

Baillie Gifford Multi Asset Growth 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

Our investment approach is top-down, macroeconomic and research led. The portfolio reflects views on the long-term return and risk characteristics of different asset classes but also incorporates an assessment of shorter-term prospects, current valuations and near-term market and economic conditions.

An asset class is included in the portfolio based on its ability to enhance returns and / or to reduce volatility. There is no fixed asset allocation benchmark. There are limits on the maximum exposure to individual asset classes in order to control risk, but no minimum exposure ensuring we are not compelled to own an asset class if we do not consider it to be attractive.

Baillie Gifford has managed multi-asset portfolios for many years, all of which are run by an experienced and well-resourced team of dedicated, multi-asset investors.

The team works closely with Baillie Gifford's Global Bond Team as well as the Credit, ESG and Investment Risk, Analytics and Research teams. Also, it draws on the long-established stock-picking abilities and strong track record of our global and regional equity teams.

## How We Make Investment Decisions

With respect to our Multi Asset portfolios, the key decision is asset allocation. Our investment process is designed to identify the most interesting and attractive asset classes and then combine these into a portfolio capable of delivering attractive returns with low volatility. There are a number of important aspects to our research work and portfolio construction:

Our long-term work assesses the return potential and attractiveness of the many asset classes available to us while understanding their risk profile and characteristics. We consider long-term thematic forces, what is fair value for asset classes, and determine when these assets can be expected to perform better or worse. This is formalised in our Long Term Return Expectations, a set of return forecasts for the next ten years. We update these regularly, and they drive our Strategic Asset Allocation (SAA).

Our near-term work focuses on the economic environment and those scenarios in which we wish our portfolios to maximise opportunities while remaining robust. Our macro research process assesses conditions and determines the relevant driving forces, assigning probabilities and asset class forecasts to the most likely scenarios. These scenarios are extended across the full opportunity set by the Multi Asset Team in its quarterly Scenario Analysis and considered by the portfolio managers in their six-weekly asset allocation discussions. The portfolio managers express their views on the near-term opportunities through their Tactical Asset Allocation, a set of positions that fit around the SAA.

Our bottom-up work involves researching stocks, bonds, funds, and other securities within asset classes. Asset class groups of three or four analysts research and debate these rigorously. Research generally takes the form of an eight-question investment note, a standardised set of questions applied to all potential investments, regardless of the asset class. Asset class groups select securities and propose models for what is owned within their areas, advising the portfolio managers on their asset class's attractiveness.

Prior to investing and as part of ongoing portfolio management, we assess the sustainability features of our investments. We use a proprietary framework which references the Sustainability Accounting Standards Board's (SASB) Materiality Map and categorise holdings as either Enabler (the top score), Leader, Neutral, Adapting or Unsustainable. Milestones may be applied to the investment case to drive our monitoring and engagement of sustainability features.

## 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.

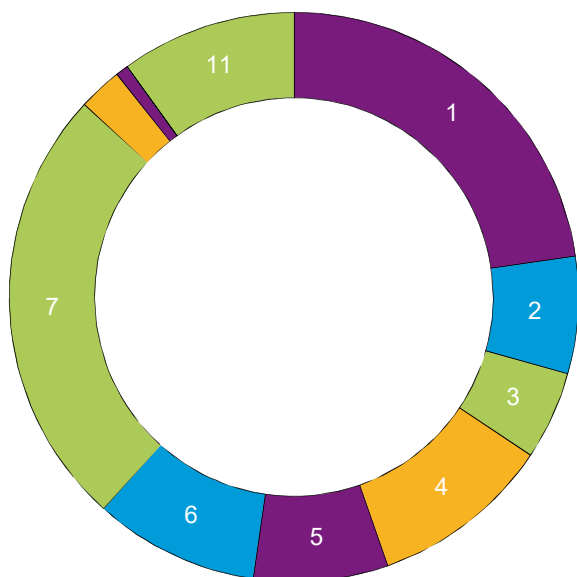
## Portfolio Composition

The Fund is actively managed. When constructing the portfolio, we consider the associated returns and risks prospects for each asset class; consequently, asset allocation does vary over time depending on where we see the best opportunities. The Fund can invest in a wide range of different asset classes including, but not limited to, listed equities; developed market government and corporate bonds; emerging market debt; property; commodities; infrastructure and absolute return funds.

## Top Ten Holdings

Asset Name	% of Portfolio
Baillie Gifford Global Income Growth Fund	7.4
UK T Bill 24/02/2025	6.9
Baillie Gifford American Fund	5.3
Baillie Gifford Emerging Markets Leading Companies Fund	3.7
Galene Fund	2.8
Baillie Gifford US High Yield Credit	2.6
Australia 4.25% (Green Bond) 21/06/2034	2.5
Aegon ABS Opportunity Fund Acc	2.3
SparkChange Physical Carbon ETC	2.3
Terna	2.2

## Asset Allocation



	%
1 Listed Equities	23.0
2 Property	6.8
3 High Yield Credit	5.1
4 Structured Finance	10.4
5 Commodities	7.8
6 Emerging Market Bonds	9.5
7 Infrastructure	25.6
8 Government Bonds	2.5
9 Special Opportunities	-0.7
10 Active Rates and Currency	-0.0
11 Cash and Equivalents	10.1

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	0.17
Implicit transaction costs	0.37

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	American Tower Corporation, Ashoka India Equity Investment Trust plc, Brookfield Renewable Corporation, CTP N.V., Eversource Energy, Hydro One Limited, Lynas Rare Earths Limited, MP Materials Corp., Nexans S.A., Prysmian S.p.A., Sequoia Economic Infrastructure Income Fund Limited, Target Healthcare REIT Limited, Ørsted A/S
Social	Ashoka India Equity Investment Trust plc, CTP N.V., MP Materials Corp., Prysmian S.p.A., Sequoia Economic Infrastructure Income Fund Limited
Governance	Ashoka India Equity Investment Trust plc, CTP N.V., Crown Castle Inc., EDP Renovaveis, S.A., Enel SpA, Eversource Energy, Foresight Environmental Infrastructure Limited, Fortis Inc., MP

	Materials Corp., Nexans S.A., Prologis, Inc., Prysmian S.p.A., RWE Aktiengesellschaft, Sequoia Economic Infrastructure Income Fund Limited, Sun Communities, Inc., WEC Energy Group, Inc.
Strategy	Ashoka India Equity Investment Trust plc, CTP N.V., MP Materials Corp.

## Voting Activity

Votes Cast in Favour		Votes Cast Against		Votes Abstained/Withheld	
Companies	42	Companies	10	Companies	5
Resolutions	567	Resolutions	13	Resolutions	10

## 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.
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.
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.
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.
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.

Company	Meeting Details	Voting Rationale
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.
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
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.
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.
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.
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.
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.

Company	Meeting Details	Voting Rationale
Greencoat UK Wind	AGM 24/04/24 Resolution(s): 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.
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.
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.
RWE	AGM 03/05/24 Resolution(s): 7	We opposed the executive compensation report as we do not believe the performance conditions are sufficiently stretching. 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
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.

