

BAILLIE GIFFORD FUNDS
BOARD CONSIDERATIONS
REGARDING 2024 CONTRACT RENEWAL

On June 20, 2024, the Board of Trustees (the “Board”) of Baillie Gifford Funds (the “Trust”), including those trustees who are not “interested persons” as defined by the Investment Company Act of 1940, as amended (the “Independent Trustees”), approved the renewal of the investment advisory agreement (the “Advisory Agreement”) between the Trust, on behalf of the funds listed below, respectively (each a “Fund” and collectively, the “Funds”), and Baillie Gifford Overseas Limited (the “Manager”):

- Baillie Gifford Global Alpha Equities Fund • Baillie Gifford International Smaller Companies Fund
- Baillie Gifford Long Term Global Growth Fund • Baillie Gifford China A Shares Growth Fund
- Baillie Gifford Developed EAFE All Cap Fund • Baillie Gifford China Equities Fund
- Baillie Gifford EAFE Plus All Cap Fund • Baillie Gifford Emerging Markets Equities Fund
- Baillie Gifford International All Cap Fund • Baillie Gifford Emerging Markets ex China Fund
- Baillie Gifford International Alpha Fund • Baillie Gifford U.S. Discovery Fund
- Baillie Gifford International Concentrated Growth Equities Fund • Baillie Gifford U.S. Equity Growth Fund
- Baillie Gifford International Growth Fund • Baillie Gifford Health Innovation Equities Fund

As part of the review process, the Independent Trustees met independently of Trust management and of the interested trustee of the Board to consider the renewal of the Advisory Agreement. During the review process, the Independent Trustees were represented by independent legal counsel. The Independent Trustees reviewed materials received from the Manager, Broadridge, an independent provider of mutual fund data (“Broadridge”), and independent legal counsel. After reviewing the information received, the Independent Trustees requested supplemental information, and the Manager provided additional materials and other information in response. The Board determined that, given the totality of the information provided with respect to the Advisory Agreement, the Board had received sufficient information to approve the Advisory Agreement for each Fund.

The Board concluded that it was in the best interests of each Fund to renew the Advisory Agreement. In reaching this conclusion for the Funds, the Board did not identify any single factor as determinative in its analysis, but rather the Board considered a variety of factors, including those discussed below. The Board did not allot a particular weight to any one factor or group of factors.

The Board considered the nature, extent and quality of the services provided by the Manager to each Fund. The Board noted that: (1) pursuant to the Funds' Advisory Agreement, the Manager provides portfolio management services to the Funds and receives an advisory fee; (2) pursuant to a separate Administration, Supervisory and Sub-Accounting Services Plan and Administration and Supervisory Agreement for Class K and Institutional Class shares for each Fund that offers those classes, the Manager receives an "administration and supervisory fee;" and (3) pursuant to a separate Shareholder Service Plan and Shareholder Servicing Agreement for Class 2, Class 3, Class 4 and Class 5 shares for each Fund that offers those classes, the Manager receives a "shareholder service fee," the amount of which varies among the share classes (the administration and supervisory fee and the shareholder service fee are each referred to as a "Class specific fee" and together are referred to as "Class specific fees"). The Board considered the background and qualifications of the investment, compliance and administrative personnel involved in the management and oversight of the Funds, reviewed information regarding each Fund's performance, advisory fee and applicable Class specific fee, and expense ratios for certain share classes compared to similar funds, and considered the experience of the Manager in providing services to each Fund. In assessing each Fund's performance, the Board considered that performance is closely evaluated at the quarterly meetings of the Board's Performance Committee and that the Manager employs a long-term investment approach. The Board considered underperformance in recent periods and the Manager's explanations, generally attributing underperformance to the unfavorable market environment for growth companies (after a lengthy period of favorable market conditions for growth investing) shaped by high inflation, rising interest rates, military conflict and geopolitical tensions, among other factors. The Board also considered the Manager's discussions of its investment processes, the Manager's work to evaluate whether potential changes to such processes could improve performance, and the outcomes of such evaluations. In evaluating the advisory fee paid by each Fund, and in particular when assessing comparative data, the Board considered not only the advisory fee, but also the combination of the advisory fee and the applicable Class specific fee. The Board also considered that the advisory fee schedule for each Fund other than Baillie Gifford International Smaller Companies Fund and Baillie Gifford U.S. Discovery Fund includes breakpoints. The Board considered other benefits derived by the Manager and its affiliates from the relationship to the Funds, including the Manager's receipt of the Class specific fee. The Board concluded that the nature, extent and quality of the services provided by the Manager to the Funds, pursuant to the Advisory Agreement, were satisfactory.

The Board reviewed the Manager's revenues received with respect to the Funds and the nature of the Manager's resources expended in providing solely advisory services as well as additional services to the Funds. The Board considered the Manager's estimated profitability with respect to the Funds and concluded that it was not unreasonable.

The Board noted the following items specific to the referenced Funds.

Baillie Gifford Global Alpha Equities Fund

The Board reviewed total return information for the one-year, three-year, five-year, ten-year and since inception (November 15, 2011) periods ended March 31, 2024 for the Fund compared to a benchmark index (MSCI ACWI Index) and the average total returns of a

performance universe of funds provided by Broadridge, and calendar year returns for 2014 through 2023 for the Fund compared to the benchmark index and a peer group of funds provided by Broadridge. The Board noted that the Fund's total return was below the benchmark index and the average of the performance universe for the one-year, three-year, five-year and ten-year periods and above the benchmark index and the average of the performance universe for the since inception period. The Board considered that the Manager was consistent in its long-term investing philosophy and that periods of underperformance were to be expected.

The Board reviewed the advisory fee (plus the applicable Class specific fee) and net expense ratio for the Fund's Class 2 and Institutional Class, and compared them to the average management fees and expense ratios of an expense peer group and expense universe of funds based on data provided by Broadridge. The comparable fund information showed that the Fund's contractual advisory fee (plus the applicable Class specific fee) was below the average contractual management fee of the expense peer group. The Board also reviewed the fee schedules for other clients of the Manager with a similar investment mandate. The Board considered whether there were economies of scale with respect to management of the Fund and whether the Fund benefits from economies of scale. The Board considered that the Fund's contractual advisory fee (plus the applicable Class specific fee) was on the low end of the spectrum of the expense peer group. On the basis of the information provided, the Board concluded that the advisory fee was reasonable.

Baillie Gifford Long Term Global Growth Fund

The Board reviewed total return information for the one-year, three-year, five-year and since inception (June 10, 2014) periods ended March 31, 2024 for the Fund compared to a benchmark index (MSCI ACWI Index) and the average total returns of a performance universe of funds provided by Broadridge, and calendar year returns for 2014 through 2023 for the Fund compared to the benchmark index and a peer group of funds provided by Broadridge. The Board noted that the Fund's total return was above the benchmark index and the average of the performance universe for the one-year, five-year and since inception periods and below the benchmark index and the average of the performance universe for the three-year period. The Board considered that the Manager was consistent in its long-term investing philosophy and that periods of underperformance were to be expected.

The Board reviewed the advisory fee (plus the applicable Class specific fee) and net expense ratio for the Fund's Class 2 and Institutional Class, and compared them to the average management fees and expense ratios of an expense peer group and expense universe of funds based on data provided by Broadridge. The comparable fund information showed that the Fund's contractual advisory fee (plus the applicable Class specific fee) was below the average contractual management fee of the expense peer group. The Board also reviewed the fee schedules for other clients of the Manager with a similar investment mandate. The Board considered whether there were economies of scale with respect to management of the Fund and whether the Fund benefits from economies of scale. The Board considered that the Fund's contractual advisory fee (plus the applicable Class specific fee) was on the low end of the spectrum of the expense peer group. On the basis of the information provided, the Board concluded that the advisory fee was reasonable.

Baillie Gifford Developed EAFE All Cap Fund

The Board reviewed total return information for the one-year, three-year, five-year and since inception (April 15, 2014) periods ended March 31, 2024 for the Fund compared to a benchmark index (MSCI EAFE Index) and the average total returns of a performance universe of funds provided by Broadridge, and calendar year returns for 2014 through 2023 for the Fund compared to the benchmark index and a peer group of funds provided by Broadridge. The Board noted that the Fund's total return was below the benchmark index and the average of the performance universe for the one-year, three-year, five-year and since inception periods. The Board considered that the Manager was consistent in its long-term investing philosophy and that periods of underperformance were to be expected.

The Board reviewed the advisory fee (plus the applicable Class specific fee) and net expense ratio for the Fund's Class 2 and Institutional Class, and compared them to the average management fees and expense ratios of an expense peer group and expense universe of funds based on data provided by Broadridge. The comparable fund information showed that the Fund's contractual advisory fee (plus the applicable Class specific fee) was below the average contractual management fee of the expense peer group. The Board also reviewed the fee schedules for other clients of the Manager with a similar investment mandate. The Board considered whether there were economies of scale with respect to management of the Fund and whether the Fund benefits from economies of scale. The Board considered that the Fund's contractual advisory fee (plus the applicable Class specific fee) was on the low end of the spectrum of the expense peer group. On the basis of the information provided, the Board concluded that the advisory fee was reasonable.

Baillie Gifford EAFE Plus All Cap Fund

The Board reviewed total return information for the one-year, three-year, five-year, ten-year and since inception (December 17, 2009) periods ended March 31, 2024 for the Fund compared to a benchmark index (MSCI EAFE Index) and the average total returns of a performance universe of funds provided by Broadridge, and calendar year returns for 2014 through 2023 for the Fund compared to the benchmark index and a peer group of funds provided by Broadridge. The Board noted that the Fund's total return was below the benchmark index and the average of the performance universe for the one-year, three-year, five-year and ten-year periods and below the benchmark index and equal to the average of the performance universe for the since inception period. The Board considered that the Manager was consistent in its long-term investing philosophy and that periods of underperformance were to be expected.

The Board reviewed the advisory fee (plus the applicable Class specific fee) and net expense ratio for the Fund's Class 2 and Institutional Class, and compared them to the average management fees and expense ratios of an expense peer group and expense universe of funds based on data provided by Broadridge. The comparable fund information showed that the Fund's contractual advisory fee (plus the applicable Class specific fee) was below the average contractual management fee of the expense peer group. The Board also reviewed the fee schedules for other clients of the Manager with a similar investment mandate. The Board considered whether there were economies of scale with respect to management of the Fund and whether the Fund benefits from economies of scale. The Board considered that the Fund's contractual advisory fee (plus the

applicable Class specific fee) was on the low end of the spectrum of the expense peer group. On the basis of the information provided, the Board concluded that the advisory fee was reasonable.

Baillie Gifford International All Cap Fund

The Board reviewed total return information for the one-year, three-year, five-year, ten-year and since inception (September 24, 2012) periods ended March 31, 2024 for the Fund compared to a benchmark index (MSCI ACWI ex USA Index) and the average total returns of a performance universe of funds provided by Broadridge, and calendar year returns for 2014 through 2023 for the Fund compared to the benchmark index and a peer group of funds provided by Broadridge. The Board noted that the Fund's total return was below the benchmark index and the average of the performance universe for the one-year, three-year, five-year and ten-year periods and below the benchmark index and above the average of the performance universe for the since inception period. The Board considered that the Manager was consistent in its long-term investing philosophy and that periods of underperformance were to be expected.

The Board reviewed the advisory fee (plus the shareholder service fee) and net expense ratio for the Fund's Class 2 and compared them to the average management fees and expense ratios of an expense peer group and expense universe of funds based on data provided by Broadridge. The comparable fund information showed that the Fund's contractual advisory fee (plus the shareholder service fee) was below the average contractual management fee of the expense peer group. The Board also reviewed the fee schedules for other clients of the Manager with a similar investment mandate. The Board considered whether there were economies of scale with respect to management of the Fund and whether the Fund benefits from economies of scale. The Board considered that the Fund's contractual advisory fee (plus the shareholder service fee) was on the low end of the spectrum of the expense peer group. On the basis of the information provided, the Board concluded that the advisory fee was reasonable.

Baillie Gifford International Alpha Fund

The Board reviewed total return information for the one-year, three-year, five-year, ten-year and since inception (February 7, 2008) periods ended March 31, 2024 for the Fund compared to a benchmark index (MSCI ACWI ex USA Index) and the average total returns of a performance universe of funds provided by Broadridge, and calendar year returns for 2014 through 2023 for the Fund compared to the benchmark index and a peer group of funds provided by Broadridge. The Board noted that the Fund's total return was below the benchmark index and the average of the performance universe for one-year, three-year and five-year periods, above the benchmark index and below the average of the performance universe for the ten-year period and above the benchmark index and the average of the performance universe for the since inception period. The Board considered that the Manager was consistent in its long-term investing philosophy and that periods of underperformance were to be expected.

The Board reviewed the advisory fee (plus the applicable Class specific fee) and net expense ratio for the Fund's Class 2 and Institutional Class, and compared them to the average management fees and expense ratios of an expense peer group and expense universe of funds based on data provided by Broadridge. The comparable fund information showed that the Fund's

contractual advisory fee (plus the applicable Class specific fee) was below the average contractual management fee of the expense peer group. The Board also reviewed the fee schedules for other clients of the Manager with a similar investment mandate. The Board considered whether there were economies of scale with respect to management of the Fund and whether the Fund benefits from economies of scale. The Board considered that the advisory fee schedule includes breakpoints and that the Fund's contractual advisory fee (plus the applicable Class specific fee) was on the low end of the spectrum of the expense peer group. On the basis of the information provided, the Board concluded that the advisory fee was reasonable.

Baillie Gifford International Concentrated Growth Equities Fund

The Board reviewed total return information for the one-year, three-year, five-year and since inception (December 14, 2017) periods ended March 31, 2024 for the Fund compared to a benchmark index (MSCI ACWI ex USA Index) and the average total returns of a performance universe of funds provided by Broadridge, and calendar year returns for 2018 through 2023 for the Fund compared to the benchmark index and a peer group of funds provided by Broadridge. The Board noted that the Fund's total return was below the benchmark index and the average of the performance universe for the one-year and three-year periods and above the benchmark index and the average of the performance universe for the five-year and since inception periods. The Board considered that the Manager was consistent in its long-term investing philosophy and that periods of underperformance were to be expected.

The Board reviewed the advisory fee (plus the applicable Class specific fee) and net expense ratio for the Fund's Class K and Institutional Class, and compared them to the average management fees and expense ratios of an expense peer group and expense universe of funds based on data provided by Broadridge. The comparable fund information showed that the Fund's contractual advisory fee (plus the applicable Class specific fee) was below the average contractual management fee of the expense peer group. The Board also reviewed the fee schedules for other clients of the Manager with a similar investment mandate. The Board considered whether there were economies of scale with respect to management of the Fund and whether the Fund benefits from economies of scale. The Board considered that the Fund's contractual advisory fee (plus the applicable Class specific fee) was on the low end of the spectrum of the expense peer group and also considered the expense limitation in place until April 30, 2025. On the basis of the information provided, the Board concluded that the advisory fee was reasonable.

Baillie Gifford International Growth Fund

The Board reviewed total return information for the one-year, three-year, five-year, ten-year and since inception (March 6, 2008) periods ended March 31, 2024 for the Fund compared to a benchmark index (MSCI ACWI ex USA Index) and the average total returns of a performance universe of funds provided by Broadridge, and calendar year returns for 2014 through 2023 for the Fund compared to the benchmark index and a peer group of funds provided by Broadridge. The Board noted that the Fund's total return was below the benchmark index and the average of the performance universe for the one-year, three-year and five-year periods and above the benchmark index and the average of the performance universe for the ten-year and since inception periods.

The Board considered that the Manager was consistent in its long-term investing philosophy and that periods of underperformance were to be expected.

The Board reviewed the advisory fee (plus the applicable Class specific fee) and net expense ratio for the Fund's Class 2 and Institutional Class, and compared them to the average management fees and expense ratios of an expense peer group and expense universe of funds based on data provided by Broadridge. The comparable fund information showed that the Fund's contractual advisory fee (plus the applicable Class specific fee) was below the average contractual management fee of the expense peer group. The Board also reviewed the fee schedules for other clients of the Manager with a similar investment mandate. The Board considered whether there were economies of scale with respect to management of the Fund and whether the Fund benefits from economies of scale. The Board considered that the advisory fee schedule includes breakpoints and that the Fund's contractual advisory fee (plus the applicable Class specific fee) was on the low end of the spectrum of the expense peer group. On the basis of the information provided, the Board concluded that the advisory fee was reasonable.

Baillie Gifford International Smaller Companies Fund

The Board reviewed total return information for the one-year, three-year, five-year and since inception (December 19, 2018) periods ended March 31, 2024 for the Fund compared to a benchmark index (MSCI ACWI ex USA Small Cap Index) and the average total returns of a performance universe of funds provided by Broadridge, and calendar year returns for 2019 through 2023 for the Fund compared to the benchmark index and a peer group of funds provided by Broadridge. The Board noted that the Fund's total return was below the benchmark index and the average of the performance universe for the one-year, three-year, five-year and since inception periods. The Board considered that the Manager was consistent in its long-term investing philosophy and that periods of underperformance were to be expected.

The Board reviewed the advisory fee (plus the applicable Class specific fee) and net expense ratio for the Fund's Class K and Institutional Class, and compared them to the average management fees and expense ratios of an expense peer group and expense universe of funds based on data provided by Broadridge. The comparable fund information showed that the Fund's contractual advisory fee (plus the applicable Class specific fee) was below the average contractual management fee of the expense peer group. The Board also reviewed the fee schedules for other clients of the Manager with a similar investment mandate. The Board considered whether there were economies of scale with respect to management of the Fund and whether the Fund benefits from economies of scale. The Board considered the Fund's assets, that the Fund's contractual advisory fee (plus the applicable Class specific fee) was on the low end of the spectrum of the expense peer group and also considered the expense limitation in place until April 30, 2025. On the basis of the information provided, the Board concluded that the advisory fee was reasonable.

Baillie Gifford China A Shares Growth Fund

The Board reviewed total return information for the one-year, three-year and since inception (December 19, 2019) periods ended March 31, 2024 for the Fund compared to a benchmark index (MSCI China A Onshore Index) and the average total returns of a performance

universe of funds provided by Broadridge, and calendar year returns for 2020 through 2023 for the Fund compared to the benchmark index and a peer group of funds provided by Broadridge. The Board noted that the Fund's total return was below the benchmark index and the average of the performance universe for the one-year and three-year periods and below the benchmark index and above the average of the performance universe for the since inception period. The Board considered that the Manager was consistent in its long-term investing philosophy and that periods of underperformance were to be expected.

The Board reviewed the advisory fee (plus the applicable Class specific fee) and net expense ratio for the Fund's Class K and Institutional Class, and compared them to the average management fees and expense ratios of an expense peer group and expense universe of funds based on data provided by Broadridge. The comparable fund information showed that the Fund's contractual advisory fee (plus the applicable Class specific fee) was below the average contractual management fee of the expense peer group. The Board also reviewed the fee schedules for other clients of the Manager with a similar investment mandate. The Board considered whether there were economies of scale with respect to management of the Fund and whether the Fund benefits from economies of scale. The Board considered the Fund's assets, that the Fund's contractual advisory fee (plus the applicable Class specific fee) was on the low end of the spectrum of the expense peer group and also considered the expense limitation in place until April 30, 2025. On the basis of the information provided, the Board concluded that the advisory fee was reasonable.

Baillie Gifford China Equities Fund

The Board reviewed total return information for the one-year and since inception (July 7, 2021) periods ended March 31, 2024 for the Fund compared to a benchmark index (MSCI China All Shares Index) and the average total returns of a performance universe of funds provided by Broadridge, and calendar year returns for 2022 and 2023 for the Fund compared to the benchmark index and a peer group of funds provided by Broadridge. The Board noted that the Fund's total return was below the benchmark index and the average of the performance universe for the one-year and since inception periods. The Board considered that the Fund had been operational for a short period of time, which provided a limited opportunity to evaluate performance. The Board considered that the Manager was consistent in its long-term investing philosophy and that periods of underperformance were to be expected.

The Board reviewed the advisory fee (plus the applicable Class specific fee) and net expense ratio for the Fund's Class K and Institutional Class, and compared them to the average management fees and expense ratios of an expense peer group and expense universe of funds based on data provided by Broadridge. The comparable fund information showed that the Fund's contractual advisory fee (plus the applicable Class specific fee) was below the average contractual management fee of the expense peer group. The Board also reviewed the fee schedules for other clients of the Manager with a similar investment mandate. The Board considered whether there were economies of scale with respect to management of the Fund and whether the Fund benefits from economies of scale. The Board considered the Fund's assets, that the Fund's contractual advisory fee (plus the applicable Class specific fee) was on the low end of the spectrum of the expense peer group and also considered the expense limitation in place until April 30, 2025. On the basis of the information provided, the Board concluded that the advisory fee was reasonable.

Baillie Gifford Emerging Markets Equities Fund

The Board reviewed total return information for the one-year, three-year, five-year, ten-year and since inception (April 4, 2003) periods ended March 31, 2024 for the Fund compared to a benchmark index (MSCI Emerging Markets Index) and the average total returns of a performance universe of funds provided by Broadridge, and calendar year returns for 2014 through 2023 for the Fund compared to the benchmark index and a peer group of funds provided by Broadridge. The Board noted that the Fund's total return was above the benchmark index and the average of the performance universe for the one-year, ten-year and since inception periods, below the benchmark index and the average of the performance universe for the three-year period and above the benchmark index and below the average of the performance universe for the five-year period. The Board considered that the Manager was consistent in its long-term investing philosophy and that periods of underperformance were to be expected.

The Board reviewed the advisory fee (plus the applicable Class specific fee) and net expense ratio for the Fund's Class 2 and Institutional Class, and compared them to the average management fees and expense ratios of an expense peer group and expense universe of funds based on data provided by Broadridge. The comparable fund information showed that the Fund's contractual advisory fee (plus the applicable Class specific fee) was below the average contractual management fee of the expense peer group. The Board also reviewed the fee schedules for other clients of the Manager with a similar investment mandate. The Board considered whether there were economies of scale with respect to management of the Fund and whether the Fund benefits from economies of scale. The Board considered that the advisory fee schedule includes breakpoints and that the Fund's contractual advisory fee (plus the applicable Class specific fee) was on the low end of the spectrum of the expense peer group. On the basis of the information provided, the Board concluded that the advisory fee was reasonable.

Baillie Gifford Emerging Markets ex China Fund

The Board reviewed total return information for the one-year and since inception (December 28, 2021) periods ended March 31, 2024 for the Fund compared to a benchmark index (MSCI Emerging Markets ex China Index) and the average total returns of a performance universe of funds provided by Broadridge, and calendar year returns for 2022 and 2023 for the Fund compared to the benchmark index and a peer group of funds provided by Broadridge. The Board noted that the Fund's total return was below the benchmark index and above the average of the performance universe for the one-year and since inception periods. The Board considered that the Fund had been operational for a short period of time, which provided a limited opportunity to evaluate performance. The Board considered that the Manager was consistent in its long-term investing philosophy and that periods of underperformance were to be expected.

The Board reviewed the advisory fee (plus the applicable Class specific fee) and net expense ratio for the Fund's Class K and Institutional Class, and compared them to the average management fees and expense ratios of an expense peer group and expense universe of funds based on data provided by Broadridge. The comparable fund information showed that the Fund's contractual advisory fee (plus the applicable Class specific fee) was below the average contractual management fee of the expense peer group. The Board also reviewed the fee schedules for other

clients of the Manager with a similar investment mandate. The Board considered whether there were economies of scale with respect to management of the Fund and whether the Fund benefits from economies of scale. The Board considered the Fund's assets, that the Fund's contractual advisory fee (plus the applicable Class specific fee) was on the low end of the spectrum of the expense peer group and also considered the expense limitation in place until April 30, 2025. On the basis of the information provided, the Board concluded that the advisory fee was reasonable.

Baillie Gifford U.S. Discovery Fund

The Board reviewed total return information for the one-year and since inception (May 5, 2021) periods ended March 31, 2024 for the Fund compared to a benchmark index (Russell 2500 Growth Index) and the average total return of a performance universe of funds provided by Broadridge, and calendar year returns for 2022 and 2023 for the Fund compared to the benchmark index and a peer group of funds provided by Broadridge. The Board noted that the Fund's total return was below the benchmark index and the average of the performance universe for the one-year and since inception periods. The Board considered that the Fund had been operational for a short period of time, which provided a limited opportunity to evaluate performance. The Board considered that the Manager was consistent in its long-term investing philosophy and that periods of underperformance were to be expected.

The Board reviewed the advisory fee (plus the applicable Class specific fee) and net expense ratio for the Fund's Class K and Institutional Class, and compared them to the average management fees and expense ratios of an expense peer group and expense universe of funds based on data provided by Broadridge. The comparable fund information showed that the Fund's contractual advisory fee (plus the applicable Class specific fee) was below the average contractual management fee of the expense peer group. The Board also reviewed the fee schedules for other clients of the Manager with a similar investment mandate. The Board considered whether there were economies of scale with respect to management of the Fund and whether the Fund benefits from economies of scale. The Board considered the Fund's assets, that the Fund's contractual advisory fee (plus the applicable Class specific fee) was on the low end of the spectrum of the expense peer group and also considered the expense limitation in place until April 30, 2025. On the basis of the information provided, the Board concluded that the advisory fee was reasonable.

Baillie Gifford U.S. Equity Growth Fund

The Board reviewed total return information for the one-year, three-year, five-year and since inception (December 5, 2016) periods ended March 31, 2024 for the Fund compared to a benchmark index (Russell 1000 Growth Index) and the average total returns of a performance universe of funds provided by Broadridge, and calendar year returns for 2017 through 2023 for the Fund compared to the benchmark index and a peer group of funds provided by Broadridge. The Board noted that the Fund's total return was below the benchmark index and above the average of the performance universe for the one-year and since inception periods and below the benchmark index and the average of the performance universe for the three-year and five-year periods. The Board considered that the Manager was consistent in its long-term investing philosophy and that periods of underperformance were to be expected.

The Board reviewed the advisory fee (plus the applicable Class specific fee) and net expense ratio for the Fund's Class K and Institutional Class, and compared them to the average management fees and expense ratios of an expense peer group and expense universe of funds based on data provided by Broadridge. The comparable fund information showed that the Fund's contractual advisory fee (plus the applicable Class specific fee) was below the average contractual management fee of the expense peer group. The Board also reviewed the fee schedules for other clients of the Manager with a similar investment mandate. The Board considered whether there were economies of scale with respect to management of the Fund and whether the Fund benefits from economies of scale. The Board considered the Fund's assets, that the Fund's contractual advisory fee (plus the applicable Class specific fee) was on the low end of the spectrum of the expense peer group and also considered the expense limitation in place until April 30, 2025. On the basis of the information provided, the Board concluded that the advisory fee was reasonable.

Baillie Gifford Health Innovation Equities Fund

The Board reviewed total return information for the one-year and since inception (December 28, 2021) periods ended March 31, 2024 for the Fund compared to a benchmark index (MSCI ACWI Index) and the average total returns of a performance universe of funds provided by Broadridge, and calendar year returns for 2022 and 2023 for the Fund compared to the benchmark index and a peer group of funds provided by Broadridge. The Board noted that the Fund's total return was below the benchmark index and the average of the performance universe for the one-year and since inception periods. The Board considered that the Fund had been operational for a short period of time, which provided a limited opportunity to evaluate performance. The Board considered that the Manager was consistent in its long-term investing philosophy and that periods of underperformance were to be expected.

The Board reviewed the advisory fee (plus the applicable Class specific fee) and net expense ratio for the Fund's Class K and Institutional Class, and compared them to the average management fees and expense ratios of an expense peer group and expense universe of funds based on data provided by Broadridge. The comparable fund information showed that the Fund's contractual advisory fee (plus the applicable Class specific fee) was below the average contractual management fee of the expense peer group. The Board also reviewed the fee schedules for other clients of the Manager with a similar investment mandate. The Board considered whether there were economies of scale with respect to management of the Fund and whether the Fund benefits from economies of scale. The Board considered the Fund's assets, that the Fund's contractual advisory fee (plus the applicable Class specific fee) was on the low end of the spectrum of the expense peer group and also considered the expense limitation in place until April 30, 2025. On the basis of the information provided, the Board concluded that the advisory fee was reasonable.

Conclusion

Based upon all the information considered and the conclusions reached, the Board determined that the terms of the Advisory Agreement for the Funds were reasonable and fair and that the renewal of the Advisory Agreement was in the best interests of each Fund.