0.0
UnitedHealth Group	1.0	Cash	0.3
Alnylam Pharmaceuticals	1.0	Total	100.0
Royalty Pharma	1.0		
Chewy	0.9		
Coupang	0.9		
Dutch Bros	0.9		
Nexans	0.9		
AeroVironment	0.9		
Ryanair	0.8		
Datadog	0.8		
Advanced Drainage Systems	0.8		
Schibsted	0.8		
Spotify	0.8		
Li Auto	0.8		

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.

Abiomed was acquired in December 2022 by Johnson and Johnson. Holders received a cash allocation plus non-tradable contingent value rights (CVRs).

Share Class	Share Class Inception Date	ISIN	SEDOL	Annual Management Fee (%)	Ongoing Charge Figure (%)
Class B-Acc	15 April 2021	GB00BNC20W60	BNC20W6	0.57	0.60
Class B-Inc	15 April 2021	GB00BNC20X77	BNC20X7	0.57	0.60

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.

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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”).

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.

As with any investment, the clients’ capital is at risk. Past performance is not a guide to future returns.

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

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

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