

BAILLIE GIFFORD

Baillie Gifford Worldwide US Equity Growth Fund

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

We aim to deliver outstanding investment performance by identifying the exceptional growth businesses in America and owning them for long enough that the advantages of their business models and strength of their cultures become the dominant drivers of their stock prices.

An exceptional growth business is a company with a special culture that is addressing a large market opportunity and possesses an edge that will allow it to deliver high future returns. These opportunities are rare, especially when we demand a clear distinction between our view of the opportunity and that implied by the market price. We run concentrated portfolios as we do not want to dilute the impact of such companies in the name of diversification. We do not attempt to predict or control for short-term price changes; looking beyond the immediate environment is a central part of our process.

How We Make Investment Decisions

The full investment team has input in to the portfolio construction process through portfolio review meetings, which occur approximately every 7 weeks. Investment decisions are taken by the team's fund managers at implementation meetings and discussions. We aim to invest in a concentrated portfolio of companies which we believe individually have the potential to produce a 2.5x return over the next 5 years; holding sizes reflect the potential upside for an investment and the likelihood of it being realised. We do not seek consensus in the decision-making process and believe it is necessary to be prepared to back individual portfolio manager judgement when strength of conviction merits it. Even if only one of the managers wants to buy a stock then we will take a holding if the stock fits our investment philosophy and any key questions have been answered. Controversial ideas can be the most rewarding and this is particularly powerful when the potential gains are so much larger than losses. Our process is oriented around owning future outliers, including through periods of weakness. We consider selling stocks only when we can no longer see a likely enough path to sufficient upside from the current share price, or when an idea we have higher conviction in requires funding. We are wary of prematurely reducing holdings in successful stocks and we consider price moves in the context of evolving growth opportunities.

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.

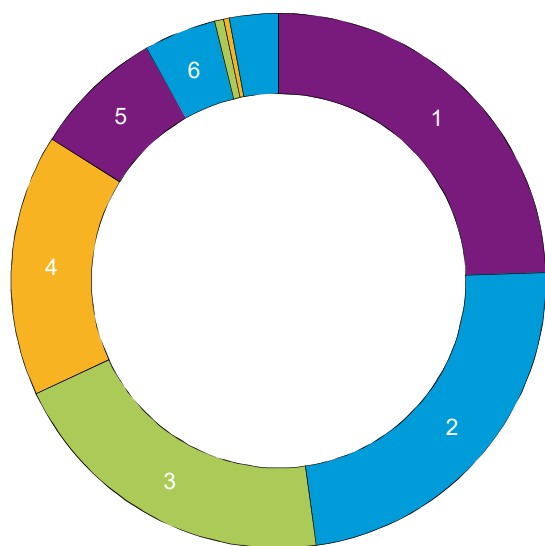
Portfolio Composition

We are bottom-up, growth investors with a long-term horizon. We back our judgement, running a concentrated portfolio (usually between 30-50 stocks), with low turnover. The team aims to outperform by harnessing the asymmetry of returns inherent in equity markets. We believe we will maximise our chances of achieving this aim by identifying the exceptional growth businesses in America and owning them for long enough that the advantages of their business models and cultural strengths become the dominant drivers of their stock prices. We take a five year view when investing in stocks and are not driven by short-term trends.

Top Ten Holdings

Asset Name	% of Portfolio
Moderna Inc	8.8
The Trade Desk	6.7
Shopify 'A'	6.3
Amazon.com	5.0
Tesla Inc	4.7
CoStar Group	4.6
Alnylam Pharmaceuticals	4.4
Netflix Inc	3.9
Watsco Inc	3.3
NVIDIA	3.3

Sector Analysis of Total Assets



	%
1 Information Technology	24.5
2 Health Care	23.2
3 Consumer Discretionary	20.3
4 Communication Services	15.8
5 Industrials	7.9
6 Financials	4.4
7 Materials	0.6
8 Real Estate	0.3
9 Cash	3.0

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

Turnover and Turnover (Transaction) Costs

	%
Rolling One Year Turnover	24

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	0.03
Implicit transaction costs	0.42

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	Carvana Co., Chewy, Inc., Illumina, Inc., Moderna, Inc., Netflix, Inc., Roblox Corporation, Shopify Inc., Tesla, Inc., Twilio Inc.
Environmental/Social	Abiomed, Inc., Alnylam Pharmaceuticals, Inc., Amazon.com, Inc., Coursera, Inc., Duolingo, Inc., MarketAxess Holdings Inc., Moderna, Inc., Roblox Corporation, Shopify Inc., Tesla, Inc., The Trade Desk, Inc., Watsco, Inc., Wayfair Inc.

AGM or EGM Proposals	Abiomed, Inc., Affirm, Inc., Amazon.com, Inc., Carvana Co., Cloudflare, Inc., MarketAxess Holdings Inc., Moderna, Inc., Penumbra, Inc., Redfin Corporation, The Trade Desk, Inc., Workday, Inc.
Executive Remuneration	Workday, Inc.

Voting Activity

Votes Cast in Favour	Votes Cast Against	Votes Abstained/Withheld
Companies	43	3
Resolutions	309	3

Significant Votes Cast in Favour

Company	Meeting Details	Voting Rationale
Abiomed	Annual 08/10/22 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 05/25/22 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 05/25/22 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 05/25/22 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.
Netflix Inc	Annual 06/02/22 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 08/04/22 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.

Company	Meeting Details	Voting Rationale
Tesla Inc	Annual 08/04/22 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 08/10/22 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.
Cloudflare Inc	Annual 06/02/22 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.
Illumina	Annual 05/26/22 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.
Netflix Inc	Annual 06/02/22 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.
Tesla Inc	Annual 08/04/22 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 08/04/22 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.

Company	Meeting Details	Voting Rationale
Tesla Inc	Annual 08/04/22 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 05/26/22 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 10/13/22 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.

