

Baillie Gifford™

Baillie Gifford Health Innovation Equities Fund

Second Quarter 2024

About Baillie Gifford

Philosophy	Long-term investment horizon A growth bias Bottom-up portfolio construction High active share
Partnership	100% owned by 58 partners with average 20 years' service Ownership aligns our interests with those of our clients Enables us to take a thoughtful, long-term view in all that we do Stability, quality and consistency

Portfolio Summary

The strategy aims to invest in companies that have the potential to bring substantial improvements to human health and healthcare systems. The team believe such companies are best positioned to deliver attractive investment returns over the long term. The team recognise that such companies often lie at the intersection of the different disciplines, driven by the convergence of technologies and it is therefore critical that the scope is not limited to the traditional definition of the healthcare sector. The team's ambition extends beyond generating attractive returns for the Fund's investors, they also want to play a part in speeding up the healthcare revolution.

Fund Facts

K Class Ticker	BGHDX
Institutional Class Ticker	BGHBX
Launch Date	December 28, 2021
Size	\$16.0m
Benchmark	MSCI ACWI Index
Stocks (guideline range)	25-50
Current Number of Stocks	39
Active Share	99%*
Annual Turnover	26%**
Style	Long-term growth stockpicking

*Relative to MSCI ACWI Index. Source: Baillie Gifford & Co, MSCI.

Active Share is a measure of the Fund's overlap with the benchmark. An active share of 100 indicates no overlap with the benchmark and an active share of zero indicates a portfolio that tracks the benchmark.

**The Turnover figure presented is based on internal calculation methods and differs to the financial statements which are calculated in accordance with the requirements of N-1A.

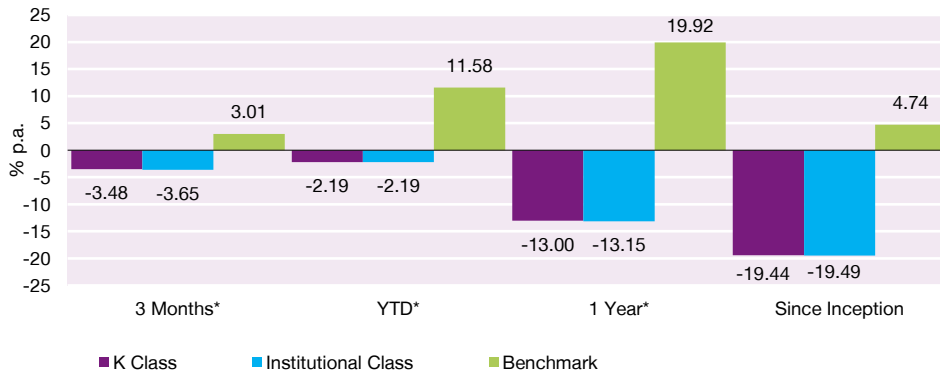
Health Innovation Team

Name	Years' Experience
Julia Angeles*	16
Marina Record	16
Rose Nguyen	11

*Partner

Investors should consider the investment objectives, risks, charges and expenses carefully before investing. This information and other information about the Fund can be found in the prospectus and summary prospectus. For a prospectus and summary prospectus, please visit our website at bailliegifford.com/usmutualfunds Please carefully read the Fund's prospectus and related documents before investing. Securities are offered through Baillie Gifford Funds Services LLC, an affiliate of Baillie Gifford Overseas Ltd and a member of FINRA.

Fund Performance as of June 30, 2024



Gross Expense Ratio	
Share Class – K	1.56%
Share Class – Institutional	1.66%
Net Expense Ratio	
Share Class – K	0.65%
Share Class – Institutional	0.75%

Benchmark: MSCI ACWI Index

The performance data quoted represents past performance and is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance please visit the Fund's website at bailliegifford.com/usmutualfunds.

The Baillie Gifford Fund's performance shown assumes reinvestment of dividend and capital gain distributions and is net of management fees and expenses. From time to time, certain fees and/or expenses have been voluntarily or contractually waived or reimbursed, which has resulted in higher returns. Without these waivers or reimbursements, the returns would have been lower. Voluntary waivers or reimbursements may be applied or discontinued at any time without notice. Only the Board of Trustees may modify or terminate contractual fee waivers or expense reimbursements. All fees are described in the Fund's prospectus.

*Expense Ratios: All mutual funds have expense ratios which represent what shareholders pay for operating expenses and management fees. Expense ratios are expressed as an annualized percentage of a fund's average net assets paid out in expenses. Expense ratio information is as of the Fund's current prospectus, as revised and supplemented from time to time. The net expense ratios for this fund are contractually capped (excluding taxes, sub-accounting expenses and extraordinary expenses) through April 30, 2025. *Not annualized.*

The MSCI ACWI Index is a free float-adjusted market capitalization weighted index that is designed to measure equity market performance in the global developed and emerging markets. This unmanaged index does not reflect fees and expenses and is not available for direct investment. The Fund is more concentrated than the MSCI ACWI Index.

Source: Baillie Gifford & Co, Bank of New York Mellon, MSCI. Share Class launch date: Dec 23, 2021. NAV returns in US dollars.

Stock Level Attribution

Quarter to June 30, 2024

Top Five Contributors

Asset Name	Contribution (%)
Anylam Pharmaceuticals	2.80
Moderna	0.90
Alk-Abello	0.85
Ambu	0.64
argenx	0.48

Bottom Five Contributors

Asset Name	Contribution (%)
Sartorius	-2.08
Exact Sciences	-1.88
10X Genomics	-1.38
Dexcom	-1.25
Genmab	-1.13

One Year to June 30, 2024

Top Five Contributors

Asset Name	Contribution (%)
Alk-Abello	1.94
Anylam Pharmaceuticals	0.71
Apple	0.45
Ascendis Pharma	0.45
Tesla Inc	0.44

Bottom Five Contributors

Asset Name	Contribution (%)
Exact Sciences	-3.75
Genmab	-3.63
10X Genomics	-3.31
Wuxi Biologics	-3.13
M3	-2.42

Source: Revolution, MSCI, Baillie Gifford Health Innovation Equities Fund relative to MSCI ACWI Index.

The performance data quoted represents past performance and it should not be assumed that transactions made in the future will be profitable or will equal the performance of the securities mentioned. For the most recent month-end performance please visit our website at bailliegifford.com/usmutualfund. A full list of holdings is available on request. The composition of the Fund's holdings is subject to change.

All attribution figures are calculated gross of fees, relative to the Index from stock level up, based on closing prices.

Attribution is shown relative to the benchmark therefore not all stocks shown are held in the portfolio. See the List of Holdings section of this report for the stocks held.

Market environment

The Baillie Gifford Health Innovation Equities Fund declined in absolute terms and underperformed the index during the second quarter. Innovative healthcare companies have continued to face challenging headwinds, including a tougher macroeconomic backdrop, which has constrained healthcare budgets and demand, and a normalization following the Covid-19 pandemic. Despite this, companies in the portfolio are showing very strong operational progress, with many now emerging in a stronger position than before the pandemic.

Performance

The Fund's largest contributors to performance included Alnylam, Moderna, and Alk-Abello.

Alnylam Pharmaceuticals, a clinical-stage biotech, released positive results from its phase 3 trial of vutrisiran, its treatment for patients with Transthyretin Amyloidosis with cardiomyopathy (a progressive and deadly form of heart disease). The trial showed that vutrisiran reduced the risk of death, heart-related hospital visits, and hospitalizations by 28%, compared to a placebo in patients. This positions vutrisiran as a potential first RNA silencing therapy for this condition, targeting a market currently led by the pharmaceutical company Pfizer. Alnylam plans to proceed with global regulatory submissions later this year. If approved, it is expected to generate between \$2-4 billion in annual sales (a considerable increase on Alnylam's current \$1.5 billion annual sales).

Moderna contributed to performance following two positive developments within the company during the quarter. First, its respiratory syncytial virus (RSV) was approved by the United States (US) Food and Drug Administration for use in adults over 60 years old in the US. Moderna will launch its vaccine later this year. The second development was Moderna's encouraging three-year follow-up data on its phase II individualized neoantigen therapy (INT) for the treatment of stage III/IV melanoma, a form of skin cancer. In addition, the vaccine continues to show favorable safety data, which increases the chance of the company applying for accelerated approval, which may allow an earlier launch of the product while running a confirmatory clinical trial.

Alk-Abello, the Danish allergy immunotherapy specialist, also contributed to performance on the back of positive data from two pediatric phase 3 clinical trials evaluating its sublingual immunotherapy tablets for house dust mite and tree pollen respiratory allergies. The company has now announced the European regulatory filing for its tree pollen allergy tablet, a process that is expected to take up to nine months. Subject to approval, the first market introductions in Europe could potentially take place in the first half of 2025.

The largest detractors to performance were Sartorius, Exact Sciences, and 10X Genomics.

Sartorius, the lab equipment manufacturer, weighed on performance following a mixed set of quarterly results. On the negative side, revenues missed consensus as the company reported weak orders from Chinese, and to a lesser extent, European, customers. A Chinese clampdown on drug pricing has been one of the contributing factors to a muted Chinese Biopharmaceuticals market, however, Sartorius noted the restrictions are already partially lifted, indicating optimism for a Chinese recovery. On the positive side, orders, particularly within its consumables segment, grew over the period and there seems to be less of a drag from destocking. As a reminder, customers have been clearing out their inventories following the pandemic, but Sartorius now believes this process is 'very far advanced' and should be complete by the end of 2024.

Exact Sciences, a diagnostics company, detracted as the market is concerned by several competitive threats facing its stool-based colorectal cancer test, Cologuard. While Cologuard remains leading in its ability to detect earlier-stage cancers, competing tests could take some share due to superior convenience. With Exact Sciences ten years of experience in colorectal screening and its entrenched sales force, it has a more defensible lead than is appreciated.

10x Genomics, a life sciences company, weighed negatively as sales of its Chromium single-cell analysis machine stalled and management signaled that this segment of the business is unlikely to return to growth this year. Competition also continues to intensify, particularly in the earlier-stage in-situ and spatial cell analysis markets.

However, its spatial division performed strongly, with increasing demand for its Xenium and Visium platforms.

Notable transactions

We purchased three new holdings during the quarter, including Zealand Pharma, Vertex Pharmaceuticals and Schott Pharma. Shockwave Medical exited the portfolio following its acquisition by Johnson & Johnson.

As the obesity market matures and evolves over the next decade, we believe that the Danish biotech Zealand Pharma has a chance of taking share in a large and expanding market. The company's edge in peptide synthesis, its improving commercial acumen, and its strengthening balance sheet, position it favorably. It has a number of drugs in development, but its peptide drug Amylin, which could generate weight loss comparable to pharmaceutical companies Novo Nordisk and Eli Lilly's drugs with less severe side effects, could dominate the company's sales in the next ten years if it navigates clinical trials successfully.

Vertex is a specialty pharmaceutical company aiming to bring transformative medicines to market in areas of high unmet need. Vertex's distinctive culture and business model is focused on serial innovation and the domination of the disease areas they enter. It has achieved this in cystic fibrosis, with the cash generated fuelling drug launches in pain, sickle cell disease, and potentially type 1 diabetes. We believe that Vertex offers significant upside potential combined with a resilient core drug franchise.

Schott Pharma is a German manufacturer of syringes, cartridges and vials for drug delivery and containment. Its products are low cost but mission critical in drug administration. It is one of just a handful of suppliers in an industry experiencing enhanced demand due to the increase in biologic drugs, such as messenger RNA vaccines, or obesity drugs. We believe the company can capitalise on this drug class evolution over the next decade while improving its unit economics through product mix changes.

Market Outlook

Companies in the Health Innovation portfolio have weathered significant market adversity and are now emerging in strengthened positions. We are seeing an acceleration of expected earnings and revenue growth and holdings that can reap the benefits of healthy cash positions to fund future innovation. Valuations are extremely supportive, with the portfolio now trading at the lowest price to sales, and near the lowest price to earnings since the strategy's inception in 2018.

Transactions from 01 April 2024 to 30 June 2024.

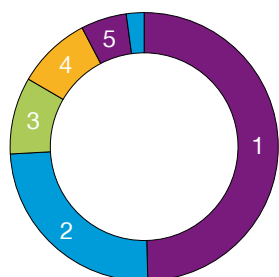
New Purchases

Stock Name	Transaction Rationale
Schott Pharma	Schott Pharma is a German manufacturer of syringes, cartridges and vials for drug delivery and containment. Its products are low cost but mission critical in drug administration. It is one of just a handful of suppliers in an industry experiencing enhanced demand due to the increase in biologic drugs, such as messenger RNA vaccines, or obesity drugs. We believe the company can capitalise on this drug class evolution over the next decade while improving its unit economics through product mix changes.
Vertex Pharmaceuticals	We purchased drug developer Vertex for the portfolio as we believe the company is set to reap the benefits of its research and development efforts over the last ten years and launch drugs across multiple disease areas. Vertex's distinctive culture and business model is focused on serial innovation and the domination of the disease areas they enter. It has achieved this in cystic fibrosis, with the cash generated fuelling drug launches in pain, sickle cell disease, and potentially type 1 diabetes. Vertex offers significant upside potential combined with a resilient core drug franchise.
Zealand Pharma	We have taken a new holding in Danish Biotechnology company Zealand Pharma for the portfolio. As the obesity market matures and evolves over the next decade, we believe that Zealand has an excellent opportunity to take a share in this large and expanding market. The company's edge in peptide synthesis, its improving commercial acumen, and its strengthening balance sheet, position it favourably. It has a number of drugs in development, but we believe its peptide drug petrelintide to be the most valuable, having recently shown weight loss comparable to Novo Nordisk and Eli Lilly's 'GLP1s' in early clinical trials, but with less severe side effects. With supportive and meaningful data for what could be an exceedingly valuable asset, as well as a broader and promising pipeline beyond that, we believe that the balance between risk and potential reward is compelling.

Complete Sales

Stock Name	Transaction Rationale
GRAIL	We decided to exit our holding in Grail because it is a subscale holding resulting from the spin-off from Illumina. Grail is still at an early stage of business development, and we do not yet have enough conviction in the company's path to commercialisation.

Industry Analysis (%)



1	Biotechnology	49.57
2	Health Care Equipment & Supplies	24.56
3	Life Sciences Tools & Services	9.28
4	Health Care Technology	8.93
5	Pharmaceuticals	5.52
6	Cash	2.14

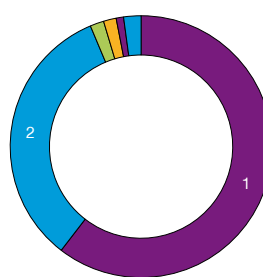
Total may not sum due to rounding. The composition of the Fund's holdings is subject to change. Percentages are based on securities at market value.

Top Ten Holdings

Holdings	Fund %
1 Alnylam Pharmaceuticals	7.05
2 Moderna	6.93
3 argenx	6.40
4 ALK-Abello	5.52
5 Ambu	5.23
6 Dexcom	4.88
7 Edwards Lifesciences	4.82
8 Genmab	4.77
9 Ionis Pharmaceuticals	3.95
10 Insulet Corporation	3.53

The composition of the Fund's holdings is subject to change. Percentages are based on securities at market value.

Geographic Analysis (%)



1	North America	60.45
2	Europe (ex UK)	33.22
3	Developed Asia Pacific	1.70
4	Emerging Markets	1.57
5	UK	0.91
6	Cash	2.14

Total may not sum due to rounding. The composition of the Fund's holdings is subject to change. Percentages are based on securities at market value.

Portfolio Characteristics

Number of holdings	38
Number of countries	7
Number of sectors	1
Number of industries	5
Active Share	99%*
Annual Turnover	26%**

*Relative to MSCI ACWI Index. Source: Baillie Gifford & Co, MSCI.

**The Turnover figure presented is based on internal calculation methods and differs to the financial statements which are calculated in accordance with the requirements of N-1A.

Voting Activity

Votes Cast in Favour	Votes Cast Against	Votes Abstained/Withheld
Companies 29	Companies 5	Companies 2
Resolutions 211	Resolutions 7	Resolutions 4

Company Engagement

Engagement Type	Company
Environmental	Vir Biotechnology, Inc.
Governance	10x Genomics, Inc., Alnylam Pharmaceuticals, Inc., Denali Therapeutics Inc., Edwards Lifesciences Corporation, Illumina, Inc., Lyell Immunopharma, Inc., Moderna, Inc., STAAR Surgical Company, Sage Therapeutics, Inc., Vir Biotechnology, Inc., WuXi Biologics (Cayman) Inc., Zai Lab Limited
Strategy	10x Genomics, Inc., Denali Therapeutics Inc., Sartorius Aktiengesellschaft, WuXi Biologics (Cayman) Inc.

Votes Cast in Favour

Companies	Voting Rationale
10X Genomics Inc Class A, Alector Inc, Alnylam Pharmaceuticals, Ascendis Pharma ADR 1:1, BioNTech ADR, Denali Therapeutics, Dexcom Inc, Edwards Lifesciences Corp, Exact Sciences, Exscientia Ltd ADR, Health Catalyst Inc, Illumina, Inspire Medical Systems, Insulet, Ionis Pharmaceuticals, Lyell Immunopharma Inc, M3, Moderna Inc, Recursion Pharmaceuticals Inc, Relay Therapeutics Inc, Sage Therapeutics Inc, Sana Biotechnology Inc, ShockWave Medical Inc, Staar Surgical, Veeva Systems Inc Class A, Vir Biotechnology Inc, Wuxi Biologics Cayman Inc, Zai Lab HK Line, argenx	We voted in favour of routine proposals at the aforementioned meeting(s).

Company	Meeting Details	Resolution(s)	Voting Rationale
Dexcom Inc	Annual 05/22/24	5	We supported the shareholder proposal on the political donations report, as the company are permitted to make such donations, but does not report on that. They are also lagging behind their peers.

Votes Cast Against

Companies	Voting Rationale
10X Genomics Inc Class A	We opposed the executive compensation as we do not believe the performance conditions are sufficiently stretching.

Company	Meeting Details	Resolution(s)	Voting Rationale
Edwards Lifesciences Corp	Annual 05/07/24	2	We opposed executive compensation due to a concern with an insufficiently stretching long-term performance target.
Edwards Lifesciences Corp	Annual 05/07/24	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.
Illumina	Annual 05/16/24	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.
Illumina	Annual 05/16/24	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.
Lyell Immunopharma Inc	Annual 06/14/24	3	We opposed executive compensation as we do not find that option repricing undertaken this year is aligned with the long-term interests of shareholders.
Staar Surgical	Annual 06/20/24	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.

Votes Abstained

Company	Meeting Details	Resolution(s)	Voting Rationale
Dexcom Inc	Annual 05/22/24	2	We abstained on 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.
Dexcom Inc	Annual 05/22/24	4	We abstained on the shareholder proposal requesting for an unadjusted pay gap report. We believe it is a good principle, but we also recognise that the company has progressed on this issue and released the adjusted pay gap data. We have been engaging with the company on this topic and will continue to do so encourage further transparency.
Ionis Pharmaceuticals	Annual 06/06/24	2	We abstained on the executive compensation as we do not believe the performance conditions are sufficiently stretching.
Ionis Pharmaceuticals	Annual 06/06/24	4	We abstained on 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.

Votes Withheld

We did not withhold on any resolutions during the period.

List of Holdings

Asset Name	Fund %
Alnylam Pharmaceuticals	7.05
Moderna	6.93
argenx	6.40
ALK-Abello	5.52
Ambu	5.23
Dexcom	4.88
Edwards Lifesciences	4.82
Genmab	4.77
Ionis Pharmaceuticals	3.95
Insulet Corporation	3.53
Doximity	3.43
ResMed	3.18
Sartorius Group	3.14
Ascendis Pharma	3.11
Exact Sciences	3.08
Illumina	2.98
Veeva Systems	2.97
Vertex Pharmaceuticals	2.76
Zealand Pharma	2.45
STAAR Surgical	2.15
Denali Therapeutics	1.86
Twist Bioscience	1.72
M3	1.70
BioNTech	1.34
SCHOTT Pharma	1.28
WuXi Biologics	1.05
Exscientia plc	0.91
Recursion Pharmaceuticals	0.86
10x Genomics	0.83
Health Catalyst	0.82
Inspire Medical Systems	0.76
Relay Therapeutics	0.57
Zai Lab	0.52
Alector	0.37
Vir Biotechnology	0.32
Lyell Immunopharma	0.22
Sage Therapeutics	0.19
Sana Biotechnology	0.18
Abiomed CVR Line*	0.00
Cash	2.14
Total	100.00

Total may not sum due to rounding. The composition of the Fund's holdings is subject to change. Percentages are based on securities at market value.

*Abiomed was acquired in December 2022 by Johnson and Johnson. Holders received a cash allocation plus non-tradable contingent value rights (CVRs).

Important Information and Fund Risks

Past performance is not a guide to future returns. This document contains information on investments which does not constitute independent research. Accordingly, it is not subject to the protections afforded to independent research and Baillie Gifford and its staff may have dealt in the investments concerned.

The Funds are distributed by Baillie Gifford Funds Services LLC. Baillie Gifford Funds Services LLC is registered as a broker-dealer with the SEC, a member of FINRA and is an affiliate of Baillie Gifford Overseas Limited.

All information is sourced from Baillie Gifford & Co unless otherwise stated. All amounts are in US dollars unless otherwise stated.

As with all mutual funds, the value of an investment in the Fund could decline, so you could lose money. The most significant risks of investing in the Baillie Gifford Health Innovation Equities Fund are: Investment Style Risk, Healthcare Industry Risk, Growth Stock Risk, Long-Term Investment Strategy Risk and Non-Diversification Risk. The Fund is managed on a bottom up basis and stock selection is likely to be the main driver of investment returns. Returns are unlikely to track the movements of the benchmark. The healthcare industry is subject to regulatory action by a number of private and governmental agencies. The profitability of companies in the healthcare sector may be affected by government regulations and government healthcare programs, increases or decreases in the cost of medical products and services, demand for medical products and services and product liability claims, among other factors. New products can be subject to regulatory approvals, which can be a long and costly process with no guarantee of success. Patent protection and the expiration of patents may affect a company's profitability. The prices of growth stocks can be based largely on expectations of future earnings and can decline significantly in reaction to negative news. The Fund is managed on a long-term outlook, meaning that the Fund managers look for investments that they think will make returns over a number of years, rather than over shorter time periods. The Fund may have a smaller number of holdings with larger positions in each relative to other mutual funds. Other Fund risks include: China Risk, Conflicts of Interest Risk, Emerging Markets Risk, Equity Securities Risk, Environmental, Social and Governance Risk, Focused Investment Risk, Geographic Focus Risk, Government and Regulatory Risk, Information Technology Risk, Initial Public Offering Risk, Liquidity Risk, Market Disruption and Geopolitical Risk, Market Risk, New and Smaller-Sized Funds Risk, Service Provider Risk, Small-and Medium-Capitalization Securities Risk and Valuation Risk.

For more information about these and other risks of an investment in the Fund, see "Principal Investment Risks" and "Additional Investment Strategies" in the prospectus.

Baillie Gifford Health Innovation Equities Fund seeks capital appreciation. There can be no assurance, however, that the Fund will achieve its investment objectives.

Any stock examples, or images, used in this presentation are not intended to represent recommendations to buy or sell, neither is it implied that they will prove profitable in the future. It is not known whether they will feature in any future portfolio produced by us. Any individual examples will represent only a small part of the overall portfolio and are inserted purely to help illustrate our investment style.

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