

Baillie Gifford Emerging Markets Fund First Quarter 2025

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

Fund Objective

To produce capital growth over the long term by investing primarily in emerging market equities. Performance will be measured against the MSCI Emerging Markets Index.

Investment Proposition

We invest on a long-term (five year) perspective and have a strong preference for growth. We are looking for significant upside in each stock that we invest in. The process is driven by rigorous, fundamental, bottom-up analysis undertaken by our dedicated emerging markets team. The fund manager draws on this analysis, as well as insights gleaned from discussions with all of Baillie Gifford's global investors, to produce a portfolio that typically holds 60–100 stocks.

Fund Facts

Launch Date	May 31, 2001
Fund Size	C\$717.0m
Benchmark	MSCI Emerging Markets Index
Current Active Share	68%*
Current Annual Turnover	18%
Style	Growth
Stocks (guideline range)	60-100
Current Number of Stocks	72

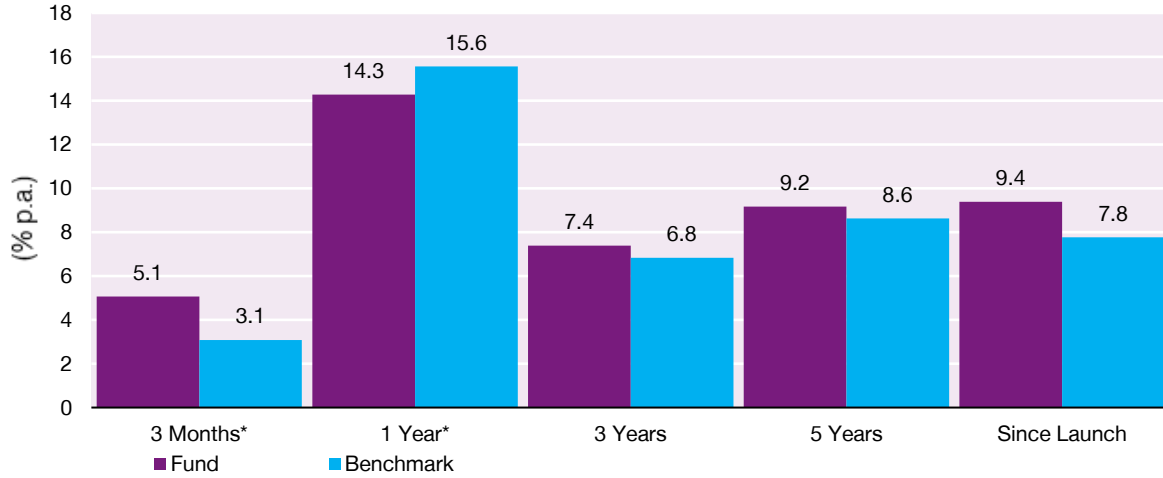
*Relative to MSCI Emerging Markets Index. Source: Baillie Gifford & Co, MSCI.

Key Decision Makers

Name	Job Title	Years' Experience
Andrew Stobart	Investment Manager	34
Mike Gush*	Investment Manager	22
Ben Durrant	Investment Manager	13

*Partner

Periodic Performance



Discrete Performance

	03/31/20- 03/31/21	03/31/21- 03/31/22	03/31/22- 03/31/23	03/31/23- 03/31/24	03/31/24- 03/31/25
Fund %	59.3	-21.5	-2.2	10.8	14.3
Benchmark %	40.3	-11.6	-2.8	8.6	15.6

Source: CIBC, Revolution, MSCI. As at March 31, 2025. Canadian dollars. Fund performance shown is based on the NAV calculated by CIBC Mellon Trust Company, 4pm ET. Benchmark calculated using close to close. *Not annualized. Launch date: May 31, 2001.

All the returns presented above are gross of investment management fees. The results do not reflect the deduction of investment management fees. Fees are charged outside the fund.

Stock Level Attribution

Quarter to March 31, 2025

Top Five Contributors

Asset Name	Contribution (%)
Alibaba	0.4
MercadoLibre	0.4
Impala Platinum	0.4
Sea Limited	0.3
Tencent	0.3

Bottom Five Contributors

Asset Name	Contribution (%)
TSMC	-0.6
Accton Technology	-0.5
Globant	-0.5
Xiaomi Corporation	-0.3
Tech Mahindra	-0.3

One Year to March 31, 2025

Top Five Contributors

Asset Name	Contribution (%)
Sea Limited	1.0
MercadoLibre	0.7
Tencent	0.7
Anker Innovations	0.5
Alibaba	0.4

Bottom Five Contributors

Asset Name	Contribution (%)
Samsung Electronics	-1.1
Xiaomi Corporation	-0.8
Meituan	-0.7
Bank Rakyat Indonesia	-0.7
Reliance Industries	-0.6

Five Years to March 31, 2025

Top Five Contributors

Asset Name	Contribution (%)
Petrobras	7.2
MercadoLibre	3.2
TSMC	2.1
Mediatek	1.6
Reliance Industries	1.1

Bottom Five Contributors

Asset Name	Contribution (%)
Norilsk Nickel	-2.8
Sberbank	-2.1
Ping An Insurance	-1.5
Lufax Holding	-1.0
CNOOC	-0.8

Source: Revolution, MSCI. Baillie Gifford Emerging Markets Fund relative to MSCI Emerging Markets Index.

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 index 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

Global markets have been clouded by the Trump administration's tariff headlines during the first quarter of the year. Emerging markets have outperformed the US market against this backdrop, with notably China being a top performing market during the quarter.

In Beijing, the Year of the Snake began with a resolve to rekindle growth. At the March National People's Congress (NPC), China's government reaffirmed a ~5% GDP growth target for 2025 and unveiled its most expansionary fiscal plans in decades, as authorities prepared to spend big on shoring up demand. While tariff uncertainties remain, bargain valuations (Chinese stocks entered the year at multi-year low price-to-earnings multiples) and domestic policy backstops limit the downside. As such, a modest overweight in the Fund feels appropriate.

India entered 2025 determined to shake off a late-2024 slump, as growth in the fiscal year 2024 registered a four-year low by government estimate. In February, the Reserve Bank of India delivered its first interest rate cut in nearly five years. The government also cut personal income taxes for lower-income brackets and tried to continue to invest in infrastructure and generate jobs. The market mood was gloomy, turning India from one of EM's top-performing markets to one of its weakest. However, rich valuations are still culprit despite the correction. While India remains one of the best long-term stories in our investment universe, we will await more reasonable valuations before closing the underweight position in the Fund.

Brazil's economy in Q1 2025 was a study in contrasts. President Lula, grappling with low approval ratings, had ramped up social spending and tax breaks to spur consumption. This pro-growth fiscal push put the central bank in a bind, effectively pitting Lula's expansionary fiscal policy against Brazilian Central Bank's (BCB's) tight monetary policy. In mid-March, the BCB under its new governor Gabriel Galípolo hiked the benchmark Selic rate to 14.25%, a level not seen since 2016. Amid these cross-currents, Brazil's currency had an eventful quarter. Initially, the Real strengthened on the back of rising rate differentials – however, it then wobbled, especially as U.S. recession fears caused a commodity pullback. The

growth picture in Brazil was mixed: Q4 2024 activity had weakened more than expected, but early 2025 data showed areas of resilience. Unemployment hovered near multi-year lows of around 8%, and a record soy harvest plus solid services activity hinted that Brazil might skirt a recession.

Performance

The MSCI Emerging Markets index delivered positive returns, and the Fund outperformed.

MercadoLibre has again yo-yoed, moving from the top detractor last quarter to the top contributor this quarter. The company is Latin America's largest online e-commerce and payments ecosystem and having held it for over 15 years, these short-term fluctuations are not something we pay close attention to. Mercadolibre reached its 25-year anniversary in 2024 and reported one of the best years in its history, achieving revenues of \$21bn and free cash flow of \$1.3bn for the year, while investing over \$900m in capital expenditure. We remain excited about what this company can deliver for clients.

Alibaba, the Chinese ecommerce company is another contributor to performance over the quarter. The reappearance of Jack Ma, Alibaba's legendary founder, in President Xi's high-profile meeting with entrepreneurs, was seen as a confidence booster. Apple announced its plan to cooperate with Alibaba on AI functions for its iPhones in China and the company also announced a significant Research and Development (R&D) plan on AI and cloud for the next three years.

Luckin Coffee, a Chinese coffee company and coffeehouse chain also contributed to this quarter's performance. The company reported a strong 36%/184% increase in revenue/net profit in the fourth quarter of 2024. While the investment case wasn't built on China's overall consumer market recovery (but rather on Luckin's edge in a massive market), policy announcements in March focusing on stimulating domestic consumption might have likely lifted the mood towards consumer stocks.

On the other hand, not owning Xiaomi has detracted from performance. Xiaomi is a consumer electronics company whose main revenue comes from smartphones. Share prices have surged in recent quarters on the back of strong financial

results and the promise of a new growth trajectory for Xiaomi in smart electric vehicles.

During 2024, AI was a big driver of stock returns. Moving into 2025, the Chinese startup DeepSeek sparked a wave of discussions with its open-source, cost-effective AI models. This caused challenges for the global semiconductor industry, primarily around whether the handful of leading 'hyperscale' with vast capex and computational advantage can keep their moats in the AI race. As such, both TSMC (the Taiwanese multinational semiconductor contract manufacturing and design company) and Accton Technology (a Taiwanese manufacturer) detracted from performance this quarter.

However, we've seen in technological revolutions in the past that increased capabilities and decreased pricing often increase demand rather than curtail it. This is termed the 'Jevons Paradox' and has the opposite implication than the drop in valuations would suggest. Hardware manufacturing moats take considerable time to establish, and we are confident in both TSMC and Accton's ability to navigate this short-term cyclicity.

Notable Transactions

New Purchases: There were three new purchases made during the quarter.

Globant, a strategic IT services provider with an impressive blue chip client base that we think is well positioned to capture the AI trend.

Gongniu Group (Goneo), the China A share company that manufactures high quality electrical products. The company has a dominate market position and a very strong brand, and growth is likely to come from new areas such as EV charging equipment.

SQM, a Chilean mining company with extraction rights in the world's largest and lowest cost lithium deposit, at what we think is a depressed point in the cycle.

Complete Sales: At a time where competition for capital remains high, during the quarter the team have reviewed the tail of the Fund. This has resulted in several complete sales of some smaller positions in the Fund including Cemex, Jio Financial Services, Lufax, PTT Exploration and Production and Tech Mahindra to fund ideas elsewhere.

Stewardship

We spoke with Samsung Electronics ahead of the annual general meeting to discuss governance, leadership and organisational updates. The company has faced several challenges in recent years, particularly in its semiconductor division, which has led to a number of changes to its management structure. The meeting was an opportunity to hear about the proposed new board members ahead of the Annual General Meeting (AGM) and the strengths they will bring to the business. The discussion provided additional insight into Samsung's efforts to strengthen governance through leadership restructuring and operational changes. We will continue to monitor the impact of these governance changes and the capital allocation intentions of the business.

Market Outlook

Regardless of where you are, these are obviously uncertain times and it looks like the benefits of diversification could never be greater and the heterogenous Emerging Markets universe can provide this. We continue to be happy with both the positioning and composition of the Fund. We are finding a plethora of exciting opportunities and there remains strong competition for capital. Whatever comes to pass on 'Liberation Day' and beyond, one of the qualities we look for when evaluating a company is its adaptability and its resilience. The Fund encompasses a wide array of countries, sectors and structural growth themes that should do well in the years ahead regardless of the short-term news flow.

Transactions from 01 January 2025 to 31 March 2025.

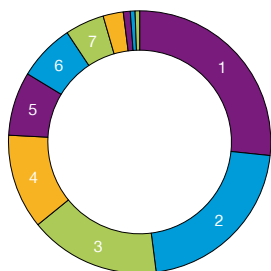
New Purchases

Stock Name	Transaction Rationale
Globant	<p>Founded in Argentina, Globant is a strategic IT services provider that specialises in enterprise software development and digital transformation. The company has established a strong reputation for its expertise in software integration and IT resource optimisation. Its corporate culture emphasises creative problem-solving and autonomous solution development, making it a valuable partner for enterprises navigating digital complexity. It has grown through selective Mergers and Acquisitions (M&A) as well as organically and has successfully diversified away from its established client base in the Americas, to Europe and Asia. As businesses face increasing pressure to modernise and transform their IT capabilities, Globant's specialist skill-set and proven track record position it well to capture rising IT spending globally.</p>
Gongniu Group	<p>Gongniu Group (Goneo) manufactures electrical hardware, particularly power strips and home electrical fixtures, with a growing presence in lighting, EV chargers, and power tools. The company has a 70% market share in its core power strip market under the highly-trusted "Bull" brand. The company demonstrates exceptional operational quality, with 20% return on assets and 30% return on equity. These superior economics stem from the company's market position, strong brand recognition, and significant bargaining power with both suppliers and distributors.</p> <p>While the core electrical business is mature, Goneo is rapidly expanding into EV charging (where it already holds 30% of the consumer market), and international markets (particularly Southeast Asia at present). Their entry into power tools also leverages their existing brand strength and distribution network of 750,000 hardware stores. The founders maintain significant ownership post- Initial Public Offering (IPO), and have demonstrated an attractive combination of long-term reinvestment in the business and shareholder-friendly capital allocation through consistent dividends, which is relatively unusual compared to their A-share peers.</p>
SQM	<p>We have taken a holding in SQM, a Chilean chemical and mining company with extraction rights in the Salar de Atacama, which is the world's largest and lowest-cost lithium deposit. The demand story for lithium is well-known: it has compounded at over 20% pa in the last decade, with EV batteries now accounting for around 75%. However, it is recent developments on the supply-side that interest us more: massive over-expansion in recent years has driven a huge correction in spot lithium prices from a peak of more than U\$85 / kg in 2022 to less than U\$10 / kg at present. At this level, not only is expansion from new sources of supply uneconomic, but existing low-cost producers are also feeling the pain: supply has finally begun to retrench, and more marginal products are being cancelled. Timing the bottom is unlikely to be something in which we have an edge, but tier-one lithium producers like SQM should make money in most environments, and - given expectations that lithium supply probably still needs to treble by the end of the decade - we think could do very well for patient investors willing to look through the near-term gloom.</p>

Complete Sales

Stock Name	Transaction Rationale
Cemex	Cemex is one of the world's leading cement producers, with substantial market shares in Mexico, the US and Europe. It is relatively indebted and operationally leveraged to a recovery in cement usage for infrastructure spending and construction. Cemex has been at the forefront of industry moves to reduce carbon emissions through the use of alternative fuels and carbon capture. Operational performance has been good, but from this point we struggle to get comfortable with the likelihood of the company making superior long-term returns. We sold the holding.
Jio Financial Services	At the time the fund first took a holding in Jio Financial Services, the skew of investment outcomes appeared unusually favourable: downside that was limited by the value of their underlying stake in Reliance Industries, alongside the small but intriguing possibility of very substantial upside in the event the company followed through on their nascent but lofty ambition of becoming a substantial disruptive presence in India's consumer finance industry by leveraging off a broader ecosystem that includes hundreds of millions of Reliance's retail and telecoms customers. It has since become clearer that the scale of ambition is not what we hoped and with the shares now appearing more fairly priced, we have sold the holding.
Lufax	We have used the opportunity of short-term share price strength to sell a small remaining holding in Lufax. This lending business has disappointed operationally since purchase, and despite reinventing its business model, we lack confidence that this will lead to better operational outcomes.
PTT Exploration and Production	We have sold the holding in PTT E&P, the Thai oil and gas business. We have become incrementally more concerned about capital allocation decisions at the company, with investments in renewables at low returns and investment in Liquid Natural Gas (LNG) at a time when low-cost supply appears likely to surprise on the upside. At a time when competition for capital in the portfolio remains fierce, we have decided to sell the small remaining holding to fund ideas elsewhere.
Tech Mahindra	Tech Mahindra is a second-tier IT services business that has enjoyed strong share price performance on the back of management change and expectations of an inflection in growth prospects. Whilst we think the changes the new management team is making are sensible, we think the valuation now implies much stronger operational performance than is likely. We have decided to sell the holding.

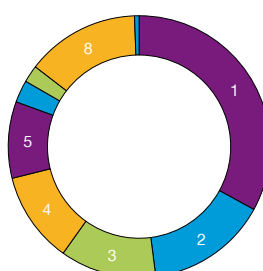
Sector Analysis (%)



1	Information Technology	26.6
2	Consumer Discretionary	21.3
3	Financials	16.2
4	Communication Services	11.7
5	Energy	7.9
6	Materials	7.0
7	Consumer Staples	4.8
8	Industrials	2.5
9	Real Estate	0.9
10	Health Care	0.6
11	Cash	0.6

Total may not sum due to rounding.

Geographic Analysis (%)



1	China	33.0
2	Taiwan	15.0
3	India	11.9
4	Brazil	11.2
5	South Korea	9.5
6	Mexico	2.8
7	Thailand	2.1
8	Others	14.0
9	Cash	0.6

Total may not sum due to rounding.

Top Ten Holdings

Holdings	Fund %	
1	TSMC	11.1
2	Tencent	7.4
3	Alibaba	4.7
4	Samsung Electronics	4.5
5	MercadoLibre	4.0
6	Petrobras	3.7
7	Reliance Industries	3.3
8	Kweichow Moutai	2.8
9	SK Hynix	2.2
10	Meituan	2.1

Portfolio Characteristics

Number of holdings	72
Number of countries	19
Number of sectors	10
Number of industries	31
Active Share	68%*
Annual Turnover	18%

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

Voting Activity

Votes Cast in Favour	Votes Cast Against	Votes Abstained/Withheld
Companies 17	Companies 2	Companies 1
Resolutions 126	Resolutions 6	Resolutions 1

Company Engagement

Engagement Type	Company
Environmental	Copa Holdings, S.A., Coupang, Inc., Kweichow Moutai Co., Ltd., Reliance Industries Limited
Social	Coupang, Inc., Zijin Mining Group Company Limited
Governance	BeiGene, Ltd., Brilliance China Automotive Holdings Limited, Kaspi.kz Joint Stock Company JSC, Kweichow Moutai Co., Ltd., Reliance Industries Limited, Samsung Electronics Co., Ltd.
Strategy	Kweichow Moutai Co., Ltd., Reliance Industries Limited, Samsung Electronics Co., Ltd., Zijin Mining Group Company Limited

Asset Name	Fund %
TSMC	11.1
Tencent	7.4
Alibaba	4.7
Samsung Electronics	4.5
MercadoLibre	4.0
Petrobras	3.7
Reliance Industries	3.3
Kweichow Moutai	2.8
SK Hynix	2.2
Meituan	2.1
Midea	2.0
MediaTek	1.9
Axis Bank	1.8
Sea Limited	1.8
First Quantum Minerals	1.6
Tata Consultancy Services	1.6
B3	1.5
SQM	1.4
China Merchants Bank	1.4
Kotak Mahindra Bank	1.4
Bank Rakyat Indonesia	1.3
Ping An Insurance	1.3
Accton Technology	1.3
Hyundai Motor Company	1.3
Impala Platinum	1.3
Anker Innovations	1.3
Grupo Financiero Banorte	1.1
Coupang	1.1
Haidilao International	1.0
UltraTech Cement	1.0
FEMSA	1.0
JD.com	1.0
HDFC Life Insurance	0.9
Valeura Energy	0.9
Credicorp	0.9
Baidu.com	0.9
KE Holdings	0.9
Nu Holdings	0.8
Allegro.eu	0.8
Silergy	0.8
Tencent Music Entertainment Group	0.8
Haier Smart Home	0.8
Goneo Group	0.8
Fabrinet	0.7
Copa Holdings	0.7
Kaspi.kz	0.7

Asset Name	Fund %
Mobile World Investment Corporation	0.7
Saudi Tadawul Group	0.7
Zijin Mining	0.7
Shenzhou International	0.7
PB Fintech	0.6
E Ink	0.6
Walmex	0.6
BeiGene	0.6
Globant	0.6
FirstRand	0.5
Banco Bradesco	0.5
WNS Global Services	0.5
Delhivery	0.5
SCB X	0.5
Lundin Mining	0.5
Kuaishou Technology	0.5
KGHM Polska Miedz	0.5
Natura & Co.	0.4
Li Ning	0.4
Brilliance China Automotive	0.3
Raizen	0.3
NAVER Corp	0.3
Hyundai Motor India Limited	0.2
Norilsk Nickel	0.0
Sberbank	0.0
Moscow Exchange	0.0
Cash	0.6
Total	100.0

Total may not sum due to rounding.

Please note the fund information contained within this document is proprietary information and should be maintained as such and not disseminated. The content is intended for information purposes only and should not be disclosed to other third parties or used for the purposes of market timing or seeking to gain an unfair advantage.

Additional Fund Information

The Fund is a sub-fund of Baillie Gifford Funds Canada. Its Investment Manager and Distributor is Baillie Gifford Overseas Limited.

This factsheet does not provide you with all the facts that you need to make an informed decision about investing in the Fund. Further details of the risks associated with investing in the Fund can be found in the Offering Memorandum, copies of which are available at bailliegifford.com

Important Information and Risk Factors

This bulletin is solely for the use of professional investors and should not be relied upon by any other person. It is not intended for use by retail clients. Nothing in the document should be construed as advice and it is therefore not a recommendation to buy or sell shares.

Baillie Gifford Overseas Limited is wholly owned by Baillie Gifford & Co. Baillie Gifford Overseas Limited provides investment management and advisory services to non-UK clients. Both are authorized and regulated by the Financial Conduct Authority. Baillie Gifford Overseas Limited is registered with the SEC in the United States of America.

Baillie Gifford International LLC is wholly owned by Baillie Gifford Overseas Limited; it was formed in Delaware in 2005 and is registered with the SEC. It is the legal entity through which Baillie Gifford Overseas Limited provides client service and marketing functions in North America.

The Manager is not resident in Canada, its head office and principal place of business is in Edinburgh, Scotland. Baillie Gifford Overseas Limited is regulated in Canada as a portfolio manager and exempt market dealer with the Ontario Securities Commission ('OSC'). Its portfolio manager licence is currently passported into Alberta, Quebec, Saskatchewan, Manitoba and Newfoundland & Labrador whereas the exempt market dealer licence is passported across all Canadian provinces and territories. Baillie Gifford International LLC is regulated by the OSC as an exempt market and its licence is passported across all Canadian provinces and territories. Baillie Gifford Investment Management (Europe) Limited ('BGE') relies on the International Investment Fund Manager Exemption in the provinces of Ontario and Quebec. 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. All investment funds have the potential for profit and loss. All information is sourced from Baillie Gifford & Co. All amounts are in Canadian dollars unless otherwise stated.

Fees

Emerging Markets Fund Management Fees

0.72% first C\$150m

0.60% thereafter

Investors are charged a fee for investment management services based on the above scale. This fee is payable directly to the manager.

Operating expenses are 0.07%, based on the actual expenses for the fiscal year to December 31, 2024. The Funds operating expenses are all expenses the Fund incurs in its daily operations excluding transaction fees.

Dealing Information

Settlement	T+2
Liquidity and Valuation	Daily
Eligibility	Permitted clients*
Dealing cut-off time	4pm Eastern
Custodian and Record Keeper	CIBC

*As defined in Multilateral Instrument 32-102 Registration Exemptions for Non-Resident Investment Managers.

Legal Notices

Source: MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indexes or any securities or financial products. This report is not approved, endorsed, reviewed or produced by MSCI. None of the MSCI data is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such.

Contacts

Anthony Spagnolo

Tel: (416) 505 5927

email: Anthony.Spagnolo@bailliegifford.com

Baillie Gifford International LLC
161 Bay Street, Suite 2700,
Toronto, Ontario, M5J 2S1

Canada Client Service Team

email: CanadaClientService@bailliegifford.com