

BAILLIE GIFFORD

Baillie Gifford Worldwide Global Alpha Choice Fund

Shareholder Rights Directive Annual Disclosure
for the period 01 January 2022 to 31 December 2022



This disclosure is produced to meet our obligation to provide enhanced reporting under the Shareholder Rights Directive (SRD) requirements. It is not marketing material. This document is solely for the use of professional investors and should not be relied upon by any other person. It is not intended for use by retail clients.

Our Investment Strategy

Global Alpha Choice is an active, long-term growth investment strategy. Our goal as investors is to identify and nurture companies capable of producing outstanding long-term returns. Core to our approach is the desire to invest in companies with vast opportunities and to build lasting relationships with those driving their success.

We invest in high quality management teams which prioritise long-term value creation and are supported by constructive and purposeful boards. We place emphasis on corporate cultures and business practices which prioritise fair treatment of stakeholders. Our ambition is to focus attention on the benefits of patient relationship building and of long-sighted capital deployment for truly sustainable growth.

The strategy will be consistent with the objectives of the Paris Agreement and commits to having a weighted average greenhouse gas intensity lower than that of the MSCI ACWI EU Paris-Aligned Requirements Index. The strategy applies both a quantitative and a qualitative screening process. In addition, the strategy excludes companies from certain industries, using a sector-based screen, and also companies which do not comply with the requirements of the United Nations Global Compact Principles for Business ('UN Global Compact').

How We Make Investment Decisions

The Fund invests in an actively managed portfolio of stocks from around the world with the intention of delivering significantly higher total returns than the MSCI ACWI Index. We focus on companies which we believe offer above average profit growth and we invest with a long-term (5 year) perspective. The Fund's three dedicated investment managers draw on a combination of their own investment ideas and those of our various investment teams to produce a portfolio that typically holds 70-120 stocks. The Global Alpha team comprises three full time portfolio managers, two full time investment analysts and a dedicated environmental, social and governance (ESG) analyst. In addition to the full-time team, an important part of the process is the Portfolio Review Group (PRG). The PRG comprises the managers, the Global Alpha analysts, and a number of senior investors from other investment teams. While all members of the PRG bring ideas and views to the discussion, the managers take full responsibility for the stock selection process and are accountable for investment performance.

Portfolio Construction Process

The PRG meets on a six weekly basis to discuss the buy and sell ideas of its members and their level of conviction in existing holdings. The process encourages portfolio integration and results in a genuinely global perspective. The managers draw on the advice and research of the other PRG members, in addition to their own company analysis. The managers ensure that good ideas are fully implemented, insights shared, and problems addressed. By concentrating the important decisions in a small group, we believe we produce a portfolio which has high 'active share' (a measure of how actively the portfolio is managed - i.e. the percentage of the portfolio that differs from its comparative index; an active share of 100 indicates no overlap, while zero indicates a portfolio that replicates the index).

Key Material Medium to Long Term Risks

Fundamental risk - the permanent loss of capital and the risk of missing out on companies which subsequently post strong returns. We therefore place significant emphasis in our investment management process on understanding the fundamentals of the companies in which we invest, including environmental, social and governance factors (ESG), which may impact the sustainability of future growth.

Portfolio risk - a failure to maintain an appropriate level of diversification at the strategy level. A series of investment guidelines are in place which are intended to ensure that there is a sufficient level of diversification.

Liquidity risk - a failure to maintain appropriate level of liquidity at the strategy level. We have a series of guidelines that ensure the strategy remains sufficiently liquid to enable positions to be exited or client cash flows to be managed with minimal impact.

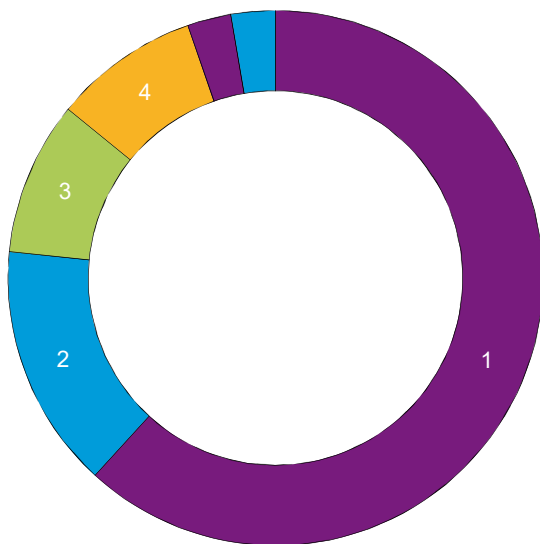
Portfolio Composition

Global Alpha Choice is based on the unconstrained Global Alpha strategy. It is managed by the same team and has the same investment philosophy, process and performance objective. The Fund invests in an actively managed portfolio of stocks from around the world with the intention of delivering significantly higher total returns than the MSCI ACWI Index. In addition, the Fund will be consistent with the objectives of the Paris Agreement and commits to having a weighted average greenhouse gas intensity lower than that of the MSCI ACWI EU Paris-Aligned Requirements Index. The Fund applies both a quantitative and qualitative screening process. The quantitative screens exclude companies that derive a certain amount of revenues from a range of sin-sectors, as well as companies that do not adhere to the ten principles of the UN Global Compact. The qualitative screen follows a three question framework to identify companies that, in the Investment Manger's opinion, face significant challenges from the transition to a low-carbon future.

Top Ten Holdings

Asset Name	% of Portfolio
Elevance Health Inc	5.2
Prosus N.V.	4.1
Microsoft	3.5
Moody's	3.4
Alphabet Inc Class C	2.9
Service Corp.Intl.	2.8
AIA Group	2.6
Mastercard	2.5
AJ Gallagher & Co	2.5
Alnylam Pharmaceuticals	2.4

Geographic Analysis of Total Assets



	%
1 North America	61.8
2 Europe (ex UK)	14.8
3 Emerging Markets	9.3
4 Developed Asia Pacific	8.8
5 UK	2.7
6 Cash	2.7

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

Turnover and Turnover (Transaction) Costs

	%
Rolling One Year Turnover	27

Rolling One Year Turnover is calculated as the lesser of the sum of all purchases and the sum of all sales in each month divided by the monthly average market value, summed over 12 months. Turnover is a measure of average investment horizon, the lower the turnover the longer the average investment horizon.

Transaction costs:	%
Explicit transaction costs	0.04
Implicit transaction costs	0.02

Explicit costs are directly observable and include broker commissions and transaction taxes and fees. Implicit costs are the indirect costs associated with buying and selling of securities. Specifically, implicit costs represent the differential between the actual transaction price (excluding taxes and commissions) and the mid-market price of the asset when the order to transact was transmitted to a third-party. Due to the methodology used, overall transaction costs may be 'negative' if individual securities are purchased below the prevailing mid-price or conversely sold above the mid-price. Current MiFID II guidance requires us to disclose these costs, even if they result in a negative figure (i.e. an implicit gain to the investor).

Our Governance and Sustainability Approach

We look beyond current financial performance, undertaking proprietary research to build up an in-depth knowledge of an individual company and a view on their long-term prospects, including material governance and sustainability factors which we believe will positively or negatively affect the financial returns of an investment. In keeping with our decentralised and autonomous culture, we are comfortable with our various investment strategies taking different approaches to reach the same goal of properly assessing and weighing up governance and sustainability considerations in the investment process. Further information regarding our approach is detailed in our Governance and Sustainability Principles and Guidelines available in the About Us section of our website.

Our Approach to Voting and Engagement

Thoughtful voting of our clients' holdings is an integral part of our commitment to stewardship. Our Governance and Sustainability team oversees our voting analysis and execution in conjunction with our investment managers. Unlike many of our peers, we do not outsource the responsibility of voting to third-party suppliers. We utilise research from proxy advisers for information only. Additionally, Baillie Gifford does not lend securities on behalf of our clients. Where a client chooses to lend securities, we may consider requesting that clients recall any securities on loan to enable us to vote if we deem a meeting to be significant or contentious.

We engage regularly with management and board members to identify and understand issues and to monitor performance. Analysts from the Governance and Sustainability team regularly join our investors for these meetings, in addition to meetings that they will arrange directly with company representatives to discuss specific issues. Further details of Baillie Gifford's approach to voting and engagement is outlined in our Governance and Sustainability Principles and Guidelines document available in the About Us section of our website.

Detailed below are the engagements and the most significant votes we have carried out.

Company Engagement

Engagement Type	Company
Corporate Governance	Adyen N.V., Axon Enterprise, Inc., CBRE Group, Inc., Chewy, Inc., Hoshizaki Corporation, Housing Development Finance Corporation Limited, Illumina, Inc., Meituan, Moderna, Inc., Netflix, Inc., Olympus Corporation, Prudential plc, Shopify Inc., SiteOne Landscape Supply, Inc., Tesla, Inc., Thermo Fisher Scientific Inc., Twilio Inc.

Environmental/Social	AIA Group Limited, Abiomed, Inc., Albemarle Corporation, Alibaba Group Holding Limited, Alnylam Pharmaceuticals, Inc., Amazon.com, Inc., B3 S.A. - Brasil, Bolsa, BalcAo, CRH plc, Martin Marietta Materials, Inc., MercadoLibre, Inc., Meta Platforms, Inc., Microsoft Corporation, Moderna, Inc., Nexans S.A., Royalty Pharma plc, SMC Corporation, Schibsted ASA, Shopify Inc., Taiwan Semiconductor Manufacturing Company Limited, Tesla, Inc., The Trade Desk, Inc., Wayfair Inc.
AGM or EGM Proposals	Abiomed, Inc., Amazon.com, Inc., Atlas Copco AB, Booking Holdings Inc., Cloudflare, Inc., Compagnie Financière Richemont SA, CyberAgent, Inc., Elevance Health Inc., Markel Corporation, Meta Platforms, Inc., Moderna, Inc., Nexans S.A., Prosus N.V., Schibsted ASA, Sea Limited, Teradyne, Inc., The Trade Desk, Inc.
Executive Remuneration	Axon Enterprise, Inc., Prosus N.V., Prudential plc, The Estee Lauder Companies Inc.

Voting Activity

Votes Cast in Favour	Votes Cast Against	Votes Abstained/Withheld
Companies 79	Companies 24	Companies 5
Resolutions 957	Resolutions 60	Resolutions 5

Significant Votes Cast in Favour

Company	Meeting Details	Voting Rationale
Abiomed	Annual 10/08/22 Resolution(s): 1.002	We voted in favour of routine proposals at the aforementioned meeting(s). This resolution is significant because Baillie Gifford swung the vote.
Amazon.com	Annual 25/05/22 Resolution(s): 13	We supported a shareholder proposal on freedom of association. In light of several recent high profile controversies, we believe that shareholders would benefit from a more thorough examination of the compliance of the company's policies and practices with international fundamental rights. This resolution is significant because it was submitted by shareholders and received greater than 20% support.
Amazon.com	Annual 25/05/22 Resolution(s): 14	We supported a shareholder proposal on lobbying. We have supported this proposal at Amazon.com for the last two years. We believe that the company's disclosure is lagging that of its peers, and greater transparency of all political expenditures and lobbying would enable shareholder to assess alignment with Amazon's values and corporate goals. This resolution is significant because it was submitted by shareholders and received greater than 20% support.
Amazon.com	Annual 25/05/22 Resolution(s): 17	We supported a shareholder proposal on gender/racial pay. We have supported this proposal at Amazon.com for the last two years. We believe that women and minorities are underrepresented in leadership positions compared with the broader workforce, and reporting the unadjusted median gap would help to assess structural bias regarding job opportunity and pay. This resolution is significant because it was submitted by shareholders and received greater than 20% support.
Charles Schwab	Annual 17/05/22 Resolution(s): 8	We supported the shareholder resolution for disclosure of lobbying activities and expenditure as we believe that greater transparency would enable shareholders to assess alignment with the company's values and corporate goals. This resolution is significant because it was submitted by shareholders and received greater than 20% support.

Company	Meeting Details	Voting Rationale
Meta Platforms Inc	Annual 25/05/22 Resolution(s): 13	We supported a shareholder resolution regarding lobbying as we believe that shareholders will benefit from more transparency around this topic. This resolution is significant because it was submitted by shareholders and received greater than 20% support.
Meta Platforms Inc	Annual 25/05/22 Resolution(s): 4	We supported a shareholder resolution on equal voting rights as we believe this is in the best interests of shareholders. This resolution is significant because it was submitted by shareholders and received greater than 20% support.
Microsoft	Annual 13/12/22 Resolution(s): 7	We supported a shareholder resolution requesting an independent report on whether government use of its technology contributes to violations of the company's human rights and ESG policies and principles. We believe shareholders would benefit from additional transparency around the considerations made by the company in evaluating the appropriateness of military contracts. This resolution is significant because it was submitted by shareholders and received greater than 20% support.
Netflix Inc	Annual 02/06/22 Resolution(s): 8	We supported a shareholder resolution for a report on lobbying payments and policy as we believe enhanced disclosure on these subjects is in shareholders' best interests. This resolution is significant because it was submitted by shareholders and received greater than 20% support.
Tesla Inc	Annual 04/08/22 Resolution(s): 7	We supported the resolution requesting additional disclosure on the company's efforts to address harassment and discrimination in the workplace. We believe quantitative disclosure would help us understand and monitor the company's efforts. This resolution is significant because it was submitted by shareholders and received greater than 20% support.
Tesla Inc	Annual 04/08/22 Resolution(s): 9	We supported the resolution requesting a report on the impact of using mandatory arbitration in line with our voting approach in 2020 and 2021. We believe increased transparency would help us better understand the company's use of the practice and any implications for workplace practices and culture. This resolution is significant because it was submitted by shareholders and received greater than 20% support.

Significant Votes Cast Against

Company	Meeting Details	Voting Rationale
Abiomed	Annual 10/08/22 Resolution(s): 2	We opposed executive compensation due to concerns with the structure of the plan including short term performance targets within the long term plan. This resolution is significant because it received greater than 20% opposition.
B3 S.A.	AGM 28/04/22 Resolution(s): 7	We opposed a resolution to confer our votes on unknown directors should the slate of directors change. This resolution is significant because we opposed the election of a director.

Company	Meeting Details	Voting Rationale
Booking Holdings Inc	Annual 09/06/22 Resolution(s): 2	We opposed executive compensation due to concerns with adjustments made to the plan and the granting of retention awards. This resolution is significant because it received greater than 20% opposition.
Cbre Group Inc	Annual 18/05/22 Resolution(s): 5	We opposed a shareholder resolution to lower the threshold for shareholders to call a special meeting as we consider that the existing threshold is appropriate. This resolution is significant because it received greater than 20% opposition.
Charles Schwab	Annual 17/05/22 Resolution(s): 7	We opposed the shareholder resolution for provision of proxy access rights as we believe that the absence of aggregation limits may result in misuse of the shareholder right. We acknowledge managements willingness to progress their governance practices and we supported the management resolution. This resolution is significant because it received greater than 20% opposition.
Cloudflare Inc	Annual 02/06/22 Resolution(s): 4	We opposed the one-off option awards made to the co-founders due to concerns over the overall quantum and the lack of operational performance measures. This resolution is significant because we opposed remuneration.
Elevance Health Inc	Annual 18/05/22 Resolution(s): 5	We opposed the shareholder resolution to prohibit political funding as the company operates in a highly regulated sector, and we believe that doing so would not be in the best interest of shareholders. This resolution is significant because it received greater than 20% opposition.
Elevance Health Inc	Annual 18/05/22 Resolution(s): 6	We opposed the shareholder resolution seeking a racial impact audit and report as company disclosure is sufficient and a similar report was recently undertaken. This resolution is significant because it received greater than 20% opposition.
Illumina	Annual 26/05/22 Resolution(s): 4	We opposed a shareholder resolution requesting the company to change its articles of association to provide shareholders the right to call a special meeting when they own more than fifteen per cent of share capital. We supported management's alternate proposal for setting the threshold at twenty-five per cent, as we agree that this threshold strikes an appropriate balance between facilitating shareholder rights and protecting the company's and shareholders' long term interests. This resolution is significant because Baillie Gifford swung the vote.
Microsoft	Annual 13/12/22 Resolution(s): 4	We opposed a shareholder resolution requesting a cost/benefit analysis of the company's diversity and inclusion strategy. We are comfortable with the company's efforts in this area and do not think this additional analysis would be worthwhile. This resolution is significant because it received greater than 20% opposition.

Company	Meeting Details	Voting Rationale
Microsoft	Annual 13/12/22 Resolution(s): 5	We opposed a shareholder resolution requesting a report on the company's alignment between its hiring practices and public statements. We believe the company is being proactive in the work they are doing to implement the Fair Chance Business Pledge. We also think the company's current reporting is sufficient to enable shareholders to measure progress against commitments. This resolution is significant because it received greater than 20% opposition.
Microsoft	Annual 13/12/22 Resolution(s): 6	We opposed a shareholder resolution requesting a report on the company's retirement funds' management of systemic climate risk. We do not believe this is a material risk for the company and think they are doing enough by offering employees a range of investment options. This resolution is significant because it received greater than 20% opposition.
Microsoft	Annual 13/12/22 Resolution(s): 8	We opposed a shareholder resolution requesting a report on the risks to the company of its perceived involvement in the development of weapons for the military. We don't view this to be a material risk for the business currently. This resolution is significant because it received greater than 20% opposition.
Microsoft	Annual 13/12/22 Resolution(s): 9	We opposed a shareholder resolution requesting a tax transparency report. We believe the company's current disclosures are in line with peers and provide shareholders with adequate disclosure. This resolution is significant because it received greater than 20% opposition.
Netflix Inc	Annual 02/06/22 Resolution(s): 7	We opposed a shareholder resolution to eliminate supermajority voting because we supported a management resolution that sought to implement similar changes. This resolution is significant because it received greater than 20% opposition.
Richemont	AGM 07/09/22 Resolution(s): 10, 11	We opposed two shareholder resolutions to amend the articles to increase A share representation on the board as we do not believe that the proposed changes are justified. This resolution is significant because it received greater than 20% opposition.
Richemont	AGM 07/09/22 Resolution(s): 4.1, 5.17	We opposed two shareholder resolutions to appoint a representative of category A shares due to a lack of compelling justification for the candidate nominated by the proponent. Instead, we chose to support the candidate proposed by the management. This resolution is significant because it received greater than 20% opposition.
Richemont	AGM 07/09/22 Resolution(s): 9.3	We opposed a resolution to approve variable remuneration for the executive committee due to a lack of clarity and clear alignment with shareholder interests. This resolution is significant because it received greater than 20% opposition.
Rio Tinto	AGM 08/04/22 Resolution(s): 22	We opposed the conditional resolution in line with management recommendation. This resolution is significant because it received greater than 20% opposition.

Company	Meeting Details	Voting Rationale
Tesla Inc	Annual 04/08/22 Resolution(s): 10	We opposed the resolution requesting a report on how the company's corporate lobbying is aligned with the Paris Climate Agreement. Given Tesla's core mission is to accelerate the world's transition to sustainable energy and its entire business strategy is in alignment with the Paris Agreement, we believe additional disclosures would be a burdensome with no real benefit to shareholders. his resolution is significant because it was submitted by shareholders and received greater than 20% support.
Tesla Inc	Annual 04/08/22 Resolution(s): 11	We opposed the resolution requesting the company adopt a policy on freedom of association and collective bargaining. These rights are enshrined in the National Labor Relations Act and like any US company, Tesla must comply with the law and this is not a matter for company policy. his resolution is significant because it was submitted by shareholders and received greater than 20% support.
Tesla Inc	Annual 04/08/22 Resolution(s): 13	We opposed the resolution requesting a report on the company's water risk exposure. The company already provides detailed disclosure and has stated its intention to continue to increase the level of disclosure in future Impact Reports. his resolution is significant because it was submitted by shareholders and received greater than 20% support.
The Trade Desk	Annual 26/05/22 Resolution(s): 3	We opposed the executive compensation due to concerns over the quantum and performance conditions attached to the large off-cycle grant made during the year. This resolution is significant because it received greater than 20% opposition.
Wayfair Inc	Special 13/10/22 Resolution(s): 1	We opposed the extension of the omnibus Stock Plan because we believe a number of the plan's features were in contravention to best practice. This resolution is significant because we opposed remuneration.

Significant Abstentions

There were no significant abstentions

Conflicts of Interest

Baillie Gifford maintains a firm-wide Conflicts Matrix, which identifies conflicts and potential conflicts of interest that exist within the firm, and the procedures and controls that have been adopted to manage these conflicts. Baillie Gifford's firm wide conflict of interest disclosure is available in the Important Disclosures area of our website

We recognise the importance of managing potential conflicts of interest that may exist when we engage with or vote at a company with whom we have a material business or personal relationship, and the Governance and Sustainability team is responsible for monitoring these possible material conflicts of interest.

The Governance and Sustainability team's approach to dealing with conflicts of interest in relation to voting and engagement can be found in our Investment Stewardship Activities report which is available in the Governance and Sustainability area of our website.

