

Baillie Gifford Sustainable Income 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

Sustainable Income is designed to provide clients with a growing income stream and inflation protection over long periods of time. Using equities, bonds and real assets, it combines a flexible approach to asset allocation and global security selection to achieve its aims. These are to produce an attractive monthly income which grows with inflation (UK CPI) over rolling five-year periods, while preserving the real value of capital too.

How We Make Investment Decisions

We understand the importance of income dependability and focus on the resilience of income through diversification and security selection. We also recognise the importance of capital preservation in delivering sustainable long-term income, and active asset allocation is a key part of the process. A portfolio construction group consisting of four investors drawn from our equity, fixed income and multi asset teams has primary responsibility for managing the Sustainable Income strategy. This group makes all asset allocation decisions, and each of the four investors is also involved with security selection decisions for some asset classes. Security selection within the remaining asset classes is delegated to specialists within our investment teams.

Key Material Medium to Long Term Risks

The key material medium to long-term risks associated with the portfolio investments, including corporate governance matters and other risks are:

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

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.

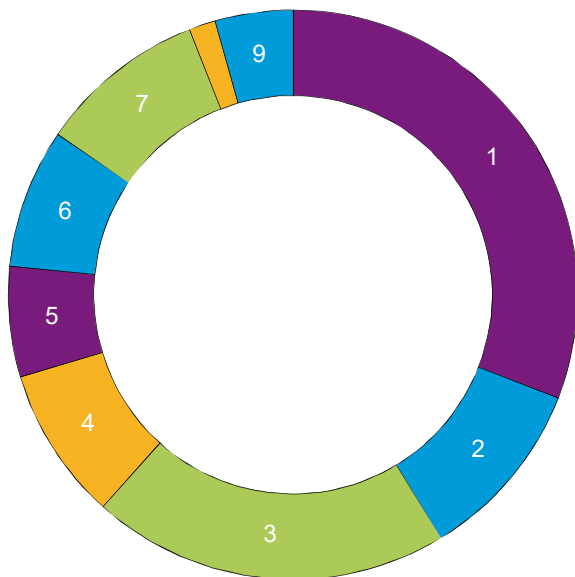
Portfolio Composition

Bespoke portfolios in each asset class are constructed specifically to meet the objectives of Monthly Income. We believe a focus on income is essential in all aspects of portfolio construction, and we benefit from the depth of resource and expertise across Baillie Gifford in selecting individual securities from a global opportunity set. Getting the stock selection right and favouring resilient companies and countries that will not cut dividends or default on coupons is particularly important in limiting the income drawdown in extreme market conditions. Across all asset classes, each underlying investment is compatible with a sustainable economy.

Top Ten Holdings

Asset Name	% of Portfolio
Greencoat UK Wind	1.6
Microsoft	1.6
TSMC	1.5
Apple	1.4
Assura Group	1.4
Fastenal	1.3
UK T Bill 03/02/2025	1.3
Greencoat Renewables	1.3
Renewables Infrastructure Group	1.2
Procter & Gamble	1.2

Asset Allocation



	%
1 Global Equities	30.9
2 Property	10.4
3 Infrastructure	20.3
4 High Yield Credit	8.7
5 Investment Grade Credit	6.3
6 Emerging Market Bonds Hard Currency	7.9
7 Emerging Market Bonds Local Currency	9.6
8 Developed Government Bonds	1.5
9 Cash and Equivalents	4.4

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

Turnover and Turnover (Transaction) Costs

We do not report turnover of our multi-asset strategies. Due to the use of instruments such as short-dated bonds included in cash and equivalents and currency forwards for hedging purposes, a portfolio turnover figure would overstate the natural turnover level for the Fund. We take a long-term approach to investing, looking at the fundamental merits of our underlying investments, rather than short-term trading.

Transaction costs:	%
Explicit transaction costs	0.09
Implicit transaction costs	0.22

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	ANTA Sports Products Limited, Albemarle Corporation, American Tower Corporation, Analog Devices, Inc., Apple Inc., Brookfield Renewable Corporation, Burford Capital Limited, CTP N.V., CenterPoint Energy, Inc., Edge Finco PLC, Eurofins Scientific SE, Experian plc, Nestle S.A., NextEra Energy, Inc., PepsiCo, Inc., Taiwan Semiconductor Manufacturing Company Limited, Target Healthcare REIT Limited, The Southern Company, United Parcel Service, Inc., Watsco, Inc.
Social	ANTA Sports Products Limited, Albemarle Corporation, Apple Inc., B&M European Value Retail S.A., CTP N.V., Coloplast A/S, Edge Finco PLC, Experian plc, Marks and Spencer Group plc, Nestle S.A., PepsiCo, Inc., TCI Co., Ltd., Taiwan Semiconductor Manufacturing Company Limited

Governance	ANTA Sports Products Limited, Albemarle Corporation, Amadeus IT Group, S.A., Analog Devices, Inc., Apple Inc., Arthur J. Gallagher & Co., B&M European Value Retail S.A., B3 S.A. - Brasil, Bolsa, BalcAo, Burberry Group plc, Burford Capital Limited, CTP N.V., CenterPoint Energy, Inc., Cisco Systems, Inc., Close Brothers Group plc, Cognex Corporation, Coloplast A/S, Consolidated Edison, Inc., Crown Castle Inc., Deutsche Börse AG, Digital Realty Trust, Inc., Edenred SE, Edge Finco PLC, Epiroc AB (publ), Equity Residential, Eurofins Scientific SE, Exelon Corporation, Experian plc, Fastenal Company, Foresight Environmental Infrastructure Limited, Fortis Inc., HKT Trust and HKT Limited, Healthpeak Properties, Inc., Hong Kong Exchanges and Clearing Limited, Intuit Inc., L'Oreal S.A., Marks and Spencer Group plc, Medtronic plc, Microsoft Corporation, Midea Group Co., Ltd., Nestle S.A., NetEase, Inc., NextEra Energy, Inc., Novo Nordisk A/S, Partners Group Holding AG, PepsiCo, Inc., Prologis, Inc., Rexford Industrial Realty, Inc., Schneider Electric S.E., Sun Communities, Inc., T. Rowe Price Group, Inc., TCI Co., Ltd., Taiwan Semiconductor Manufacturing Company Limited, Texas Instruments Incorporated, The Home Depot, Inc., The Southern Company, The Weir Group PLC, Tritax Big Box REIT plc, USS Co., Ltd., United Parcel Service, Inc., Valmet Oyj, WEC Energy Group, Inc., Wolters Kluwer N.V.
Strategy	Albemarle Corporation, B3 S.A. - Brasil, Bolsa, BalcAo, CTP N.V., Edge Finco PLC, Epiroc AB (publ), Schneider Electric S.E., TCI Co., Ltd., United Parcel Service, Inc.

Voting Activity

Votes Cast in Favour	Votes Cast Against	Votes Abstained/Withheld
Companies 93	Companies 48	Companies 14
Resolutions 1377	Resolutions 103	Resolutions 19

Significant Votes Cast in Favour

Company	Meeting Details	Voting Rationale
American Tower Corp REIT	Annual 22/05/24 Resolution(s): 4	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.
American Tower Corp REIT	Annual 22/05/24 Resolution(s): 5	We supported a shareholder resolution requesting the company report its unadjusted median pay gaps and adjusted pay gaps across race and gender. We believe this type of data provides valuable insight into pay equity and understand the progress the company is making to address inequity. We believe the company is lagging other US companies, many of whom provide at least adjusted numbers. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
Analog Devices	Annual 13/03/24 Resolution(s): 4	We supported the shareholder proposal on simple majority voting. We believe that supermajority voting requirements can lead to entrenchment and make it difficult to implement positive corporate government reforms. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.

Company	Meeting Details	Voting Rationale
Apple	Annual 28/02/24 Resolution(s): 6	We supported the shareholder proposal on median pay gap reporting, as this would allow for effective measurement of the company's progress on its diversity and inclusion efforts. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
AVI	AGM 12/11/24 Resolution(s): S.12, O.24, O.25	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.
Brookfield Renewable - OLD	Special 03/12/24 Resolution(s): 1	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.
Cognex Corp	Annual 01/05/24 Resolution(s): 1.1	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.
Edenred	MIX 07/05/24 Resolution(s): 4, 6, 10	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.
Eversource Energy	Annual 01/05/24 Resolution(s): 4	We supported the shareholder proposal on simple majority voting. We believe that supermajority voting requirements can lead to entrenchment and make it difficult to implement positive corporate governance reforms. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
Exelon Corporation	Annual 30/04/24 Resolution(s): 5	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.
Healthcare Realty Trust REIT	Annual 21/05/24 Resolution(s): 1j	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.
Kuehne & Nagel	AGM 08/05/24 Resolution(s): 6	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.
Montea NV	EGM 25/01/24 Resolution(s): 1.b, 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.
NextEra Energy	Annual 23/05/24 Resolution(s): 4	We supported a shareholder resolution requesting a board diversity and qualifications matrix because we believe that shareholders would benefit from additional description of expertise and relevance of those, rationale around contribution of each candidate, as well as disclosure on climate-related skills and qualification. This resolution is significant because it received greater than 20 per cent opposition.

Company	Meeting Details	Voting Rationale
NextEra Energy	Annual 23/05/24 Resolution(s): 5	We supported the resolution on climate lobbying as we believe that clear and transparent support for Paris-aligned goals through lobbying is one-way shareholders look to demonstrate consistency with their climate targets. This resolution is significant because it received greater than 20 per cent opposition.
Partners Group	AGM 22/05/24 Resolution(s): 7.1.1	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.
Procter & Gamble	Annual 08/10/24 Resolution(s): 4	We supported a shareholder resolution requesting the company report its unadjusted and adjusted median pay gaps across race and gender. While, in response to the resolution the board committed to reporting adjusted numbers, we believe the company should also report the unadjusted numbers. The unadjusted pay gap is considered the valid way of measuring gender pay inequity by governmental and international agencies and seeks to highlight any structural biases regarding job opportunities. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
Terna	AGM 10/05/24 Resolution(s): 50, 60	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.
Texas Instruments	Annual 25/04/24 Resolution(s): 5	We supported a shareholder resolution to lower the threshold to call special meetings, 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.
Watsco Inc	Annual 03/06/24 Resolution(s): 1a	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.
WEC Energy Group	Annual 09/05/24 Resolution(s): 5	We supported the shareholder proposal on simple majority voting. We believe that supermajority voting requirements can lead to entrenchment and make it difficult to implement positive corporate governance reforms. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.

Significant Votes Cast Against

Company	Meeting Details	Voting Rationale
AJ Gallagher & Co	Annual 07/05/24 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.

Company	Meeting Details	Voting Rationale
AJ Gallagher & Co	Annual 07/05/24 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.
Albemarle	Annual 07/05/24 Resolution(s): 4	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.
American Tower Corp REIT	Annual 22/05/24 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.
Analog Devices	Annual 13/03/24 Resolution(s): 2	We opposed executive compensation because we do not believe the performance conditions for the long-term incentive plan are sufficiently stretching. We generally believe when performance is assessed relative to a benchmark that vesting of awards should only begin when performance is equal to, or above that, of the chosen benchmark. This resolution is significant because we opposed remuneration.
Analog Devices	Annual 13/03/24 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.
ANTA Sports Products	AGM 08/05/24 Resolution(s): 9, 11	We opposed two resolutions which sought authority to issue equity because the potential dilution levels are not in the interests of shareholders. This resolution is significant because it received greater than 20 per cent opposition.
Apple	Annual 28/02/24 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.
B3 S.A.	AGM 25/04/24 Resolution(s): 6	We opposed a resolution to confer our votes on unknown directors should the slate of directors change. This resolution is significant because it received greater than 20 per cent opposition.
BCE Inc	AGM 02/05/24 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.

Company	Meeting Details	Voting Rationale
Cisco Systems	Annual 09/12/24 Resolution(s): 2	We opposed executive compensation because we do not believe that pay outcomes are aligned with the five-year total shareholder return of the company. This resolution is significant because we opposed remuneration.
Cisco Systems	Annual 09/12/24 Resolution(s): 3	We opposed the ratification of the auditor due to excessive tenure and the company not having a process in place to tender for a new auditor. This resolution is significant because we opposed the election of auditors.
Consolidated Edison	Annual 20/05/24 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.
Consolidated Edison	Annual 20/05/24 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.
Crown Castle International REIT	Annual 22/05/24 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.
Digital Realty Trust REIT	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.
Dolby Laboratories	Annual 06/02/24 Resolution(s): 2	We opposed the executive compensation policy as we do not believe the performance conditions are sufficiently stretching. This resolution is significant because we opposed remuneration.
Dolby Laboratories	Annual 06/02/24 Resolution(s): 5	We opposed the ratification of the auditor because of the length of tenure. We will encourage the company to rotate the auditor as we strongly believe it is best practice as it helps 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.
Equinix	Annual 23/05/24 Resolution(s): 2	We opposed executive compensation as there are overlapping metrics within the short and long-term incentive plans, which risks rewarding executives twice for the same performance, and one-year performance periods in the long-term incentive plan, which we don't find to be sufficiently long-term. This resolution is significant because we opposed remuneration.

Company	Meeting Details	Voting Rationale
Equinix	Annual 23/05/24 Resolution(s): 4	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.
Equity Residential REIT	Annual 20/06/24 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.
Equity Residential REIT	Annual 20/06/24 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.
Eurofins	MIX 25/04/24 Resolution(s): 9	We opposed the remuneration policy as we do not believe the performance conditions attached to the new long-term incentive award are sufficiently stretching. This resolution is significant because we opposed remuneration.
Exelon Corporation	Annual 30/04/24 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.
Fastenal	Annual 25/04/24 Resolution(s): 5	We opposed the shareholder proposal on the adoption of the simple majority voting standard as the concerns of the shareholder are largely addressed by the management proposal. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
Foresight Environmental Infrastructure Ltd	AGM 13/09/24 Resolution(s): 16	We opposed a resolution concerning the discontinuation of the company in line with the board's recommendation. At present, we believe value is most likely to be generated through a continuation of the company. This resolution is significant because it received greater than 20 per cent opposition.
Fortis	MIX 02/05/24 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.
Greencoat UK Wind	AGM 24/04/24 Resolution(s): 17, 17	We supported management's recommendation to oppose the discontinuation of the Investment Trust, as we wish for the Fund to continue running as usual. This resolution is significant because it received greater than 20 per cent opposition.

Company	Meeting Details	Voting Rationale
Healthcare Realty Trust REIT	Annual 21/05/24 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.
Healthpeak Properties Inc REIT	Annual 25/04/24 Resolution(s): 2	We opposed the executive compensation as we do not believe the performance conditions are sufficiently stretching. This resolution is significant because we opposed remuneration.
HKT Trust and HKT	AGM 30/05/24 Resolution(s): 5, 7	We opposed the resolution which sought authority to issue equity because the potential dilution levels are not in the interests of shareholders. This resolution is significant because it received greater than 20 per cent opposition.
HKT Trust and HKT	AGM 30/05/24 Resolution(s): 9, 10	We opposed the option scheme due to concerns regarding the range of participants allowed under the scheme. This resolution is significant because we opposed remuneration.
Home Depot	Annual 16/05/24 Resolution(s): 9	We opposed a shareholder proposal requesting amendments to the company's clawback policy and associated reporting. We believe that the company's current policy is adequate and do not believe that the additional reporting requested is necessary. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
Intuit	Annual 18/01/24 Resolution(s): 2	We opposed the executive compensation as we do not believe the performance conditions are sufficiently stretching. This resolution is significant because we opposed remuneration.
Intuit	Annual 18/01/24 Resolution(s): 4	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.
Intuit	Annual 18/01/24 Resolution(s): 6	We opposed a shareholder resolution requesting a retirement plan investment report. The board is not responsible for the management of the company's retirement plan options and the company's current offering provides employees with diversified investment options. This resolution is significant because it received greater than 20 per cent opposition.
Medtronic	Annual 17/10/24 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.

Company	Meeting Details	Voting Rationale
Microsoft	Annual 10/12/24 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.
Microsoft	Annual 10/12/24 Resolution(s): 6	We opposed a shareholder resolution requesting a report on the implications of siting datacentres in countries with human rights concerns. We believe the company has a robust framework in place and ranks highly on its governance practices and there is clear evidence of a commitment to protect human rights. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
Microsoft	Annual 10/12/24 Resolution(s): 9	We opposed a shareholder resolution requesting a report on risks presented by the unethical or improper usage of external data in the development and training of its artificial intelligence offerings. Considering the company's current, and planned, disclosures and practices and looking at these relative to their peers, we don't have concerns with the company's approach and do not believe at this time additional disclosure is warranted. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
Nestle	AGM 18/04/24 Resolution(s): 1.2, 5.2	We opposed two resolutions to approve executive compensation due to ongoing concerns with performance targets which have awarded management for underperforming the chosen benchmark. This resolution is significant because we opposed remuneration.
Nestle	AGM 18/04/24 Resolution(s): 4.1.6	We opposed two resolutions relating to the election of a director to the board and as chair as the compensation committee. We have ongoing concerns with performance targets which have awarded management for underperforming the chosen benchmark. This resolution is significant because we opposed the election of a director.
NetEase HK Line	AGM 26/06/24 Resolution(s): 1E	We opposed the re-election of one director due to concerns over their ability to carry out their fiduciary duties. This resolution is significant because we opposed the election of a director.
NextEra Energy	Annual 23/05/24 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.
NextEra Energy	Annual 23/05/24 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.

Company	Meeting Details	Voting Rationale
Pepsico	Annual 01/05/24 Resolution(s): 1c	We opposed the election of one director who is the chair of the compensation committee due to concerns with executive remuneration at the company. This resolution is significant because we opposed the election of a director.
Pepsico	Annual 01/05/24 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.
Pepsico	Annual 01/05/24 Resolution(s): 3	We opposed the advisory vote on executive remuneration as we do not feel the performance targets are sufficiently stringent or aligned with shareholders best interests. This resolution is significant because we opposed remuneration.
Physicians Realty Trust	Special 21/02/24 Resolution(s): 2	We opposed merger-related executive remuneration due to the lack of prorating of equity per time and performance. This resolution is significant because we opposed remuneration.
Procter & Gamble	Annual 08/10/24 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.
Prologis Inc REIT	Annual 09/05/24 Resolution(s): 2	We opposed the executive compensation as we do not believe the performance conditions are sufficiently stretching. This resolution is significant because we opposed remuneration.
Prologis Inc REIT	Annual 09/05/24 Resolution(s): 6	We opposed the shareholder proposal on the adoption of the simple majority voting standard as the concerns of the shareholder are largely addressed by the management proposal. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
Rexford Industrial Realty REIT	Annual 11/06/24 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.
Southern	Annual 22/05/24 Resolution(s): 2	We opposed the executive compensation as we do not believe the performance conditions are sufficiently stretching. This resolution is significant because we opposed remuneration.
Southern	Annual 22/05/24 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.

Company	Meeting Details	Voting Rationale
Southern	Annual 22/05/24 Resolution(s): 5	We opposed the shareholder proposal on the adoption of the simple majority voting standard as the concerns of the shareholder are largely addressed by the management proposal. We also note that the company has been trying to remove the supermajority voting requirement themselves for a number of years. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
Starbucks Corp	AGM 13/03/24 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.
Sun Communities Inc REIT	Annual 14/05/24 Resolution(s): 2	We opposed executive compensation as we do not believe the performance conditions are sufficiently stretching. This resolution is significant because we opposed remuneration.
T. Rowe Price	Annual 07/05/24 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.
Texas Instruments	Annual 25/04/24 Resolution(s): 4	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.
UPS	Annual 02/05/24 Resolution(s): 1h	We opposed the election of a director who is the Chair of the Nominating and Corporate Governance Committee. A priority engagement with the company for some time, we view UPS' climate ambition to be lagging competitors, with slow progress toward the goals it has in place. As several of the company's largest customers have ambitious scope 3 goals, we view increased ambition on decarbonisation to be a material long-term investment consideration. The vote against this director signals an escalation for our previous voting at the company. This resolution is significant because we identified a material E, S or G issue which resulted in Baillie Gifford opposing management.
UPS	Annual 02/05/24 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.

Company	Meeting Details	Voting Rationale
UPS	Annual 02/05/24 Resolution(s): 4	We opposed a shareholder proposal to remove the dual-class share structure as we have no concerns with the current share structure which enables employee ownership through the A-share class. This resolution is significant because it received greater than 20 per cent opposition.
UPS	Annual 02/05/24 Resolution(s): 5	We opposed a shareholder proposal requesting a report on the risks arising from voluntary carbon-reduction commitments, as this topic has been a priority engagement at the Company, where we believe decarbonisation to be a material long-term investment consideration. This resolution is significant because it received greater than 20 per cent opposition.
UPS	Annual 02/05/24 Resolution(s): 6	We opposed the shareholder proposal seeking an assessment of UPS' diversity and inclusion efforts as company disclosure is sufficient. This resolution is significant because it received greater than 20 per cent opposition.
Valmet Oyj	AGM 21/03/24 Resolution(s): 11	We opposed the remuneration report due to ongoing concerns with a lack of disclosure of performance targets for incentive plans. This resolution is significant because we opposed remuneration.
WEC Energy Group	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.

Significant Abstentions

Company	Meeting Details	Voting Rationale
Apple	Annual 28/02/24 Resolution(s): 7	We abstained on the AI-related shareholder proposal as we believe that the request for a Transparency Report on the company's use of AI could be harmful to its competitive position and represent an unnecessary bureaucratic cost. Further, we do not see the value of the Report would bring to shareholders. However, we see benefit for Apple to develop and disclose ethical AI principles, since we recognise there to be potential risks and opportunities associated with AI and believe principles can provide guardrails for its responsible development and deployment. We will engage with the company to communicate our position. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
Cognex Corp	Annual 01/05/24 Resolution(s): 3	We abstained on executive compensation as we do not believe the performance conditions are sufficiently stretching. Our intention is to engage and communicate our concerns before considering escalating to a vote against next year. 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.

