

Baillie Gifford™

Why growth, why now?

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Representative global equity performance

Annual past performance to 30 September each year (Net %)

	2019	2020	2021	2022	2023
Long Term Global Growth Composite	-6.4	102.9	25.9	-48.8	19.9
MSCI ACWI	2.0	11.0	28.0	-20.3	21.4

Annualised returns to 30 September 2023 (Net %)

	1 Year	5 Years	10 Years
Long Term Global Growth Composite	19.9	8.0	12.9
MSCI ACWI	21.4	7.0	8.1

Source: Baillie Gifford & Co and underlying index provider(s) if an index is used. US dollars.

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Baillie Gifford™

What we're seeing that the market isn't

It's been a torrid couple of years for growth investors. A nasty cocktail of rising rates and extreme risk aversion has driven huge market swings and a sharp dip in performance. People are understandably asking whether growth investing can still generate attractive returns from here.

In *Why growth, why now?* Mark Urquhart and Tim Garratt explain why the answer is an emphatic yes – especially from the current starting point, which feels like a once-in-a-generation opportunity.

At Baillie Gifford, we've seen this movie before – many times. Those who have ridden out previous reversals in investment style have historically enjoyed superb returns. While we can't say for certain, there is every reason to believe that this time will be no different.

The world is swinging from an era of abundance to an era of limitation: in the supply of capital; in environmental resources; in trust between society and corporations – and between old and new superpowers. *Why growth, why now?* explores the characteristics of the companies that will thrive in this new era and explains why Baillie Gifford is well-placed to find and hold them.

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Mental shortcuts
are dangerous. They
strip discussions of
important nuance



Introduction

The human brain is a marvel of evolution but it has a flaw: a tendency toward binary thinking. People love to dichotomise – dividing things into distinct groups with rigid lines between them: right versus wrong, good versus bad, heroes versus villains.

Division implies conflict and is inherently dramatic. The tendency is heightened at times of stress and these days politics, journalism and public discourse are awash with hyper-charged tribalism.

The world of finance is no different, as the polarised growth-versus-value debate shows. When markets are struggling to price in unexpected events, many market participants lean increasingly heavily on analytical theory in order to defend their faction. These mental shortcuts are dangerous. They strip discussions of important nuance.

We growth investors have fared badly in recent market conditions. With a dramatic rise in interest rates – and therefore discount rates – we have seen a sharp fall in assets whose valuations are founded more on longer-term

potential than short-term assumed certainty. This phenomenon, compounded by extreme risk aversion, has led to huge market swings and a painful period for our investment approach.

But we've been here before. It is instructive to look at the returns of Scottish Mortgage Investment Trust, our longest-standing client. In 1975, UK inflation ran at 20 per cent for a brief period. In the three years prior to 1975, Scottish Mortgage's shares fell by 60 per cent. But the compounded return over the decade or so following that painful drawdown in the mid-1970s was over 1,100 per cent cumulative. We saw a similar phenomenon amidst another inflationary peak in 1980 – a sharp drawdown before a compounded return of almost 800 per cent in the subsequent decade or so. The lesson is that throwing in the towel at the bottom tends to be catastrophically costly.

Current big shifts extend beyond the sharp rise in inflation though. The world is swinging from an era of abundance to an era of limitations: in the supply

of capital; in environmental resources; in trust between society and corporations – and between old and new superpowers. We're also seeing the emergence of a new general purpose technology (GPT) in the form of widely distributed machine learning.

These seismic shifts will impact every company in every sector. Against change of this scale, the neat theoretical boxes favoured by our industry look a bit ragged. Companies and markets won't neatly align themselves with these convenient categories. Stark growth and value caricatures need more context. Stock pickers and asset allocators need to lift their heads above dog-eared style boxes to ask: 'What distinguishes the companies that will thrive from those that will perish?'

What follows is an exploration and an explanation. What are the characteristics of the companies set to flourish in the years ahead? And why is Baillie Gifford well-placed to find and hold them?

Our kind of conditions

Tough financial times play to our strengths. Why? Because for companies reliant on easy money the chickens come home to roost in harder times. Dead wood is burned and a narrow cohort of companies surges forward, taking share from those in retreat. In our experience, this select band is defined by three key attributes:

01. They solve real-world problems and the need for their services is driven by the commercial, economic and geopolitical challenges of their time
02. They are financially strong and disciplined
03. They are highly adaptable: cognitively, culturally and operationally.

It's worth delving into these characteristics because they're coming through more strikingly than ever across the range of equity strategies we manage on behalf of clients.



01. Solving real-world problems

Current economic and geopolitical conditions are throwing sand in the gears of global trade. Any business that can remove friction therefore enjoys a following wind and expanding opportunities. Across our equity strategies, we're seeing this play out in multiple ways. Here are some examples:

Optimising supply chains

Increased protectionism, high trade tariffs and climate change are impacting supply routes. Supply chains are being reforged with an emphasis on resilience and nearshoring. Those structural challenges are compounded by rising fuel costs and labour shortages. Companies that help to address these challenges are enjoying strengthening tailwinds.

- Samsara provides analytics and monitoring services for both trucks and warehouses while Wabtec's equipment and systems optimise loads within the freight and transit rail sectors
- The warehouse automation systems of AutoStore, Ocado and Teradyne drive huge savings while DSV's freight forwarding solutions navigate supply chain complexity
- Cognex, Keyence, FANUC and SMC provide factory robotics and computer vision systems that help to overcome labour shortages.

Removing financial friction

Traditional banks are struggling to manage with rising levels of technological complexity in finance and payments. More expensive capital sees savers and merchants transitioning ever faster towards a new generation of better-value platforms.

- The likes of Adyen, Block and Broadridge help merchants to process online payments more reliably and economically

- LY Corp's Japanese payments app is being rapidly adopted in a society that has remained stubbornly cash-based for years
- Demand is surging for the digital wallet and money transfer services offered by the likes of NuBank and MercadoLibre among the underbanked of Latin America and Southeast Asia.

Meeting surging demand for secure distributed computing

Computing has been shifting to the cloud for years. Now additional considerations are coming to the fore. Hybrid working is changing data flow. The focus on cybersecurity and data robustness is increasing. Growth strains on computing infrastructure are being exacerbated by the exponential growth in large language models and the increasing tendency of nations to develop their own chip production capabilities. A large number of companies within our equity portfolios already benefit.

- The systems of Atlas Copco, SMC, Air Liquide and Entegris facilitate hyper-clean and temperature-controlled environments for making chips and other computing hardware. The need for these is surging
- Demand for Amazon and Microsoft's cloud computing infrastructure is being driven by growing computer workloads, while NVIDIA and ASML sit at the apex of artificial intelligence with massive order backlogs for their lithography and machine learning chips
- The services of Cloudflare, Snowflake and Datadog maximise computing speed and network performance while fending off cyberattacks.

Many of the tailwinds are accelerating – not **despite** economic and geopolitical pressures but **because** of them



More efficient commerce

Post-pandemic, commerce has continued to evolve. Consumers want better value. New social commerce platforms are emerging. Merchants want richer insights around the reach of and return from their advertising. Regional champions are emerging in Southeast Asia and Latin America. More costly capital has flushed out unsustainable business models in areas such as food delivery. As a result of these combined forces, a new generation of business models is flourishing.

- Twilio’s communication tools enable merchants to increase their reach at minimal incremental cost while The Trade Desk’s programmable advertising platform provides improved returns on advertising spend
- Shopify’s commerce platform provides valuable analytics to merchants in a tough operating environment while Delivery Hero’s logistics optimisation tools are changing the economics of food delivery as ailing competitors retrench
- Coupang and SEA Ltd are flourishing in new underpenetrated commerce markets such as South Korea and Indonesia.

Better value healthcare

Healthcare price inflation is rampant and pressure on healthcare systems continues to intensify. But the forced experiments of the pandemic have validated the potential of computer science to develop new therapies in a faster, more targeted manner. Advances in machine learning further highlight this potential. These developments don’t fit the sell-side analysts’ neat spreadsheets. Therein lies an opportunity to build positions in a range of fast-growing companies:

- Dexcom is a pioneer in continuous glucose monitoring, helping people across the globe manage diabetes
- Certara’s Biosimulation software short-circuits expensive traditional approaches to drug development
- In a cash-constrained environment, Royalty Pharma provides funding for drug development using a range of exciting new technologies
- Moderna and BioNTech’s machine learning capabilities are being applied to a host of diseases beyond Covid. Their drug development pipelines continue to expand.

Addressing food and energy security

With regional conflicts and climate change, energy and food security challenges loom larger. A mélange of stimulus, trade tariffs and sanctions is accelerating electrification and infrastructure upgrades. Tailwinds for a wide range of holdings are strengthening.

- Miners such as Rio Tinto and BHP face growing demand for the scarce minerals underpinning the energy transition
- Agricultural machinery company Deere is building out computer vision and data analytics capabilities to improve the efficiency of farming and food production, while benefiting from US government incentives to reshore production
- Ecolab’s water management and hygiene solutions are in hot demand as the Biden administration’s CHIPS and Science Act requires water-intensive semiconductor manufacturing facilities in arid climes. Other domestic infrastructure buildouts require Eaton’s power management solutions, Comfort’s HVAC solutions and Ashtead’s construction equipment rental services.

These examples are a mere subset of the growing opportunities in front of us. But there’s a common theme. Many of the tailwinds are accelerating – not **despite** economic and geopolitical pressures but **because** of them.

02. Execution discipline and financial strength

Of course, finding companies that can solve current challenges is only the start of our analytical work. Prudent assessment of a management team's execution capabilities and financial discipline is always important. In this environment, our level of access to management teams as long-term shareholders enables us to judge these capabilities far more effectively than the majority of market participants who rely on the watery gruel of quarterly earnings calls.

Over the last 15 years, many companies in the listed equity markets have relied on cheap borrowing to boost profitability. Until now, they have been largely insulated from the effects of recent monetary tightening. But over the next few years, more corporations will need to scale the wall of debt maturity, being forced to refinance at significantly higher rates of interest. It is far from clear that certain equity prices take account of this sobering reality. A rude reckoning awaits more than a few.

By contrast, every one of our global, regional and international equity strategies is in a markedly healthier financial position than their respective benchmarks. In most cases, they're sitting on aggregate net cash positions while comparator indices sit on net debt. It is hard to overstate how much this matters in the current environment.

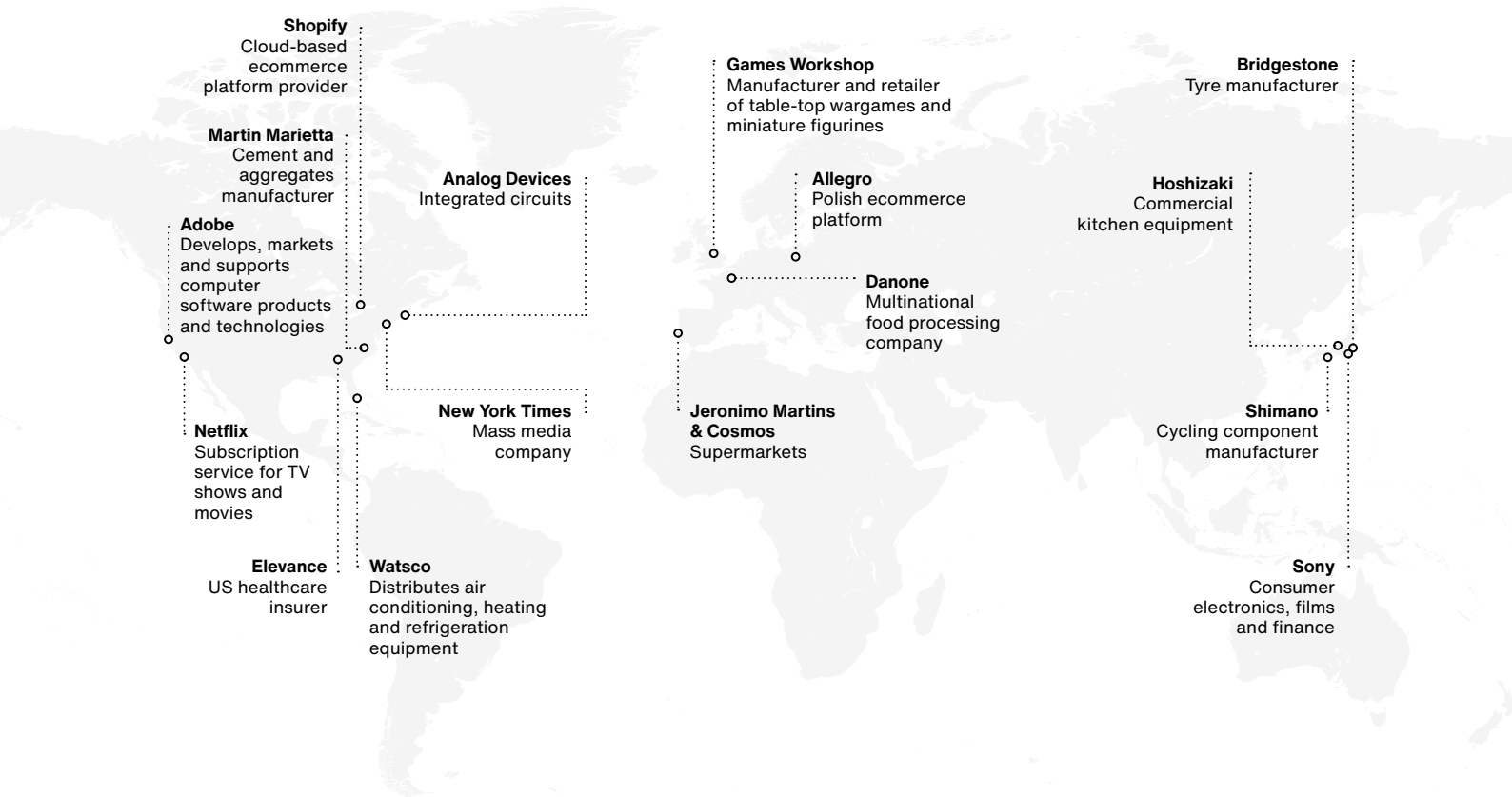
This picture of robust financial health applies to cash flows as well. Across the equity strategies that we manage, on average over 85 per cent of the holdings have positive cash flows or earnings and those that don't generally have very strong cash runways.

As a supplement to the robust profitability picture, many of these business models have the potential for rapid inflections in margins as returns to scale kick in, with revenues growing faster than costs. In the current market, sell-side analysts tend to underestimate this operational leverage even more than usual.

We are also seeing additional boosts from pricing power. The map below contains some examples of pan-strategy holdings that are comfortably pushing through price increases, driving margin expansion with no evidence of demand destruction.

Of course, there will always be a small number of exceptions to the positive examples below. In the last couple of years we have moved on from companies such as Carvana, Beyond Meat, Oscar Health and Vimeo based on weakening financials. There are relatively few cases of this though. In aggregate, the observations above show that the stereotype of growth companies being financially weak is badly misplaced. Indeed, the market's meme-like association of growth with dubious financials and undisciplined management teams presents a large inefficiency for us to exploit.

Weatherproof: some worldwide Baillie Gifford holdings with pricing power and growing margins



03. Adaptability

Against a backdrop of rapid change, nothing can be taken for granted. Successful firms make a habit of interrogating the assumptions that underpin their business models. Diversity of thought at leadership level is key if a company is to capitalise successfully on the big changes at play. We remain uninterested in companies that are simply trying to eke out a last puff on their cigar butts, even if the stock market is rewarding such businesses at present. We believe that the big winners of the next decade will have superior levels of adaptability on several fronts:

Business model adaptability

Company leadership teams need to digest a heady mix of technological and regulatory change. On one front, advances in machine learning are transforming opportunity sets and addressable markets. On another, companies are increasingly required to financially ingest the downstream ecological consequences of their operations and business models. This reflects the long-overlooked reality that the economy is a wholly-owned subsidiary of the environment.

Operational adaptability

For many businesses, several operational challenges are coming to bear at the same time. Supply chain frailties are being exposed by a combination of climate change effects and rising protectionism. They're also having to navigate tight labour markets and incorporate the cultural and operational implications of flexible working.

Financial adaptability

Business culture is sometimes described as how a company prioritises finite resources, and the current environment provides an opportunity to evaluate this dynamic. Over the past 12 months, we've closely monitored how different organisations have reallocated both human and financial resources. The companies that do this effectively (sometimes with a helping hand from artificial intelligence) have an opportunity to leap ahead and improve their margins. But those in denial about the need to act or those that 'cut into muscle' will fall behind.

Societal adaptability

We're seeing societal bifurcations in values, ethics and identities. Companies need to stay in close touch with employee and customer expectations of how they should project themselves. Any lack of authenticity or attempt to profiteer from the cultural zeitgeist will be punished. The Bud Light debacle (the beer brand recently faced a boycott over an ad campaign involving a transgender woman) was a case in point. Any company will stand a better chance of walking this tightrope if it has a convincing level of cultural and intellectual diversity.

These considerations are all interlinked. Corporate adaptability cannot be neatly modelled, nor can it be extracted from a quarterly earnings report. But our investment approach leaves us better placed to evaluate adaptability, not least thanks to our level of access to management teams.

Although assessing adaptability is primarily a qualitative endeavour, there are some tangible signposts that we can monitor in an environment like this. One is research and development spend as a proportion of sales. This is a lead indicator of outlier potential. Those that continue to invest and experiment will pull ahead of those that retrench. It is therefore pleasing to observe that across our portfolios this ratio is generally significantly higher than for the respective reference indices. By way of example, the ratio is almost three times higher for our global portfolios against the MSCI ACWI.

Those that
continue to invest
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Finding and holding tomorrow's winners

Having explored the opportunities on offer and the characteristics of the companies that will pull ahead, how can we be confident of actually capturing this growth?

Mark Urquhart, who has been with Baillie Gifford for 27 years, and who co-founded our unconstrained Long Term Global Growth strategy nearly two decades ago, gives his perspective.

For as long as there have been markets there have been debates over how to invest in them. This is natural given the inherent uncertainty of future returns, and has led to numerous theories ranging from the 'dividend growth model' to the pinnacle of modern finance theory in the form of the 'capital asset pricing model' or CAPM. Often these approaches have elegant mathematical backing, using equations to crack the code of investing. But they have all shared a history of breaking down when unexpected events have upset their carefully balanced equations.

Therein lie the opportunities for active equity investors. Amid current market discombobulation, I see three big opportunities to unlock superb future returns for our clients.

01. Exploiting exponential misunderstandings

There is no possible advantage in understanding the power of compound growth. It's simply an arithmetical fact. But there is an advantage in remembering it. Perhaps because my old school maths teacher in 1980s Aberdeen insisted we used slide rules rather than new-fangled pocket calculators, it is deeply ingrained in my psyche and something I try to imbue in younger investors.

A simple investment rule of thumb is that a company that grows at 20 per cent for six years trebles its sales or earnings. One that grows at 20 per cent for ten years more than sextuples them, and for 20 years they rise almost forty-fold. This, in essence, is the power of growth. Such alchemy is on offer to every market participant but very few partake of it. If we look at average holding periods (see table below), most stay in the grey zone in columns 1 and 2.

Let time work in your favour

Delivered multiples of starting value for different growth rates and time periods

		Holding period (years)									
		1	2	3	4	5	6	7	8	9	10
Annualised growth rate	10%	1.1	1.2	1.3	1.5	1.6	1.8	1.9	2.1	2.4	2.6
	20%	1.2	1.4	1.7	2.1	2.5	3.0	3.6	4.3	5.2	6.2
	30%	1.3	1.7	2.2	2.9	3.7	4.8	6.3	8.2	10.6	13.8
	40%	1.4	2.0	2.7	3.8	5.4	7.5	10.5	14.8	20.7	28.9
	50%	1.5	2.3	3.4	5.1	7.6	11.4	17.1	25.6	38.4	57.7

Source: Baillie Gifford

Such alchemy is on offer to every market participant but very few partake of it

If exploiting the benefits of the green zone (columns 3–10) were easy, everyone would do it. But it takes a mixture of patience, stubbornness and humility, also the ability to weather periods of underperformance both personally and institutionally. These two are, in my view, linked. The reason we could stick to our process in the crisis of 2008 was largely due to a partnership structure that allowed investors to concentrate on stock-picking rather than worrying about their jobs. To quote from a document we penned in 2003 when designing the Long Term Global Growth Strategy:

“The most basic motivations of all prevent us following the path of intelligent investing, as it is ego, ambition and fear that prevent the individual from acting in a disciplined manner and it is the short-run demands for assets under management and profit that dominate those who own and run investment management houses. This plays not just to their greed but also to their competitive instincts.”

Put another way, it is entirely rational that many investors strive to outperform over every time period. But in their quest to do so, they leave the riches of compounding pristine on the shelf.

This is all the more remarkable after the events of the last few years. Not since the aftermath of the First World War and the Spanish flu epidemic has

the human race experienced such a global exponential event. Covid transmission and, sadly, fatality graphs are almost perfect representations of exponential growth. This is not surprising – it’s how viruses work and spread. Yet it seems that very little of the experience of that rate of growth has permeated into a market psyche which continues to obsess about central bank speeches, quarterly earnings, inflation numbers and geopolitics.

I long stopped reading quarterly earnings transcripts as I found zero-to-negative value in them when trying to take a 10-year view. Anything of major import will find its way to me anyway, and there is greater value in thinking about the next decade than the next three months. I am pretty certain we are in a small minority of investors in stepping off this hamster wheel. Herd behaviour is dictated by fear of missing out.

The wonders of compound growth have delivered an opportunity for Baillie Gifford to generate real alpha for our clients over the past 10 years. Looking forward, there’s no reason higher inflation levels should derail this mathematical miracle. Indeed, if anything, bumpy market conditions make it harder for other market participants to extend their time horizons and escape the grey zone.

02. Comfort in being roughly right rather than precisely wrong

A lot of investment management comes down to mindset. In our industry there is endless opportunity to be a busy fool – to get lost in the weeds of the 38th row of a spreadsheet for an even more accurate prediction of cash flow for the next three months. Such infatuation with numbers does little to optimise long-term client returns. I am not saying that the numbers aren't important. Far from it – they set out the narrative of any given company. But there are two large challenges.

Firstly, numbers often miss the most important financial characteristics of any business: the intangible assets or brand linked to its longevity. One of our very successful compound growth stories has been Hermès. The company has

delivered a 33-fold return since we first took a holding in the Long Term Global Growth portfolio that I manage nearly 20 years ago. But there is nothing on its balance sheet that values nearly two centuries of heritage and the brand power of its Birkin and Kelly handbags. Its very absence from the statements is telling in the sense of this being a multi-generational organic growth story.

Secondly, reported numbers are, by definition, backward-looking. They struggle to recognise future inflection points in sales or margins. This flaw will become all the more relevant, as in the coming years the cost of goods sold will increasingly need to incorporate environmental and societal costs that can't be modelled to two decimal places.



03. Stubbornness, humility, open-mindedness and honesty

The other requirement for successful growth investing is a blend of stubbornness and humility. It is right to be stubborn when the market is moving against you on the collapse of a collateralised debt obligation or a bad inflation number. Like the myriad nodes of anxiety that have punctuated my career, these will be, at best, future footnotes, or most probably forgotten. The sell-off of 2008 was perhaps the purest form of such short-termism. Equities bore the brunt of the catastrophic risk mismanagement of banks simply because they were large and liquid. In fact, it was often those with the most robust operational performance that were hardest hit.

Equally, one should never be stubborn for ego's sake. Growth investing for the long term is hard precisely because it ventures far into future uncertainties. Companies and investors will see opportunities promising pots of future profits which can be no more than a chimera. My own list extends from the glittering promise of solar panels or the transformational potential of 3D printing to man-made meat and the pandemic-fuelled boom in exercise bikes.

All investors make mistakes. We need to acknowledge this up front and indeed embrace it in the name of the wonderful asymmetry we can achieve. Without these failures we would have missed out on other opportunities which have been transformational and provided far more upside than we could possibly lose in one bad investment.

Striking the right balance between stubbornness and humility is difficult. This, once again, is where the Baillie Gifford partnership structure comes to the fore. It helps us to avoid the market tendency to descend into an echo chamber in times of stress. Our culture of transferring wisdom, context and experience between generations of investors is a big help on this front.

The mindset I've set out above ties into the opportunity set that every bear market of my career and long before tends to present. There were many ridiculous businesses which made it to listed markets in the dotcom boom, as the normal filters against poor quality failed in the rush for internet gold. However there were also some gems in the detritus – several companies such as Google (now Alphabet) and Amazon which the market had written off in the early 2000s have since risen phoenix-like from the ashes of the dotcom boom. It's inconceivable that the same phenomenon won't occur with the current crop of fallen pandemic darlings and recent listings. There are growth bargains to be had and Baillie Gifford is busily prospecting for these maligned opportunities.

This links directly into the importance of an open mind. The Yellow Pages and regional press franchises so beloved of investors when I arrived at the firm almost three decades ago withered almost instantly when a start-up called Google destroyed their classified business. The established order of US, European and Asian auto manufacturers has been turned upside down by those with the temerity to exclude combustion engines from their cars. And so on. For me, the greatest opportunities continue to lie in the large yet often lazy pools of profit inhabited by incumbents, but we need to stay open-minded about where future potential will emerge.

We still believe that exceptional management is a competitive advantage. We look for management teams and founders that are aligned with shareholders' interests, long-termism and imagination. Their businesses will be honourable, adaptable, open about mistakes and able to last well beyond a single generation. While being long term entails tolerating prolonged periods of growth strain, there has to be a long-term path to profitability and

good returns. Top-line growth for its own sake is not attractive. We look for management teams that strike the balance between bravely investing behind a long-term ambition and cutting their cloth according to their means.

We also need to be honest when core growth rates are deteriorating. There is a tension between short-term speedbumps and long-term fade. We strive to get better at recognising when the core growth rate has diminished – whatever the cause. Our mantra is bottom-up growth, but at some points even uncorrelated, secular growth stories are challenged by external events. We are lucky that the structure and quality of our investment risk team enable a level of challenge that extends beyond a traditional ‘policing’ capacity. Our risk colleagues help in a much broader sense with analytics that drive continual incremental improvements to our investment processes and portfolio construction. This has been particularly useful over the last couple of years and it enables us to see a rapidly changing world as an opportunity rather than a threat.

Our culture of transferring wisdom, context and experience between different generations of investors is a significant help

A once-in-a-generation opportunity

The last few years have been chastening for all of us at Baillie Gifford. At a time of anxiety over sticky inflation, high interest rates, conflict in the Middle East in addition to that in Eastern Europe, tensions in US-China relations, the existential threat of climate change, looming US presidential elections and so on, the market has responded as it has since time immemorial and shortened its timeframe. The effect has been obvious for any stocks with long duration. We haven't experienced such a cycle of positive-to-negative returns in well over a century of investing.

This perhaps speaks to how exaggerated market moves can be in both directions, how dislocating a global pandemic was in terms of changing economic activity and the ramifications for companies and countries as we emerged from it.

As with any period of extreme returns, humility is important. Across our portfolios, we've been reflecting on the lessons and applying incremental improvements – as we've done continuously throughout our 115-year history.

But it's equally important that we stick to our knitting. That means unearthing companies that will be worth many times their current value in the 2030s. This can be lonely work – the market has a way of inserting nagging doubt in our minds. But we know this is precisely when the stocks that can deliver real, not nominal, growth are at their most attractive and when, from any reasonable future vantage point, they are on sale.

We don't know when the current market dislocations will resolve themselves and we won't proffer predictions on the peaks in inflation and interest rates. They would just be guesses. This is not to disparage others who spend time assessing such factors.

There are many other equally valid styles and approaches, some of which are diametrically opposed to ours. This, after all, is what makes markets – at least two individuals being presented with the exact same information and coming to opposite conclusions.

But while we claim no monopoly on insight, in the current environment the old adage that, "the stock market is filled with individuals who know the price of everything but the value of nothing" seems particularly apt at present.

The rewards on offer for the patient, long-term investor look as bright to me now as they did in the dark days following 2000 and 2008.

This feels like a once-in-a-generation opportunity. If the current growth rates across our investment strategies persist, our style of investing can create long-term wealth in the way that no other asset class can.

The stock market is filled with individuals who know the price of everything but the value of nothing

Biographies



Tim Garratt
**Investment Specialist,
Partner**

Tim joined Baillie Gifford in 2007. He is an investment specialist, overseeing the institutional client base that invests in Long Term Global Growth, one of Baillie Gifford's most concentrated equity strategies with a focus on transformational payoffs. He also leads the broader client specialist ecosystem at Baillie Gifford. Tim became a Partner of the firm in 2016. Prior to Baillie Gifford, Tim worked at AT Kearney where he managed a number of private equity projects. Tim graduated MEng in Aeronautical Engineering from the University of Bristol in 1999.



Mark Urquhart
**Investment Manager,
Partner**

Mark is an investment manager who joined Baillie Gifford in 1996. He is head of the Long Term Global Growth Team, which he co-founded in 2003. He has previously worked in the US, UK and Japanese Equity teams. He became a partner in 2004. Mark graduated BA in Philosophy, Politics and Economics from the University of Oxford in 1992 and spent a year at Harvard as a Kennedy Scholar in 1993 before completing a PhD in Politics at the University of Edinburgh in 1996.

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Baillie Gifford Worldwide Funds plc in Germany. Similarly, it has established Baillie Gifford Investment Management (Europe) Limited (Amsterdam Branch) to market its investment management and advisory services and distribute Baillie Gifford Worldwide Funds plc in The Netherlands. Baillie Gifford Investment Management (Europe) Limited also has a representative office in Zurich, Switzerland pursuant to Art. 58 of the Federal Act on Financial Institutions ("FinIA"). The representative office is authorised by the Swiss Financial Market Supervisory Authority (FINMA). The representative office does not constitute a branch and therefore does not have authority to commit Baillie Gifford Investment Management (Europe) Limited. Baillie Gifford Investment Management (Europe) Limited is a wholly owned subsidiary of Baillie Gifford Overseas Limited, which is wholly owned by Baillie Gifford & Co. Baillie Gifford Overseas Limited and Baillie Gifford & Co are authorised and regulated in the UK by the Financial Conduct Authority.

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