

Baillie Gifford Global Discovery Fund

Shareholder Rights Directive Annual Disclosure
for the period 01 January 2024 to 31 December 2024



This disclosure is produced to meet our obligation to provide enhanced reporting under the Shareholder Rights Directive (SRD) requirements. It is not marketing material. This document is solely for the use of professional investors and should not be relied upon by any other person. It is not intended for use by retail clients.

Our Investment Strategy

The universe of smaller companies is vast- perhaps 50,000 globally - and exciting because it may contain the winning companies of the future. Global Discovery aims to produce superior long-term returns by investing in a portfolio of these smaller, immature companies with significant growth potential.

The opportunity for superior returns arises because:

- We routinely observe that it is the less mature, more entrepreneurial companies that shape the evolution of an industry. It is striking how little innovation originates directly from large businesses and how often bigger corporations are bad at dealing with change. Size and market dominance often create a formidable barrier to competition, but the cultural baggage and management dislocation that inevitably builds can be a significant impediment to the necessary evolution of a business.
- Smaller companies are, therefore, interesting not because they are small but rather because the stage of development of their business can offer significant upside potential with regards to profit growth and, ultimately, share price appreciation.
- Bottom-up research is at its most valuable when assessing immature businesses. The businesses are often simpler and yet it is typically during this early stage that the market's understanding of a company's growth potential is at its least developed.
- Inefficiencies and valuation anomalies are more common further down the market cap scale.
- Our style of investment is well suited, first, to identifying interesting businesses early in their development and, subsequently, backing them with a long-term investment horizon and the ability to look through short-term volatility.

We focus our new idea generation on investment opportunities in companies with a market cap of \$10bn and below.

How We Make Investment Decisions

The Global Discovery team comprises three full time portfolio managers, one senior investment analyst and two investment analysts. Team members are generalists and there are no geographical or sector constraints on what stocks the team can consider - we want our horizons to be as broad as possible.

Stocks under consideration for inclusion in the portfolio are discussed by the Global Discovery Team. The Head of the Team, has ultimate decision-making responsibility, supported by two co-managers. However, we actively encourage an environment that gives individual analysts a high degree of influence and, at the portfolio level, accommodates for tentative, individually higher risk stock ideas. Once purchased, each holding's operational performance and valuation are continually monitored. In addition, the team conducts a regular, collaborative, formal portfolio review.

We believe that size is a fairly poor guide to the immaturity. Consequently, we would expect some of the companies held to grow to \$10bn and beyond. Should this occur, we would not look to sell the holding on size reasons alone, instead preferring to sell based on our assessment of a company's fundamentals and valuation.

Global Discovery holdings will, by their nature, offer a wide range of potential outcomes. We aim to embrace this uncertainty and believe it is important that the portfolio is:

- adequately diversified by name and thematic influence; and
- sufficiently broad so as to be open to the inclusion of new ideas.

Hence, the portfolio consists of c.80-125 stocks, with holding sizes typically 0.75% - 3% at time of purchase determined purely by investment merit.

Key Material Medium to Long Term Risks

Fundamental risk - the permanent loss of capital and the risk of missing out on companies which subsequently post strong returns. We therefore place significant emphasis in our investment management process on understanding the fundamentals of the companies in which we invest, including environmental, social and governance factors (ESG), which may impact the sustainability of future growth.

Portfolio risk - a failure to maintain an appropriate level of diversification at the strategy level. A series of investment guidelines are in place which are intended to ensure that there is a sufficient level of diversification.

Liquidity risk - a failure to maintain appropriate level of liquidity at the strategy level. We have a series of guidelines that ensure the strategy remains sufficiently liquid to enable positions to be exited or client cash flows to be managed with minimal impact.

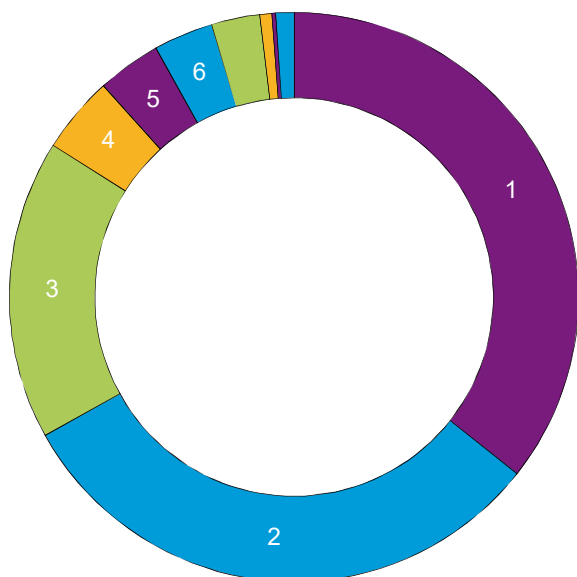
Portfolio Composition

The Fund invests in companies that offer significant growth prospects with an emphasis on companies operating in industries with potential for structural change and innovation. The Fund's holdings will, by their nature, offer a wide range of potential outcomes. We aim to embrace this uncertainty and believe it is important that the portfolio is adequately diversified by name and thematic influence; and sufficiently broad so as to be open to the inclusion of new ideas. The Fund has a bias towards smaller companies.

Top Ten Holdings

Asset Name	% of Portfolio
Alnylam Pharmaceuticals	6.1
Axon Enterprise Inc	3.8
Zillow Group Inc Class C	3.6
AeroVironment	3.3
Liveramp Holdings Inc	3.2
Oxford Nanopore Technologies PLC	3.1
Ocado	2.8
Exact Sciences	2.7
Doximity Inc	2.5
American Superconductor Corp	2.2

Sector Analysis of Total Assets



	%
1 Health Care	35.7
2 Information Technology	31.3
3 Industrials	17.0
4 Financials	4.4
5 Real Estate	3.6
6 Consumer Discretionary	3.4
7 Consumer Staples	2.8
8 Materials	0.7
9 Communication Services	0.2
10 Cash	1.0

Source: Baillie Gifford & Co.
Please note that totals may not add due to rounding.

Turnover and Turnover (Transaction) Costs

	%
Rolling One Year Turnover	18

Rolling One Year Turnover is calculated as the lesser of the sum of all purchases and the sum of all sales in each month divided by the monthly average market value, summed over 12 months. Turnover is a measure of average investment horizon, the lower the turnover the longer the average investment horizon.

Transaction costs:	%
Explicit transaction costs	0.04
Implicit transaction costs	0.21

Explicit costs are directly observable and include broker commissions and transaction taxes and fees. Implicit costs are the indirect costs associated with buying and selling of securities. Specifically, implicit costs represent the differential between the actual transaction price (excluding taxes and commissions) and the mid-market price of the asset when the order to transact was transmitted to a third-party. Due to the methodology used, overall transaction costs may be 'negative' if individual securities are purchased below the prevailing mid-price or conversely sold above the mid-price. Current MiFID II guidance requires us to disclose these costs, even if they result in a negative figure (i.e. an implicit gain to the investor).

Our Governance and Sustainability Approach

We look beyond current financial performance, undertaking proprietary research to build up an in-depth knowledge of an individual company and a view on their long-term prospects, including material governance and sustainability factors which we believe will positively or negatively affect the financial returns of an investment. In keeping with our decentralised and autonomous culture, we are comfortable with our various investment strategies taking different approaches to reach the same goal of properly assessing and weighing up governance and sustainability considerations in the investment process. Further information regarding our approach is detailed in our Governance and Sustainability Principles and Guidelines available in the About Us section of our website.

Our Approach to Voting and Engagement

Thoughtful voting of our clients' holdings is an integral part of our commitment to stewardship. Our Governance and Sustainability team oversees our voting analysis and execution in conjunction with our investment managers. Unlike many of our peers, we do not outsource the responsibility of voting to third-party suppliers. We utilise research from proxy advisers for information only. Additionally, Baillie Gifford does not lend securities on behalf of our clients. Where a client chooses to lend securities, we may consider requesting that clients recall any securities on loan to enable us to vote if we deem a meeting to be significant or contentious.

We engage regularly with management and board members to identify and understand issues and to monitor performance. Analysts from the Governance and Sustainability team regularly join our investors for these meetings, in addition to meetings that they will arrange directly with company representatives to discuss specific issues. Further details of Baillie Gifford's approach to voting and engagement is outlined in our Governance and Sustainability Principles and Guidelines document available in the About Us section of our website.

Detailed below are the engagements and the most significant votes we have carried out.

Company Engagement

Engagement Type	Company
Environmental	Aehr Test Systems, Inc., AeroVironment, Inc., Ambarella, Inc., American Superconductor Corporation, Axon Enterprise, Inc., C4X Discovery Holdings plc, Catapult Group International Ltd, CyberArk Software Ltd., EverQuote, Inc., LiveRamp Holdings, Inc., MP Materials Corp., NovoCure Limited, Park Systems Corp., Schrödinger, Inc., SkyWater Technology, Inc., Sprout Social, Inc., Tandem Diabetes Care, Inc., TransMedics Group, Inc., Twist Bioscience Corporation

Social	Axon Enterprise, Inc., MP Materials Corp., MercadoLibre, Inc., Park Systems Corp.
Governance	Aehr Test Systems, Inc., Alnylam Pharmaceuticals, Inc., Ambarella, Inc., American Superconductor Corporation, Angelalign Technology Inc, Appian Corporation, Axon Enterprise, Inc., Cardlytics, Inc., Catapult Group International Ltd, Confluent, Inc., Cosmo Pharmaceuticals N.V., CyberArk Software Ltd., Digimarc Corporation, EverQuote, Inc., Genmab A/S, Genus plc, IPG Photonics Corporation, Infomart Corporation, JFrog Ltd., Kingdee International Software Group Company Limited, LiveRamp Holdings, Inc., MP Materials Corp., MarketAxess Holdings Inc., Nanobiotix S.A., NovoCure Limited, Ocado Group plc, Park Systems Corp., PureTech Health plc, Renishaw plc, STAAR Surgical Company, Schrödinger, Inc., SkyWater Technology, Inc., Sprout Social, Inc., TransMedics Group, Inc., Trupanion, Inc., Twist Bioscience Corporation, Veeco Instruments Inc., Zai Lab Limited, Zillow Group, Inc.
Strategy	Ambarella, Inc., Axon Enterprise, Inc., Cosmo Pharmaceuticals N.V., IPG Photonics Corporation, Kingdee International Software Group Company Limited, LiveRamp Holdings, Inc., MP Materials Corp., MercadoLibre, Inc., Oxford Nanopore Technologies plc, Park Systems Corp., Silergy Corp.

Voting Activity

Votes Cast in Favour	Votes Cast Against	Votes Abstained/Withheld
Companies	78 Companies	8 Companies
Resolutions	812 Resolutions	9 Resolutions

Significant Votes Cast in Favour

Company	Meeting Details	Voting Rationale
Ambarella	Annual 12/06/24 Resolution(s): 4	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.
Axon Enterprise Inc	Annual 10/05/24 Resolution(s): 2-5	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.
Blackline	Annual 09/05/24 Resolution(s): 1.001	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.
Genus	AGM 20/11/24 Resolution(s): 15	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.
IP Group	AGM 12/06/24 Resolution(s): 7	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.
JFrog Ltd	Annual 20/05/24 Resolution(s): 1.1-1.3	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.
Liveramp Holdings Inc	Annual 13/08/24 Resolution(s): 2	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.

Company	Meeting Details	Voting Rationale
M3	AGM 26/06/24 Resolution(s): 1.7	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because Baillie Gifford swung the vote.
MarketAxess Holdings	Annual 05/06/24 Resolution(s): 6	We supported a shareholder resolution to provide a right to call special meetings with a lower threshold, as we believe that the requested level would strike an appropriate balance between attainability for shareholders and protecting the company from inappropriate use of this right. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
Pacira BioSciences	Annual 11/06/24 Resolution(s): 1.003, 1.001	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.
Progyny	Annual 23/05/24 Resolution(s): 1.1-1.4	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.
PureTech Health	AGM 13/06/24 Resolution(s): 3, 4, 8	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.
Quanterix Corp	Annual 03/06/24 Resolution(s): 1.1, 1.2	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.
RxSight Inc	Annual 06/06/24 Resolution(s): 1.1-1.3	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.
Schrodinger	Annual 18/06/24 Resolution(s): 1b, 3	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.
ShockWave Medical Inc	Special 29/05/24 Resolution(s): 2	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.
SkyWater Technology	Annual 22/05/24 Resolution(s): 1i	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.
Sutro Biopharma	Annual 06/06/24 Resolution(s): 1.002	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.
Twist Bioscience Corp	Annual 06/02/24 Resolution(s): 1.002, 1.001	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.
Upwork Inc	Annual 07/06/24 Resolution(s): 1b, 1c	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.

Company	Meeting Details	Voting Rationale
Xero Ltd	AGM 22/08/24 Resolution(s): 4	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.
Zai Lab HK Line	AGM 18/06/24 Resolution(s): 13, 14, 17	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.
Zuora Inc Class A	Annual 27/06/24 Resolution(s): 1.002	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because it received greater than 20 per cent opposition.

Significant Votes Cast Against

Company	Meeting Details	Voting Rationale
Ambarella	Annual 12/06/24 Resolution(s): 3	We opposed the executive compensation as we do not believe the performance conditions are sufficiently stretching. This resolution is significant because we opposed remuneration.
Cardlytics Inc	Annual 23/05/24 Resolution(s): 3	We opposed executive compensation due to concerns with the structure of the long-term incentive plan. The committee is granting one-year time-based RSUs which we believe is incentivising a very short-term focus which is not in the best interests of long-term shareholders. This resolution is significant because we opposed remuneration.
Catapult Group Intl.	AGM 06/08/24 Resolution(s): 3, 8	We opposed two resolutions relating to the remuneration of executives due to ongoing concerns that the incentive plan structure is too short-term focussed and that pay is not well aligned with company performance. This resolution is significant because we opposed remuneration.
Collectis	MIX 28/06/24 Resolution(s): 29	We opposed the resolution in line with management's recommendation. French law requires issuers to submit a capital increase reserved for employees participating in a savings-related share purchase plan at shareholder meetings when the employees control less than three percent of the company's issued capital, regardless of whether a company maintains such a plan. This request does not fall within the framework of the company's policy of employee profit-sharing. This resolution is significant because it received greater than 20 per cent opposition.
Collectis ADR	Special 28/06/24 Resolution(s): 29	We opposed the resolution in line with management's recommendation. French law requires issuers to submit a capital increase reserved for employees participating in a savings-related share purchase plan at shareholder meetings when the employees control less than three percent of the company's issued capital, regardless of whether a company maintains such a plan. This request does not fall within the framework of the company's policy of employee profit-sharing. This resolution is significant because it received greater than 20 per cent opposition.

Company	Meeting Details	Voting Rationale
Chegg	Annual 05/06/24 Resolution(s): 1b	We opposed the election of a non-executive director because of poor attendance. This resolution is significant because we opposed the election of a director.
Chegg	Annual 05/06/24 Resolution(s): 2	We opposed the executive compensation as we do not believe the performance periods in the long-term incentive plan to be sufficiently long-term. This resolution is significant because we opposed remuneration.
Cosmo Pharmaceuticals	AGM 05/07/24 Resolution(s): 6	We opposed the remuneration policy due to concerns over non-executive director participation in the option plan. This resolution is significant because we opposed remuneration.
CyberArk Software Ltd	Annual 26/06/24 Resolution(s): 2	We opposed the equity grant to one executive as we do not believe the performance conditions are sufficiently stretching. This resolution is significant because we opposed remuneration.
Digimarc	Annual 07/06/24 Resolution(s): 3	We opposed the executive compensation as we do not believe the performance conditions are sufficiently stretching. This resolution is significant because we opposed remuneration.
IPG Photonics Corp	Annual 18/06/24 Resolution(s): 3	We opposed the ratification of the auditor because of the length of tenure. We believe it is best practice for the auditor to be rotated regularly as this works to ensure independent oversight of the company's audit process and internal financial controls. This resolution is significant because we opposed the election of auditors.
MarketAxess Holdings	Annual 05/06/24 Resolution(s): 2	We opposed the ratification of the auditor because of the length of tenure. We believe it is best practice for the auditor to be rotated regularly as this works to ensure independent oversight of the company's audit process and internal financial controls. This resolution is significant because we opposed the election of auditors.
Nanobiotix ADR	Special 28/05/24 Resolution(s): 42	We opposed the warrant plan because non-employee directors can receive grants which we believe could negatively impact their objectivity. This resolution is significant because we opposed remuneration.
Nanobiotix ADR	Special 28/05/24 Resolution(s): 44	We opposed the resolution in line with management's recommendation. French law requires issuers to submit a capital increase reserved for employees participating in a savings-related share purchase plan at shareholder meetings when the employees control less than three percent of the company's issued capital, regardless of whether a company maintains such a plan. This request does not fall within the framework of the company's policy of employee profit-sharing. This resolution is significant because it received greater than 20 per cent opposition.

Company	Meeting Details	Voting Rationale
Novocure Ltd	Annual 05/06/24 Resolution(s): 2	We opposed the ratification of the auditor because of the length of tenure. We believe it is best practice for the auditor to be rotated regularly as this works to ensure independent oversight of the company's audit process and internal financial controls. This resolution is significant because we opposed the election of auditors.
Pacira BioSciences	Annual 11/06/24 Resolution(s): 3	We opposed compensation due to concerns with the short performance period within the long-term plan, and use of cash for long-term awards. This resolution is significant because we opposed remuneration.
PureTech Health	AGM 13/06/24 Resolution(s): 2	We opposed the remuneration report due to concerns with significant lump sum payments made to the outgoing and incoming chief executives which are described as backdated benefit allowance payments. We do not believe that the payments have been justified. This resolution is significant because we opposed remuneration.
Staar Surgical	Annual 20/06/24 Resolution(s): 3	We opposed the ratification of the auditor because of the length of tenure. We believe it is best practice for the auditor to be rotated regularly as this works to ensure independent oversight of the company's audit process and internal financial controls. This resolution is significant because we opposed the election of auditors.
TransMedics Group	Annual 23/05/24 Resolution(s): 3	We opposed the ratification of the auditor because of the length of tenure. We believe it is best practice for the auditor to be rotated regularly as this works to ensure independent oversight of the company's audit process and internal financial controls. This resolution is significant because we opposed the election of auditors.
Veeco Instruments	Annual 09/05/24 Resolution(s): 3	We opposed the executive compensation as we do not believe the performance conditions are sufficiently stretching. This resolution is significant because we opposed remuneration.
Zuora Inc Class A	Annual 27/06/24 Resolution(s): 3	We opposed compensation due to several concerns. We believe the long-term incentive plan is too short-term as performance is assessed against targets on a quarterly basis. Further, we have concerns with the committee's use of discretion to amend targets for the in-flight long-term incentive plan, and the decision to exchange stock options for executives that are underwater without prior shareholder approval. This resolution is significant because we opposed remuneration.

Significant Abstentions

Company	Meeting Details	Voting Rationale
AeroVironment	Annual 27/09/24 Resolution(s): 1b	We abstained on the election of a director who is also a member of the audit committee due to ongoing concerns that the company's climate reporting is lagging behind its peers. This resolution is significant because we identified a material E, S or G issue which resulted in Baillie Gifford voting contrary to management's recommendation.

Company	Meeting Details	Voting Rationale
Collectis	MIX 28/06/24 Resolution(s): 9	We abstained on the renewal of the auditor because auditor fees were not disclosed, limiting our ability to make an appropriate judgement. This resolution is significant because it received greater than 20 per cent opposition.
Collectis ADR	Special 28/06/24 Resolution(s): 9	We abstained on the renewal of the auditor because auditor fees were not disclosed, limiting our ability to make an appropriate judgement. This resolution is significant because it received greater than 20 per cent opposition.
MP Materials	Annual 11/06/24 Resolution(s): 2	We abstained on the executive compensation because of an increase in the annual bonus which did not seem to correlate with the company's financial performance, and the absence of sufficient disclosure to assess the rigour of targets. This resolution is significant because it received greater than 20 per cent opposition.

Conflicts of Interest

Baillie Gifford maintains a firm-wide Conflicts Matrix, which identifies conflicts and potential conflicts of interest that exist within the firm, and the procedures and controls that have been adopted to manage these conflicts. Baillie Gifford's firm wide conflict of interest disclosure is available in the Important Disclosures area of our website

We recognise the importance of managing potential conflicts of interest that may exist when we engage with or vote at a company with whom we have a material business or personal relationship and the Governance and Sustainability team is responsible for monitoring these possible material conflicts of interest.

The Governance and Sustainability team's approach to dealing with conflicts of interest in relation to voting and engagement can be found in our Investment Stewardship Activities report which is available in the Governance and Sustainability area of our website.

