

Baillie Gifford Sustainable 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

Sustainable Growth aims to be sustainable in both senses of the word. Meaning that it seeks to allocate capital to companies that deliver enduring growth by creating value for society. We believe that, over the long term, these companies will benefit from a virtuous circle, enabling them to sustain profitable growth and deliver outperformance for clients. We invest in companies that are capable of maintaining a decade or more of profitable growth as well as companies that address societal and environmental challenges. This permits us a broader view of sustainability, incorporating not just what a company does (through products or services) but also how it conducts itself (its influence through business practices). The result is a more diversified portfolio designed to be suitable for the heart of a clients' growth equity allocation.

How We Make Investment Decisions

New ideas for the portfolio come from diverse sources, and can be put forward by members of the Sustainable Growth Team or Investment Scouts. Investment opportunities are analysed using a nine-question framework, designed to help understand the long-term investment case. Sustainable Growth embeds sustainability analysis into each and every step of this investment process. To this end the Sustainable Growth team is a blend of experienced investors and a dedicated sustainability specialist.

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.

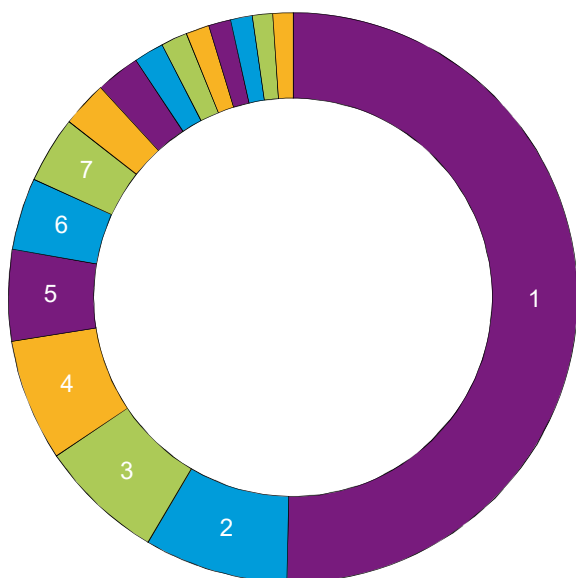
Portfolio Composition

The Fund invests in an actively managed portfolio of stocks from around the world with the intention of delivering significantly higher returns than the MSCI ACWI Index. We focus on companies that are sustainable in both senses of the world, delivering enduring growth and enduring good for society. We typically hold 55-80 stocks and seek to outperform the MSCI ACWI by 2-3% per annum over rolling five year periods (the stated objective is in no way guaranteed). Our research framework ensures that we avoid companies whose products or behaviours may cause significant harm to society, or where the company does not deserve our trust.

Top Ten Holdings

Asset Name	% of Portfolio
Microsoft	4.5
TSMC	4.1
Alphabet Inc Class A	3.8
Recruit Holdings	3.4
Illumina	3.3
Spotify Technology SA	3.2
MercadoLibre	3.1
Mastercard	2.9
UnitedHealth	2.6
DSV	2.6

Geographic Analysis of Total Assets



	%
1 United States	50.3
2 Sweden	8.2
3 UK	7.1
4 Japan	6.9
5 France	5.2
6 Taiwan	4.1
7 Brazil	3.8
8 Denmark	2.6
9 Canada	2.5
10 China	1.7
11 Luxembourg	1.5
12 Netherlands	1.3
13 Hong Kong	1.3
14 India	1.3
15 Finland	1.1
16 Cash	1.1

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

Turnover and Turnover (Transaction) Costs

	%
Rolling One Year Turnover	28

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	0.05
Implicit transaction costs	0.10

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	Amazon.com, Inc., Beijer Ref AB (publ), Carlisle Companies Incorporated, Eurofins Scientific SE, Experian plc, HDFC Life Insurance Company Limited, Kubota Corporation, Metso Oyj, Moderna, Inc., Nintendo Co., Ltd., Prudential plc, Savers Value Village, Inc., Shopify Inc., Spirax Group plc, Taiwan Semiconductor Manufacturing Company Limited, The Trade Desk, Inc., Watsco, Inc.

Social	Amazon.com, Inc., DSV A/S, Experian plc, HDFC Life Insurance Company Limited, MSA Safety Incorporated, MercadoLibre, Inc., Recruit Holdings Co., Ltd., Spirax Group plc, Taiwan Semiconductor Manufacturing Company Limited, The Trade Desk, Inc.
Governance	AIA Group Limited, Advanced Drainage Systems, Inc., Alphabet Inc., Amazon.com, Inc., Beijer Ref AB (publ), Cognex Corporation, DSV A/S, Edwards Lifesciences Corporation, Epiroc AB (publ), Eurofins Scientific SE, Experian plc, GMO Payment Gateway, Inc., HDFC Life Insurance Company Limited, IMCD N.V., Illumina, Inc., Kubota Corporation, L'Oreal S.A., MSA Safety Incorporated, MarketAxess Holdings Inc., Mastercard Incorporated, Metso Oyj, Microsoft Corporation, Moderna, Inc., Nintendo Co., Ltd., Prudential plc, Raia Drogasil S.A., Recruit Holdings Co., Ltd., STAAR Surgical Company, Sartorius Stedim Biotech S.A., Schneider Electric S.E., Shopify Inc., Taiwan Semiconductor Manufacturing Company Limited, Texas Instruments Incorporated, The Trade Desk, Inc., UnitedHealth Group Incorporated, Warby Parker Inc, Wise Payments Ltd, Workday, Inc.
Strategy	AIA Group Limited, Amazon.com, Inc., Beijer Ref AB (publ), Epiroc AB (publ), Illumina, Inc., MercadoLibre, Inc., Moderna, Inc., Nintendo Co., Ltd., Recruit Holdings Co., Ltd., Schneider Electric S.E., Spirax Group plc, The New York Times Company, The Trade Desk, Inc.

Voting Activity

Votes Cast in Favour	Votes Cast Against	Votes Abstained/Withheld
Companies	59 Companies	19 Companies
Resolutions	806 Resolutions	75 Resolutions

Significant Votes Cast in Favour

Company	Meeting Details	Voting Rationale
adidas	AGM 16/05/24 Resolution(s): 5, 7.1	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.
Alphabet Inc Class A	Annual 07/06/24 Resolution(s): 9	We supported a shareholder resolution on equal voting rights as we believe this is in the best interests of shareholders. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
Amazon.com	Annual 22/05/24 Resolution(s): 10	We supported a shareholder resolution requesting a report on how the company's climate strategy is consistent with a 'just' transition. Amazon's pledge to reach net zero by 2040 suggests dramatic transformations are imminent. We believe they should carefully consider the impacts their climate strategy will have on stakeholders and any barriers to implementation. This is consistent with how we voted on this resolution previously. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.

Company	Meeting Details	Voting Rationale
Amazon.com	Annual 22/05/24 Resolution(s): 11	We supported a shareholder resolution requesting a report on plastic use. Plastic pollution poses financial, operational and reputational risks to the company. While we continue to believe that Amazon are making progress, we think more could be done particularly with regards to how they influence their manufacturers in reducing their usage. We also believe the company lags peers who disclose total plastic use and reduction targets. Better addressing this issue will help position the company for long-term future growth. This is consistent with how we voted on this resolution at the 2023 AGM. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
Amazon.com	Annual 22/05/24 Resolution(s): 12	We supported a shareholder resolution on freedom of association. In light of several recent high profile controversies, we believe that shareholders would benefit from a more thorough examination of the compliance of the company's policies and practices with international fundamental rights. This is consistent with how we have voted on this resolution previously. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
Amazon.com	Annual 22/05/24 Resolution(s): 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.
Amazon.com	Annual 22/05/24 Resolution(s): 7	We supported the shareholder resolution requesting an independent report on lobbying. We continue to believe that shareholders would benefit from an unbiased and independent view of this matter given the concern regarding a lack of disclosure and potential reputational risk when lobbying activities potentially contradict company public positions. Further, it would give insight into Amazon's influence and priorities with regards to its lobbying activities. This is consistent with how we have voted on this resolution previously. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
Amazon.com	Annual 22/05/24 Resolution(s): 8	We supported a shareholder resolution on gender/racial pay gap reporting. We have supported this resolution at Amazon for the last four years. We believe that women and minorities are underrepresented in leadership positions compared with the broader workforce, and reporting the unadjusted median gap would help to assess structural bias regarding job opportunity and pay. We believe a diverse workforce supports future business growth. 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): 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.
Denali Therapeutics	Annual 31/05/24 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.

Company	Meeting Details	Voting Rationale
DSV	AGM 14/03/24 Resolution(s): 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.
DSV	AGM 14/03/24 Resolution(s): 8.4	We supported the shareholder resolution asking for a report on DSV's efforts and risks related to human and labour rights, as we believe that additional transparency would be beneficial for stakeholders. Our decision also aligns with management recommendation. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
IMCD Group NV	AGM 14/05/24 Resolution(s): 2.c	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.
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.
NVIDIA	Annual 26/06/24 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.
Raia Drogasil	EGM 06/11/24 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.
Shopify 'A'	Annual 04/06/24 Resolution(s): 3-5	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.
Tesla Inc	Annual 13/06/24 Resolution(s): 1a, 1b, 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.
Tesla Inc	Annual 13/06/24 Resolution(s): 6	We supported the shareholder resolution requesting a reduction in director terms. We are supportive of annual elections as it increases accountability to shareholders and works to reduce entrenchment. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.

Company	Meeting Details	Voting Rationale
Tesla Inc	Annual 13/06/24 Resolution(s): 7	We supported a shareholder resolution requesting the company adopt a majority voting standard and remove the supermajority voting standard. We are generally supportive of the removal of the supermajority provision as its presence makes the passing of other governance-positive amendments to bylaws improbable. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
Tesla Inc	Annual 13/06/24 Resolution(s): 8	We supported the shareholder resolution requesting additional disclosure on the company's efforts to address harassment and discrimination in the workplace. We believe quantitative disclosure would help us understand and monitor the company's efforts. This is consistent with how we have voted on this resolution previously. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
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.
The Trade Desk	Special 14/11/24 Resolution(s): 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.
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.
YETI Holdings	Annual 07/05/24 Resolution(s): 1.001	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because Baillie Gifford swung the vote. This resolution is significant because it received greater than 20 per cent opposition.
YETI Holdings	Annual 07/05/24 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
Advanced Drainage Systems	Annual 18/07/24 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
Alphabet Inc Class A	Annual 07/06/24 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.
Amazon.com	Annual 22/05/24 Resolution(s): 17	We opposed a shareholder resolution requesting a third-party audit on warehouse working conditions. The company continues to make demonstrable progress on health and safety. They continue to provide extensive disclosure and detailed safety metrics and continue to take pre-emptive action, investing in safety initiatives, tech, and programs. This is consistent with how we have voted on this resolution previously. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
Amazon.com	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.
Dassault Systemes	MIX 22/05/24 Resolution(s): 17, 18, 21, 22	We opposed six resolutions on delegation of authority to the board to conduct mergers and related activities. We do not believe it is in the best interests of shareholders to delegate authority on these matters. This resolution is significant because we opposed a merger/acquisition.
Dassault Systemes	MIX 22/05/24 Resolution(s): 19, 20	We opposed six resolutions on delegation of authority to the board to conduct mergers and related activities. We do not believe it is in the best interests of shareholders to delegate authority on these matters. This resolution is significant because it received greater than 20 per cent opposition.
Dassault Systemes	MIX 22/05/24 Resolution(s): 6, 8-10	We opposed four resolutions relating to executive compensation due to concerns with the complexity of variable compensation. 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.
Illumina	Annual 16/05/24 Resolution(s): 11	We opposed the re-election of one director in their capacity as chair of compensation committee. We have ongoing concerns with compensation practices and the decisions being made including the committee's responsiveness to shareholder dissent at last year's AGM. This resolution is significant because we opposed the election of a director.

Company	Meeting Details	Voting Rationale
Illumina	Annual 16/05/24 Resolution(s): 3	We opposed executive compensation as we have ongoing concerns with the stringency of targets under the long-term incentive plan. Further, we continue to have concerns with compensation practices and the decisions being made including the committee's responsiveness to shareholder dissent at last year's AGM. This resolution is significant because we opposed remuneration.
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.
Mastercard	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.
Mastercard	Annual 18/06/24 Resolution(s): 4	We opposed a shareholder proposal requesting a report on lobbying payments and policy. We are satisfied with the company's current reporting on this topic so do not believe that the proposal is necessary. 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): 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.

Company	Meeting Details	Voting Rationale
Sartorius Stedim Biotech	MIX 26/03/24 Resolution(s): 5, 5	We opposed the remuneration report because the aggregate fees paid to the board of directors in 2023 exceeded the maximum amount approved by shareholders at the 2023 AGM, which we consider to be poor governance. 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.
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.
Tesla Inc	Annual 13/06/24 Resolution(s): 9	We opposed the shareholder resolution requesting the company adopt a policy on freedom of association and collective bargaining. These rights are enshrined in the National Labor Relations Act and like any US company, Tesla must comply with the law and this is not a matter for company policy. This is consistent with how we have voted on this resolution previously. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
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.
UnitedHealth	Annual 03/06/24 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.
UnitedHealth	Annual 03/06/24 Resolution(s): 4	We opposed a shareholder proposal requesting reporting on congruency between the company's political spending with its values. We are satisfied with the company's current reporting on this topic. This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.
Wabtec	Annual 16/05/24 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
Waters	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.
Waters	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.

Significant Abstentions

Company	Meeting Details	Voting Rationale
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.

