

Baillie Gifford™

Baillie Gifford Investment Funds II ICVC

Interim Report and Financial Statements (Unaudited)

for the six months ended 31 December 2024



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*Collectively these comprise the Authorised Corporate Director's Report as required by the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("COLL").

About the Company

Baillie Gifford Investment Funds II ICVC (Investment Company with Variable Capital) ('the Company') is an umbrella UK Open-Ended Investment Company ('OEIC') under regulation 14 (Authorisation) of the Open-Ended Investment Companies Regulations 2001. An OEIC is a collective investment vehicle in which your funds are pooled with those of other investors and spread across a portfolio of investments, thus reducing risk.

At 31 December 2024 the Company offered five sub-funds, and the range may be varied in the future. Each sub-fund is valued on a daily basis and is subject to different charging structures and subscription limits. All shares are single priced. Details of the sub-funds and the share classes are contained in the Prospectus, along with details of the switching facility available between sub-funds. The Prospectus and the Instrument of Incorporation were last revised on 31 January 2025. Copies of the Prospectus or Instrument of Incorporation can be obtained from Baillie Gifford & Co Limited, the Authorised Corporate Director ('ACD') by contacting Client Relations.

The Company is registered in England and Wales, registered number IC001040, and the address of its Head Office is 3 St. Helen's Place, London EC3A 6AB. The operation of the Company is governed by the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL') ('the Regulations'), its Instrument of Incorporation and its Prospectus.

The Company's shareholders are not liable for its debts beyond the amount subscribed. Each sub-fund is classed as a UK UCITS retail scheme under COLL.

Any comments expressed in this report should not be taken as a recommendation or advice.

Baillie Gifford Health Innovation Fund

The ACD is no longer actively seeking subscriptions for the Fund which closed on 13 November 2024.

Baillie Gifford Sustainable Income Fund

With effect from 31 January 2025 the name of Baillie Gifford Sustainable Income Fund was changed to Baillie Gifford Monthly Income Fund. In addition, the

investment policy for Baillie Gifford Sustainable Income Fund was amended to add some clarificatory detail regarding the Fund's sustainability characteristics, the screens it applies, and its monitoring and engagement approach.

Baillie Gifford UK Equity Core Fund

With effect from 2 December 2024 the investment policy for Baillie Gifford UK Equity Core Fund was amended to formalise the sub-fund's commitments to aligning its portfolio to the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5C.

Sub-fund Cross-holdings

At 31 December 2024 none of the shares in the sub-funds were held by any other sub-funds of the Company.

Assessment of Value for the Sub-funds

Under COLL 6.6.20R (1), Baillie Gifford & Co Limited, the ACD of the Company, must conduct an assessment at least annually for each UK authorised sub-fund it manages, of whether the payments out of the sub-funds set out in the prospectus are justified in the context of the overall value delivered to shareholders. This assessment of value must, as a minimum, consider seven criteria, namely: quality of service, performance, authorised fund manager costs, economies of scale, comparable market rates, comparable services and classes of shares. The ACD will issue the statement of value in a separate composite report, performing the assessment across their full range of UK authorised sub-funds. The ACD has chosen a reference date of 31 March and will publish a composite report by 31 July each year. The latest report as at 31 March 2024 is available on the website at www.bailliegifford.com.

About the Company cont.

Authorised Corporate Director

Baillie Gifford & Co Limited
(Authorised & regulated by the Financial Conduct Authority, Financial Services Register No. 119179)
Calton Square
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Telephone: 0800 917 2113
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Directors of the ACD

Executive

M J C Wylie (Chairman)

E Delaney

C M Fraser

L B S Haddow

D S McGowan

C M Murphy

Independent Non-Executive

K B M Bolsover

D R Buckley

C R S Turpin

Investment Adviser

Baillie Gifford & Co
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Depositary

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Registrar

Baillie Gifford & Co Limited
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PricewaterhouseCoopers LLP
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Baillie Gifford & Co Limited, the Authorised Corporate Director of the OEIC, is wholly owned by Baillie Gifford & Co. We only provide information about our products and do not provide investment advice.

Statement of Authorised Corporate Director's Responsibilities

The Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL') requires the Authorised Corporate Director to prepare financial statements for each interim and annual accounting period which give a true and fair view of the financial position of the Company and of its revenue and expenditure and of its net gains and losses on the property of the Company for the period. In preparing the financial statements the Authorised Corporate Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with the disclosure requirements of the Statement of Recommended Practice relating to the Financial Statements of UK Authorised Funds issued in 2014;
- follow generally accepted accounting principles and applicable accounting standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland";
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation; and
- take reasonable steps for the prevention and detection of fraud and irregularities.

The Authorised Corporate Director is responsible for the management of the Company in accordance with the Instrument of Incorporation, the Prospectus and the Regulations.

The Interim Report and Financial Statements were approved by the Authorised Corporate Director and signed on its behalf by:

M J C Wylie, Chairman
C M Fraser, Director
Baillie Gifford & Co Limited
30 April 2025

Baillie Gifford™

Baillie Gifford Health Innovation Fund

a sub-fund of Baillie Gifford Investment Funds II ICVC

*Interim Report & Financial Statements (Unaudited)
for the six months ended 31 December 2024*



Investment Report

The ACD is no longer actively seeking subscriptions for the Fund which closed on 13 November 2024.

Material Portfolio Changes for the six months ended 31 December 2024

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Novo Nordisk	1,185	argenx	2,535
RxSight Inc	297	Alnylam Pharmaceuticals	2,327
Zealand Pharma	289	ALK-Abello	1,785
Insulet	86	Doximity Inc	1,624
Vertex Pharmaceuticals	60	Ambu	1,473
		Insulet	1,466
		Genmab	1,344
		Illumina	1,254
		ResMed	1,220
		Exact Sciences	1,182

Portfolio Statement as at 31 December 2024

Stock description	Holding	Market value £'000	% of total net assets
China - 0.00% (1.70%)			
Denmark - 0.00% (21.35%)			
Germany - 0.00% (5.79%)			
Japan - 0.00% (1.75%)			
Netherlands - 0.00% (6.49%)			
UK - 0.00% (0.93%)			
United States - 0.00% (61.27%)			
Abiomed CVR Line ¹	6,015	-	0.00
Portfolio of investments		-	0.00
Net other liabilities - 0.00% (0.72%)		-	0.00
Net assets		-	0.00

¹The Abiomed CVR Line is non-tradable, which means it cannot be sold. It is currently fair valued at nil.

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules, unless otherwise stated.

Figures in brackets refer to 30 June 2024.

Fund Information

Fund and Share Information	31.12.24	30.06.24	30.06.23	30.06.22
Total net asset value of scheme property (£'000)	-	30,304	75,568	74,670
Synthetic Risk and Reward Indicator¹	n/a	6	6	6
Net asset value per share (pence)				
B Accumulation	n/a	58.03	66.78	65.98
B Income	n/a	58.03	66.78	65.98
C Accumulation	n/a	59.07	67.64	66.49
C Income	n/a	59.01	67.57	66.46
Y Accumulation	n/a	59.38 ²	67.21	66.23
Y Income	n/a	59.38 ²	67.21	66.23
Number of shares in issue				
B Accumulation	n/a	39,230,035	66,997,869	70,421,771
B Income	n/a	12,992,772	15,385,894	16,107,741
C Accumulation	n/a	1,000	1,000	1,000
C Income	n/a	1,000	1,000	1,000
Y Accumulation	n/a	n/a	28,300,370	24,839,542
Y Income	n/a	n/a	2,277,531	1,698,022
Annual Income Record	Period to 31.12.24 (pence)	Year to 30.06.24 (pence)	Year to 30.06.23 (pence)	Year to 30.06.22 (pence)
Income per share (financial period)				
B Accumulation	n/a	0.00	0.00	0.00
B Income	n/a	0.00	0.00	0.00
C Accumulation	n/a	0.03	0.03	0.02
C Income	n/a	0.03	0.03	0.02
Y Accumulation	n/a	0.00	0.00	0.00
Y Income	n/a	0.00	0.00	0.00

Fund Information cont.

Yearly Highest and Lowest Prices	Period to 31.12.24 (pence)	Year to 30.06.24 (pence)	Year to 30.06.23 (pence)	Year to 30.06.22 (pence)
Highest (financial period)				
B Accumulation	59.37	69.71	81.50	118.1
B Income	59.37	69.71	81.50	118.1
C Accumulation	60.52	70.63	82.20	118.5
C Income	60.43	70.56	82.10	118.5
Y Accumulation	n/a	70.17	81.80	118.3
Y Income	n/a	70.17	81.80	118.3
Lowest (financial period)				
B Accumulation	55.47	51.60	65.46	57.83
B Income	55.47	51.60	65.46	57.83
C Accumulation	56.49	52.35	66.29	58.24
C Income	56.41	52.30	66.26	58.23
Y Accumulation	n/a	51.97	65.87	58.03
Y Income	n/a	51.97	65.87	58.03
Ongoing Charges Figures	31.12.24 (%)	30.06.24 (%)	30.06.23 (%)	30.06.22 (%)
Ongoing Charges Figures³				
B Accumulation	n/a	0.57	0.53	0.54
B Income	n/a	0.58	0.53	0.54
C Accumulation	n/a	0.07	0.03	0.04
C Income	n/a	0.07	0.03	0.04
Y Accumulation	n/a	n/a	0.28	0.28
Y Income	n/a	n/a	0.28	0.29

You should be aware that past performance is not a guide to future performance.

¹The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

²The Y Accumulation and Y Income Shares in Health Innovation were converted to B Accumulation Shares and B Income Shares respectively on 15 April 2024. The closing net asset value per share shown represents the conversion price on that date.

³The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website www.bailliegifford.com.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 December 2024

	31 December 2024		31 December 2023	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		365		(8,736)
Revenue	16		11	
Expenses	(55)		(144)	
Net expense before taxation	(39)		(133)	
Taxation	(1)		(1)	
Net expense after taxation		(40)		(134)
Total return before distributions		325		(8,870)
Distributions		43		13
Change in net assets attributable to shareholders from investment activities		368		(8,857)

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 December 2024

	31 December 2024		31 December 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		30,304		75,568
Amounts receivable on issue of shares	270		5,123	
Amounts payable on cancellation of shares	(30,954)		(21,466)	
		(30,684)		(16,343)
Dilution adjustment		12		23
Change in net assets attributable to shareholders from investment activities		368		(8,857)
Closing net assets attributable to shareholders		-		50,391

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 December 2024

	31 December 2024 £'000	30 June 2024 £'000
Assets:		
Fixed assets:		
Investments	-	30,087
Current assets:		
Debtors	4	84
Cash and bank balances	11	443
Total assets	15	30,614
Liabilities:		
Creditors:		
Bank overdrafts	-	(125)
Other creditors	(15)	(185)
Total liabilities	(15)	(310)
Net assets attributable to shareholders	-	30,304

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those in the annual financial statements for the year ended 30 June 2024 and are described in those annual financial statements with the exception of the below:

Baillie Gifford Health Innovation Fund is no longer considered to be a going concern as the ACD intends to terminate the sub-fund. There is no impact on the financial statements of the sub-fund, on the basis that the assets and liabilities on the balance sheet are valued at fair value, which materially equate to their residual values.

Baillie Gifford™

Baillie Gifford Japanese Income Growth Fund

a sub-fund of Baillie Gifford Investment Funds II ICVC

*Interim Report & Financial Statements (Unaudited)
for the six months ended 31 December 2024*



Baillie Gifford Japanese Income Growth Fund

Investment Objective

The Fund aims to outperform (after deduction of costs) the TOPIX, as stated in sterling, by at least 1% per annum over rolling five-year periods through a combination of income and capital growth whilst maintaining a yield higher than the TOPIX.

Investment Policy

The Fund will invest at least 90% in shares of Japanese companies of any size and in any sector. Japanese companies are companies which are listed, incorporated, domiciled or conduct a significant portion of their business in Japan. The Fund will be actively managed.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Market conditions can change rapidly and a fund in any rank can lose you your investment. The Fund is classified as above as it invests in company shares.

The indicator does not take into account the following relevant material risks:

The Fund is actively managed meaning the Investment Manager selects investments of their own choosing with the aim of achieving the Fund's objectives. This is done without seeking to replicate any index in either of performance or portfolio composition. This investment style, selecting companies with perceived greater long-term growth potential ahead of any short-term

returns, in combination with the relative concentration of the Fund, may lead to prolonged periods of underperformance in certain market conditions, both in relation to the Fund's benchmark and in absolute terms.

Over shorter time periods the Fund's share price can be volatile and returns can be much higher or lower than our five-year average target. There is no guarantee this objective will be achieved over any time period.

In adverse market conditions it may be difficult to sell investments held by the Fund in a timely manner and their value may fall significantly. This could affect how much money you receive and even delay the selling of your shares if dealing in the Fund is suspended.

Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.

You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

The manager can charge some, or all, expenses to the Fund's capital, reducing its value. This amount can vary from year to year.

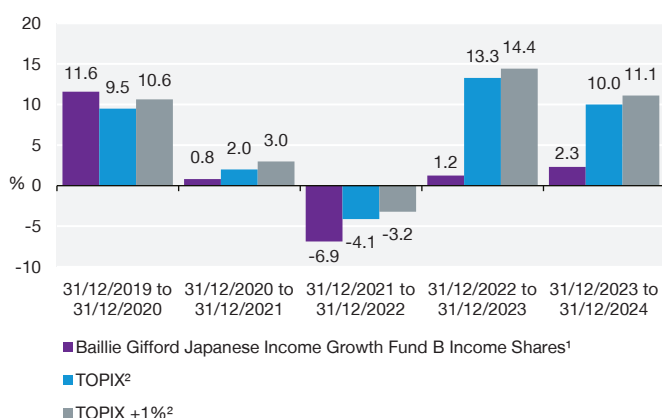
For a more detailed explanation of the risks, please see the "Risk Warnings" section of the prospectus.

Fees Allocated to Capital

For distribution purposes the ACD has the facility to allocate some or all expenses to capital. For the year to 30 June 2024 100% of expenses were allocated to capital. This will reduce the capital value of the Fund. This number may vary from year to year. The figure for the current financial period has not yet been determined.

Investment Report

Past Performance



The performance figures shown in this graph are for Class B Income Shares. Performance figures reflect the annual management charge of 0.60%. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

Past performance

The investment objective of the Fund is to outperform (after deduction of costs) the TOPIX (the 'Index') by at least 1% per annum (the 'target return') over rolling five-year periods through a combination of income and capital growth whilst maintaining a portfolio yield higher than the TOPIX. For the six months to 31 December 2024 the return on B Income Shares was -2.4%¹ compared to the return on the Index of 3.6%² and the target return of 4.1%². The yield on the portfolio was 2.7%³ compared to the yield on the Index of 2.5%³. We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance, a period in line with the Fund's objectives. Over that period, the annualised return on B Income Shares was 1.7%¹ compared to the Index of 5.9%² and the target return of 7.0%². Although periods of underperformance are inevitable given our style of investment, we fully appreciate that returns over the past few years will have disappointed investors in the Fund. The Fund struggled against an expansionary cyclical upswing driven by the

recovery in global trade and a weak currency. This performance gap has begun to narrow and we remain confident that our approach will deliver significant value over the long term.

Market environment

2024 was mostly dominated by divergent monetary policy and an unprecedented wave of corporate reforms - marked by surging buybacks, activism, and private equity deals. Banks and auto stocks where the Fund is underweight maintained their position as the year's standout performers. Against this backdrop, the Fund underperformed the Index over the six months to 31 December 2024.

We continue to examine the fundamentals of our holdings and the strength of our investment theses. In aggregate, we remain confident of the longer-term structural trends, such as automation, healthcare and digitalisation, that underpin the Fund.

¹Source: FE, 10am dealing prices, income reinvested. ²Source: Revolution and TOPIX, total return in sterling terms. The target return out-performance is compounded daily therefore the Index return plus the outperformance will not equal the target return. Please see Disclaimer on page 99. ³Source: Style Analytics and Tokyo Stock Exchange, forecast dividend yield, reweighted to 100% to exclude stocks without yield data. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

Performance

Detractors from performance included DMG Mori and Shiseido.

DMG Mori is a leading global manufacturer of machine tools known for its precision engineering. Although the company is strategically shifting towards more structurally supported growth areas (prioritising the sale of its five-axis machines with integrated software solutions), its end markets remain cyclical. This has impacted near-term earnings, including most recently, where below-consensus quarterly results knocked investor sentiment towards the stock.

Shiseido, one of the world's largest cosmetics companies with a 150-year heritage in premium skincare and beauty products, has struggled as it continues to grapple with challenges in its key markets, notably in China and travel retail segments. However, given the brand's strong reputation, we believe the business is well-positioned to benefit from a rise in Asian middle-class wealth over a longer-term horizon.

Contributors to performance included Park24 and MonotaRo.

Park24, the parking and mobility solutions company reported strong full-year results, exceeding pre-Covid-19 levels with higher profitability. It continues to add new parking facilities and grow its users for the mobility business, with over three million users now reported. The company also announced a new mid-term plan containing a particularly bullish shareholder returns policy that was well received by the market, sending the shares up over 20% in December.

MonotaRo is a business-to-business (B2B) online platform for maintenance, repair, and operational products. Results helped allay concerns of slowing growth after the company announced double-digit sales, driven by a 29% increase in sales to larger enterprises for the first nine months of the year. We believe further upside lies ahead as MonotaRo leads the shift online for this outdated and inefficient small and medium-sized enterprise (SME) populated market.

Notable transactions

We added three new companies to the Fund in the last six months. We participated in the initial public offering (IPO) of Tokyo Metro, the operator of Tokyo's subway system. The hotly awaited IPO raised \$2.3bn, making it Japan's largest offering in six years. With an unbeatable location underpinning its edge, reliable passenger traffic, and a smoothing out of maintenance capex (which spiked ahead of the Tokyo Olympics), Tokyo Metro provides a compounding source of returns for the Fund. We also took new positions in Gree, an entrepreneurial gaming company with an attractively large net cash position, and GMO Payment Gateway, Japan's dominant provider of payment infrastructure, well placed for the online and offline shift to cashless payments.

These were funded by reductions to Japan Exchange Group, Kyoto Financial Group and GMO Internet, the parent company of GMO Payment Gateway.

Baillie Gifford & Co, 17 January 2025

Principal Holdings as at 31 December 2024

Investment	Percentage of total Fund
GMO Internet	4.63
SBI Holdings	4.30
SoftBank Group	4.28
Tokio Marine Holdings Inc	4.11
Sumitomo Mitsui Trust	4.06
MS&AD Insurance	3.91
Park24 Co Ltd	3.18
Nintendo	2.93
MonotaRO Co	2.55
Calbee Inc	2.52

Material Portfolio Changes for the six months ended 31 December 2024

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
GMO Payment Gateway	2,571	MS&AD Insurance	7,834
Gree	1,655	Sumitomo Mitsui Trust	7,337
Tokyo Metro Co Ltd	1,297	Tokio Marine Holdings Inc	6,913
Nippon Paint	698	SBI Holdings	6,861
Eisai	698	SoftBank Group	6,087
		DMG Mori	5,523
		GMO Internet	5,363
		Nintendo	4,013
		FANUC	3,893
		Calbee Inc	3,825

Portfolio Statement as at 31 December 2024

Stock description	Holding	Market value £'000	% of total net assets
Commerce - 8.91% (7.99%)			
Itochu Corp	136,700	5,439	1.74
Misumi	213,600	2,664	0.85
Mitsui	132,800	2,234	0.72
MonotaRO Co	585,000	7,942	2.55
Seria Co Ltd	429,900	6,153	1.97
Sugi Holdings	269,400	3,377	1.08
Finance & Insurance - 17.55% (19.85%)			
Japan Exchange Group	264,600	2,379	0.76
Kyoto Financial Group Inc	108,400	1,278	0.41
MS&AD Insurance	696,600	12,207	3.91
SBI Holdings	663,000	13,413	4.30
Sumitomo Mitsui Trust	674,600	12,654	4.06
Tokio Marine Holdings Inc	441,000	12,834	4.11
Manufacturing - 44.09% (47.11%)			
Bridgestone	262,600	7,125	2.28
Calbee Inc	491,500	7,866	2.52
Denso	305,100	3,433	1.10
DMG Mori	534,600	6,907	2.21
Eisai	153,000	3,365	1.08
FANUC	368,100	7,808	2.50
Kao	201,700	6,546	2.10
Kubota	713,700	6,668	2.14
Kyocera	385,900	3,089	0.99
Milbon	201,100	3,581	1.15
Murata	406,900	5,291	1.70
Nakanishi	279,700	3,402	1.09
Nidec	151,800	2,202	0.71
Nintendo	194,200	9,140	2.93
Nippon Electric Glass	134,800	2,309	0.74
Nippon Paint	795,000	4,134	1.32
Olympus	429,200	5,169	1.66
OSG Corp	362,600	3,416	1.09

Portfolio Statement as at 31 December 2024 cont.

Stock description	Holding	Market value £'000	% of total net assets
Pigeon	506,700	3,748	1.20
Pola Orbis Holdings Inc	994,100	7,217	2.31
Sato Holdings	382,200	4,280	1.37
Sawai Group Holdings Co Ltd	123,300	1,348	0.43
Shiseido	279,200	3,953	1.27
SMC	8,700	2,748	0.88
Sumitomo Metal Mining Co Ltd	258,200	4,740	1.52
Symex Corp	402,800	5,969	1.91
Unicharm	748,200	4,951	1.59
Wacom Co Ltd	1,951,200	7,187	2.30
Real Estate - 6.01% (4.81%)			
Industrial & Infrastructure Fund	8,303	4,847	1.55
Park24 Co Ltd	881,000	9,908	3.18
Tokyo Tatemono	301,200	3,989	1.28
Services - 9.69% (8.97%)			
CyberAgent Inc	609,300	3,393	1.09
Infomart Corp	1,886,500	2,952	0.94
Kakaku.com	358,700	4,410	1.41
M3	431,100	3,060	0.98
Mixi Inc	480,500	7,446	2.39
Nihon M&A	715,700	2,404	0.77
Rakuten	1,508,700	6,583	2.11
Transport And Communications - 13.46% (11.48%)			
Broadleaf	898,600	3,068	0.98
Colopl Inc	861,700	2,101	0.68
GMO Internet	855,600	11,650	3.73
GMO Payment Gateway	69,400	2,811	0.90
Gree	675,000	1,564	0.50
LY Corp	1,143,000	2,435	0.78
SoftBank Corp KK	3,243,100	3,277	1.05
SoftBank Group	286,200	13,356	4.28

Portfolio Statement as at 31 December 2024 cont.

Stock description	Holding	Market value £'000	% of total net assets
Tokyo Metro Co Ltd	211,500	1,731	0.56
Portfolio of investments		311,151	99.71
Net other assets - 0.29% ((0.21%))		919	0.29
Net assets		312,070	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules, unless otherwise stated.

Figures in brackets refer to 30 June 2024.

Fund Information

Fund and Share Information	31.12.24	30.06.24	30.06.23	30.06.22
Total net asset value of scheme property (£'000)	312,070	451,227	726,118	794,408
Synthetic Risk and Reward Indicator¹	6	6	6	6
Net asset value per share (pence)				
B Accumulation	162.10	163.92	152.69	146.40
B Income	134.36	136.77	130.12	127.88
C Accumulation	139.91	141.04	130.60	124.47
W4 Accumulation	164.50	166.17	154.52	147.88
W4 Income	136.42	138.73	131.73	129.23
Number of shares in issue				
B Accumulation	30,199,373	37,490,363	166,567,828	154,152,931
B Income	25,089,513	29,085,858	56,586,874	68,707,270
C Accumulation	1,000	1,000	1,000	1,000
W4 Accumulation	1,720,009	68,232,889	97,992,037	114,373,528
W4 Income	166,082,775	170,554,307	187,301,823	236,557,114
Annual Income Record	Period to 31.12.24 (pence)	Year to 30.06.24 (pence)	Year to 30.06.23 (pence)	Year to 30.06.22 (pence)
Income per share (financial period)				
B Accumulation	0.90	3.42	3.74	3.96
B Income	0.90	2.89	3.26	3.55
C Accumulation	0.90	2.92	3.19	3.35
W4 Accumulation	0.90	3.44	3.79	3.99
W4 Income	0.90	2.92	3.30	3.58

Fund Information cont.

Yearly Highest and Lowest Prices	Period to 31.12.24 (pence)	Year to 30.06.24 (pence)	Year to 30.06.23 (pence)	Year to 30.06.22 (pence)
Highest (financial period)				
B Accumulation	169.2	171.0	163.3	178.2
B Income	141.2	144.8	141.7	159.9
C Accumulation	145.7	146.9	139.4	150.8
W4 Accumulation	171.6	173.3	165.2	179.7
W4 Income	143.2	146.8	143.4	161.3
Lowest (financial period)				
B Accumulation	152.9	143.5	143.8	140.2
B Income	127.6	122.3	125.6	125.1
C Accumulation	131.6	123.0	122.5	119.2
W4 Accumulation	155.0	145.3	145.4	141.6
W4 Income	129.4	123.9	127.0	126.4
Ongoing Charges Figures	31.12.24 (%)	30.06.24 (%)	30.06.23 (%)	30.06.22 (%)
Ongoing Charges Figures²				
B Accumulation	0.64	0.62	0.62	0.62
B Income	0.64	0.62	0.62	0.62
C Accumulation	0.03	0.03	0.02	0.02
W4 Accumulation	0.46	0.45	0.44	0.43
W4 Income	0.46	0.45	0.44	0.43

You should be aware that past performance is not a guide to future performance.

¹The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

²The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website www.bailliegifford.com.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 December 2024

	31 December 2024		31 December 2023	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		(2,674)		7,602
Revenue	3,617		6,055	
Expenses	(861)		(1,497)	
Net revenue before taxation	2,756		4,558	
Taxation	(361)		(605)	
Net revenue after taxation		2,395		3,953
Total return before distributions		(279)		11,555
Distributions		(2,054)		(3,637)
Change in net assets attributable to shareholders from investment activities		(2,333)		7,918

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 December 2024

	31 December 2024		31 December 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		451,227		726,118
Amounts receivable on issue of shares	11,663		10,058	
Amounts payable on cancellation of shares	(149,011)		(223,503)	
		(137,348)		(213,445)
Dilution adjustment		237		366
Change in net assets attributable to shareholders from investment activities		(2,333)		7,918
Retained distributions on accumulation shares		287		1,423
Closing net assets attributable to shareholders		312,070		522,380

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 December 2024

	31 December 2024 £'000	30 June 2024 £'000
Assets:		
Fixed assets:		
Investments	311,151	452,163
Current assets:		
Debtors	1,159	4,191
Cash and bank balances	3,354	8,345
Total assets	315,664	464,699
Liabilities:		
Creditors:		
Bank overdrafts	(1,631)	(2,779)
Distributions payable	(1,721)	(4,024)
Other creditors	(242)	(6,669)
Total liabilities	(3,594)	(13,472)
Net assets attributable to shareholders	312,070	451,227

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those in the annual financial statements for the year ended 30 June 2024 and are described in those annual financial statements.

Baillie Gifford™

Baillie Gifford Sterling Aggregate Bond Fund

a sub-fund of Baillie Gifford Investment Funds II ICVC

*Interim Report & Financial Statements (Unaudited)
for the six months ended 31 December 2024*



Baillie Gifford Sterling Aggregate Bond Fund

Investment Objective

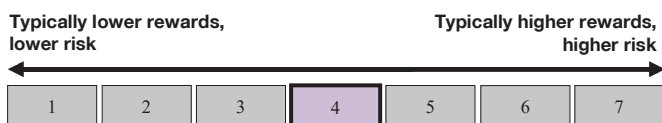
The Fund aims to outperform (after deduction of costs) an index comprising 50% of the FTSE Actuaries UK Conventional Gilts All Stocks Index and 50% of the ICE BofA Sterling Non-Gilt Index by 0.65% per annum over rolling three-year periods.

Investment Policy

The Fund will invest at least 80% in a diversified portfolio of (1) UK government bonds and (2) investment grade bonds issued by corporate issuers, public bodies and supranationals. The Fund may also invest in other developed and emerging market government bonds and sub-investment grade bonds. Currency forwards and derivatives, which are types of financial contracts, are used for both investment purposes and in the management of risk. The Fund will be actively managed and is not constrained by the index.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Market conditions can change rapidly and a fund in any rank can lose you your investment. The Fund is classified as above as it invests in government and corporate bonds.

The indicator does not take into account the following relevant material risks:

Bonds are affected by interest rates and inflation trends which may affect the value of the Fund. They could lose value if the issuer's financial health deteriorates.

Derivatives can magnify losses if the underlying asset does not perform as the manager expects.

In adverse market conditions it may be difficult to sell investments held by the Fund in a timely manner and their value may fall significantly. This could affect how much money you receive and even delay the selling of your shares if dealing in the Fund is suspended.

Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.

You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

The manager can charge some, or all, expenses to the Fund's capital, reducing its value. This amount can vary from year to year.

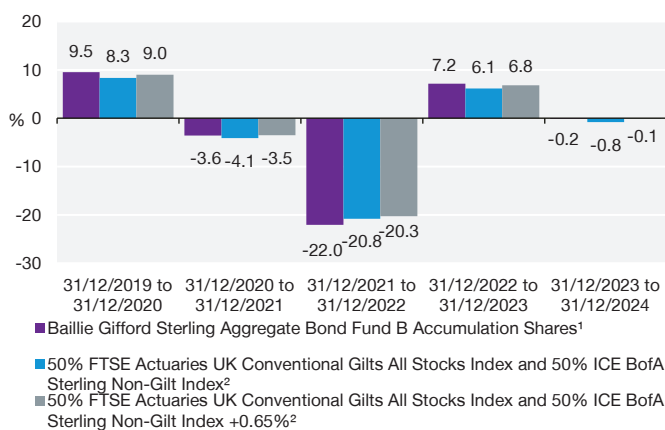
For a more detailed explanation of the risks, please see the "Risk Warnings" section of the prospectus.

Fees Allocated to Capital

For distribution purposes the ACD has allocated all expenses to capital. This will reduce the capital value of the Fund.

Investment Report

Past Performance



The performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the annual management charge of 0.35%. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

Past performance

The investment objective of the Fund is to outperform (after deduction of costs) an index comprising 50% of the FTSE Actuaries UK Conventional Gilts All Stocks Index and 50% of the ICE BofA Sterling Non-Gilt Index (the 'Index') by at least 0.65% per annum (the 'target return') over rolling three-year periods. For the six months to 31 December 2024 the return on B Accumulation Shares was 0.7%¹ compared to the Index of 0.5%² and the target return of 0.8%². We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that three years is a more sensible timeframe over which to judge performance, a period in line with the Fund's objectives. Over that period, the annualised return on B Accumulation Shares was -5.9%¹ compared to the Index of -5.9%² and the target return of -5.3%².

Market environment

During the summer, the market backdrop was quite benign. Growth appeared resilient, inflation contained, and interest rate cuts were expected. The final quarter of

2024 was more eventful, with President Trump's re-election in the United States and the Republicans taking control of Congress. The incoming US administration signalled its intention to enact various policies to boost economic growth, some of which could prove inflationary. This was followed by a shift in tone at the Federal Reserve in December. Despite cutting rates in both November and December meetings, the Federal Open Market Committee signalled a slower pace of easing in 2025 reflecting its concerns about lingering inflation.

The anticipation of continued high interest rates caused US Treasury bond yields to rise and, by extension, impacted valuations across asset classes. Broadly, government bond yields followed treasuries higher, even though changes in interest rate expectations were more modest outside of the US. The European Central Bank signalled a more dovish tone reflecting weaker growth projections. In the UK, the Bank of England warned of stubborn inflation and downgraded growth prospects.

Overall, corporate bond markets proved resilient as credit spreads (the additional yield provided by corporate bonds) continued to fall over the period (pushing up

¹Source: FE, 10am dealing prices, income accumulated. ²Source: Revolution and FTSE and ICE, total return in sterling terms. The target return outperformance is compounded daily therefore the Index return plus the outperformance will not equal the target return. Please see Disclaimer on page 99. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

prices). A range of factors supported the asset class. Alongside positive economic data, company fundamentals remained strong and demand for corporate bonds outstripped supply as attractive all-in yields enticed investors.

Performance

The Fund delivered a modest return over the period due to the rise in government bond yields (which move inversely to prices). Corporate bonds performed relatively well, helping to offset the impact of lower government bond prices. Corporate bond selection was positive, and this helped the Fund outperform its Index. A significant positive contribution came from the Fund's large position in bonds issued by Annington Funding, which owns the Married Quarters Estate that is leased to the UK Ministry of Defence. We had been expecting a sale of these properties back to the government and this was announced in December. As a result, Annington offered to buy back many of its bonds, leading to a significant rally in prices. In government bonds we had positioned the Fund well for the rise in developed market yields, most notably in the US and Japan. Exposure to Brazil, meanwhile, detracted as the situation in the country is very unsettled as growth slows and concerns mount about its fiscal position.

Over 12 months the Fund has performed in line with its target return, again driven by security selection. Aside from Annington, other property companies have been among the top contributors, with eastern European office and residential operator CPI another strong performer. Over three years the Fund has performed in line with the index net of fees but not met its target. We underestimated the speed and scale of interest rate rises as inflation soared following the pandemic, and this detracted from performance due to exposure to sensitive sectors such as real estate – as noted above. In some cases, bonds have recovered strongly since.

Notable Transactions

In government bonds we have been positioned for developed market yields to rise, most notably in the US as inflation proves to be stickier than hoped and growth continues to be robust. Our underweight position to US bonds had performed well, so we reduced the scale of this position. We subsequently took the opportunity to add back to the underweight following the US election – well timed as yields rose again in December. We reduced some of the risk in our emerging market positioning following good performance. While the precise nature of US policy under Donald Trump is still uncertain, we do think that tariffs are likely and that will be challenging for some emerging markets. We moved from an overweight in Mexican peso to an underweight for this reason.

Within corporate bonds, having reduced risk throughout the year as valuations rose, we are now reasonably defensively positioned. We have recycled longer-dated and riskier bonds into shorter-dated ones with robust characteristics but attractive valuations. We expect bond selection to be the main driver of returns in this scenario. Many of the new additions have come from the new bond issue market which has been very active. This allows us to benefit from low transactions costs as well as a fruitful source of return as new issues often provide higher yields and greater liquidity. Some new holdings have performed exceptionally well over a short period, and we have since sold those for a profit including Prysmian, an Italian cabling company and Tornator, a Finnish forestry business. Elsewhere, we have added to core holdings such as holiday business Center Parcs and banks such as ING and Intesa.

Baillie Gifford & Co, 30 January 2025

Principal Bond Holdings as at 31 December 2024

Investment	Percentage of total Fund
UK Treasury 4.75% 07/12/2038	4.17
UK Treasury 3.5% 22/01/2045	3.80
UK Treasury 1.625% 22/10/2028	3.69
Bund 2.4% 19/10/2028	2.81
UK Treasury 3.25% 22/01/2044	2.61
UK Treasury 4.25% 7/12/2055	2.11
UK Treasury 0.125% IL 22/03/2051	2.03
EBRD 20% 19/03/2025	2.00
EBRD 0% 19/11/2034	1.95
Colombia 7% 26/03/2031	1.89

Material Portfolio Changes for the six months ended 31 December 2024

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
UK T Bill 02/12/2024	5,633	UK T Bill 22/07/2024	7,789
Colombia 7% 26/03/2031	2,703	UK T Bill 02/12/2024	5,688
Australia 4.75% 21/06/2054	2,695	UK Treasury 1.625% 22/10/2028	4,601
EBRD 0% 19/11/2034	2,599	UK T Bill 02/09/2024	3,898
UK T Bill 30/12/2024	2,473	Mexico 7.75% 23/11/2034	2,782
Spain 3.25% 30/04/2034	2,284	EBRD 0% 10/11/2030	2,655
Indonesia 6.625% 15/02/20	2,279	UK T Bill 30/12/2024	2,491
Uruguay 8.25% 21/05/2031	2,221	Chile 5.3% 01/11/2037	2,289
Chile 5.3% 01/11/2037	2,203	Uruguay 8.25% 21/05/2031	2,142
Dominican Republic 11.25% 15/09/2035	2,164	Chile 5.8% 01/10/2034	1,533

The largest purchases and sales of bonds have been shown.

Portfolio Statement as at 31 December 2024

Stock description	Holding	Market value £'000	% of total net assets
Fixed Income - 97.59% (95.29%)			
Sovereign Bonds - 50.25% (49.77%)			
Overseas Government Bonds - 14.18% (5.84%)			
Australia 4.75% 21/06/2054	5,280,000	2,570	1.82
Bund 2.4% 19/10/2028	4,750,000	3,974	2.81
Colombia 7% 26/03/2031	18,050,000,000	2,671	1.89
Colombia 7% 30/06/2032	8,200,000,000	1,159	0.82
Dominican Republic 11.25% 15/09/2035	153,000,000	2,183	1.54
Indonesia 6.625% 15/02/20	46,200,000,000	2,228	1.58
Japan (Govt) 2.2% 20/06/2054	190,000,000	956	0.68
Spain 3.25% 30/04/2034	2,700,000	2,273	1.61
Uruguay 9.75% 20/07/2033	112,000,000	2,025	1.43
Quasi Government Bonds - 9.27% (9.01%)			
Canada Pension Plan 1.25% 2027	500,000	455	0.32
Canada Pension Plan 1.625% 2071	1,000,000	368	0.26
EBRD 0% 05/04/2036	540,000,000	298	0.21
EBRD 0% 19/11/2034	1,200,000,000	2,756	1.95
EBRD 20% 19/03/2025	3,200,000	2,825	2.00
EIB 5.625% 2032	1,200,000	1,280	0.91
IBRD 0.25% 2026	1,400,000	1,312	0.93
KFW 5% 2036	800,000	812	0.58
Network Rail 4.75% 2035	1,100,000	1,086	0.77
Ontario Teachers' Pension Plan Board 1.125% 2026	400,000	382	0.27
SNCF Reseau 5.25% 2035	400,000	401	0.28
Swedish Export Credit 0.125% 15/12/2025	400,000	383	0.27
Temasek 5.125% 2040	750,000	737	0.52
UK Government Bond - 26.80% (34.92%)			
UK T Bill 24/02/2025	2,000,000	1,986	1.41
UK Treasury 0.125% IL 22/03/2051	3,400,000	2,866	2.03
UK Treasury 1.625% 22/10/2028	5,721,218	5,218	3.69
UK Treasury 2.5% 22/07/2065	1,338,000	762	0.54

Portfolio Statement as at 31 December 2024 cont.

Stock description	Holding	Market value £'000	% of total net assets
UK Treasury 3.25% 22/01/2044	4,729,150	3,687	2.61
UK Treasury 3.5% 22/01/2045	6,684,650	5,371	3.80
UK Treasury 3.5% 22/07/2068	1,307,500	962	0.68
UK Treasury 4% 22/01/2060	2,919,350	2,419	1.71
UK Treasury 4.25% 07/03/2036	1,839,750	1,774	1.26
UK Treasury 4.25% 07/12/2049	2,323,100	2,042	1.44
UK Treasury 4.25% 7/12/2055	3,437,910	2,987	2.11
UK Treasury 4.75% 07/12/2	1,870,000	1,914	1.35
UK Treasury 4.75% 07/12/2038	5,935,000	5,894	4.17
Corporate Bonds - 47.34% (45.52%)			
Asset Backed - 4.43% (2.99%)			
Anglian Water 6.25% 2044	700,000	683	0.48
Center Parcs 5.876% 2027	700,000	704	0.50
Center Parcs 5.94% 2030	400,000	406	0.29
Center Parcs 6.136% 2031	200,000	202	0.14
Gatwick Funding 5.5% 2040	500,000	473	0.33
Heathrow Airport 6% 2032	400,000	396	0.28
Lunar Funding 1 5.75% 2033	350,000	349	0.25
Mitchells & Butlers FRN (AB) 2033	1,840,000	1,339	0.95
Welsh Water 2.375% 2034	800,000	581	0.41
Welsh Water 5.75% 2044	639,000	618	0.44
Yorkshire Water 6.601% 2031	500,000	510	0.36
Automotive - 0.56% (0.88%)			
Ford Motor Co 5.625% 2028	800,000	795	0.56
Banking - 11.02% (10.27%)			
Banco Santander 3.125% 2025/26	800,000	788	0.56
Banco Santander 5.5% 2029	900,000	906	0.64
Barclays 3.75% 2025/30 T2	400,000	393	0.28
Barclays 7.09% 2028/29	402,000	425	0.30
Barclays 8.407% 2027/32 T2	550,000	589	0.42
Caixabank 6.875% 2028/33 T2	1,000,000	1,033	0.73

Portfolio Statement as at 31 December 2024 cont.

Stock description	Holding	Market value £'000	% of total net assets
DNB Bank 4% 2026/27	1,150,000	1,132	0.80
HSBC Bank 5.844% 2031 Perp	519,000	536	0.38
ING Groep 3.375% 2032	500,000	412	0.29
ING Groep 5% 2025/26	600,000	600	0.43
Intesa 4.271% 2036 T2	1,000,000	827	0.59
Intesa Sanpaolo 6.5% 2028/29	800,000	825	0.58
Nationwide 5.75% Perp	400,000	387	0.27
Nationwide Building Society 6.125% 2028	800,000	830	0.59
NatWest 2.875% 2025/26	600,000	590	0.42
NatWest 3.622% 2025/30 T2	800,000	793	0.56
NatWest 5.642% 2034	1,292,000	1,277	0.90
Rabobank 6.5% Perp	397,200	364	0.26
Santander UK 7.098% 2026/27	1,122,000	1,157	0.82
UBS 7% 2025 Perp	900,000	719	0.51
Yorkshire Building Society 3.375% 2027/28	500,000	472	0.33
Yorkshire Building Society 6.375% 2027/28	500,000	515	0.36
Capital Goods - 0.66% (0.63%)			
Weir Group 6.875% 2028	900,000	934	0.66
Commercial Mortgage Backed - 3.25% (3.14%)			
Telereal (B-3) 5.634% 2031	350,000	344	0.24
Telereal (B7) FRN 2031	1,050,000	796	0.56
Telereal 1.3657% 2031 (A6)	550,000	271	0.19
Telereal 1.963% 2033 (B2) ¹	825,000	792	0.56
Telereal 3.5625% 2031 (A3)	1,100,000	985	0.70
Tesco Property Finance 1 7.6227% 2039	900,000	748	0.53
Tesco Property Finance 4 5.801% 2040	750,000	659	0.47
Consumer Goods - 1.30% (0.40%)			
BEL SA 4.375% 2029	1,000,000	846	0.60
Roquette Freres 3.774% 2031	1,200,000	985	0.70
Financial Services - 4.05% (3.79%)			
Blackstone Private Credit 4.875% 2026	1,600,000	1,575	1.12

Portfolio Statement as at 31 December 2024 cont.

Stock description	Holding	Market value £'000	% of total net assets
Burford Capital 6.25% 2028 (144A)	872,000	696	0.49
Burford Capital 9.25% 2031 (144A)	400,000	339	0.24
Close Brothers GP 7.75%	338,000	336	0.24
Investec 1.875% 2027/28	700,000	638	0.45
Investec 10.5% 2029 Perp AT1	200,000	217	0.15
Investor 5.5% 2037	300,000	306	0.22
Motability 5.625% 2035	700,000	712	0.50
Schroders 6.346% 2029/34 T2	900,000	907	0.64
Health Care - 0.56% (1.26%)			
Teva Pharma Ind 7.375% 2029	300,000	286	0.20
Teva Pharma Ind 7.875% 2031	500,000	502	0.36
Insurance - 3.19% (4.78%)			
Abrdn 5.25% 2026 Perp AT1	600,000	554	0.39
Admiral Group 8.5% 2034 T2	700,000	784	0.56
Legal & General 5.375% 2025/45 T2	550,000	549	0.39
New York Life Insurance 4.875% 2031	815,000	811	0.57
Pension Insurance 3.625% 2032 T2	400,000	330	0.23
Pension Insurance 4.625% 2031 T2	450,000	409	0.29
Phoenix Group 7.75% 2033/53 T2	750,000	784	0.55
Phoenix Life 5.625% 2031 T2	300,000	290	0.21
Media - 1.00% (0.34%)			
Asmodee Group 5.75% 2029	200,000	171	0.12
Pearson Funding 5.375% 2034	500,000	489	0.35
Pinewood Gp 3.625% 2027	800,000	756	0.53
Real Estate - 5.51% (5.57%)			
Annington Funding 2.924% 2051	1,170,000	791	0.56
Annington Funding 3.685% 2034	200,000	182	0.13
Annington Funding 3.935% 2047	600,000	488	0.35
Annington Funding 4.75% 2033	900,000	894	0.63
Berkeley Group 2.5% 2031	1,300,000	1,039	0.73
CPI Property 1.5% 2031	1,200,000	786	0.56

Portfolio Statement as at 31 December 2024 cont.

Stock description	Holding	Market value £'000	% of total net assets
CPI Property 2.75% 2028	600,000	548	0.39
Great Portland Estates 5.375% 2031	295,000	289	0.20
Public Property Invest 4.625% 2030	1,315,000	1,088	0.77
Realty Income 1.875% 2027	214,000	201	0.14
Realty Income 5% 2029	300,000	295	0.21
Sovereign Housing 4.768% 2043	300,000	262	0.19
TAG Immobilien 4.25% 2030	1,100,000	925	0.65
Retail - 1.62% (1.31%)			
Burberry 1.125% 2025	1,200,000	1,163	0.82
Inchcape 6.5% 2028	1,100,000	1,124	0.80
Services - 0.87% (0.64%)			
International Workplace Group 6.5% 2030	1,380,000	1,220	0.87
Technology & Electronics - 0.50% (0.85%)			
Teleperformance 5.75% 2031	800,000	707	0.50
Telecommunications - 2.56% (3.08%)			
AT&T 4.25% 2043	650,000	520	0.37
AT&T 4.875% 2044	600,000	517	0.36
AT&T 7% 2040	1,200,000	1,323	0.94
CK Hutchison Telecom 2.625% 2034	1,160,000	836	0.59
Vodafone 3% 2056	750,000	422	0.30
Transportation - 0.35% (0.68%)			
Heathrow Finance 5.75% 2025	500,000	499	0.35
Utilities - 5.91% (4.91%)			
Centrica 6.5% 2055	300,000	304	0.22
E.ON 5.875% 2037	400,000	402	0.28
E.ON 6.75% 2039	700,000	755	0.53
EDF 5.5% 2041	300,000	271	0.19
EDF 6% 2114	1,000,000	877	0.62
EDF 7.375% 2035 Perp	700,000	711	0.50

Portfolio Statement as at 31 December 2024 cont.

Stock description	Holding	Market value £'000	% of total net assets
Iberdrola SA 5.25% 2036	500,000	490	0.35
National Grid 5.625% 2025 Perp	300,000	299	0.21
National Grid ED plc 3.5% 2026	950,000	927	0.66
National Grid ED S Wales 5.35% 2039	480,000	457	0.32
National Grid ED W Midlands 6% 2025	1,200,000	1,203	0.85
South West Water 6.375% 2041	600,000	602	0.43
Yorkshire Power 7.25% 2028	1,000,000	1,055	0.75
Derivatives - -0.88% (0.10%)			
Forward currency contracts (see Table 1)		(309)	(0.22)
Futures contracts (see Table 2)		-	0.00
Interest rate swap contracts (see Table 3)		(931)	(0.66)
Credit rate swap contracts (see Table 4)		(191)	(0.13)
Portfolio of investments		136,293	96.44
Net other assets - 3.42% (4.61%)		5,025	3.56
Net assets		141,318	100.00

¹This stock has been valued using a single broker quote.

Please note: figures are based on market values rather than economic exposure.

Unless otherwise stated the above holdings are in fixed interest securities.

Figures in brackets in the investment category headings refer to 30 June 2024.

Portfolio Statement as at 31 December 2024 cont.

Table 1: Unrealised gains/(losses) on open forward currency contracts

Counterparty	Settlement	Buy	Buy Amount	Sell	Sell Amount	Unrealised gains/(losses) £'000	% of total net assets
Barclays	13/02/25	GBP	2,688,416	CNH	24,780,000	(10)	(0.01)
Citigroup	13/02/25	GBP	938,910	EUR	1,130,000	3	0.00
Citigroup	13/03/25	GBP	2,921,259	THB	125,400,000	(31)	(0.02)
Deutsche Bank	13/02/25	GBP	7,320,171	EUR	8,810,000	20	0.01
Deutsche Bank	13/03/25	GBP	4,276,247	EUR	5,160,000	(6)	0.00
Deutsche Bank	13/03/25	SEK	57,100,000	GBP	4,131,985	13	0.01
Goldman Sachs	13/02/25	GBP	3,688,707	CNH	34,000,000	(14)	(0.01)
Goldman Sachs	13/02/25	GBP	423,756	EUR	510,000	1	0.00
Goldman Sachs	13/02/25	GBP	7,375,128	USD	9,421,000	(150)	(0.11)
Goldman Sachs	27/02/25	GBP	2,763,873	AUD	5,460,000	63	0.04
Goldman Sachs	20/11/25	NGN	3,620,000,000	GBP	1,482,391	123	0.09
HSBC	23/01/25	UYU	117,000,000	GBP	2,164,256	(44)	(0.03)
HSBC	13/02/25	GBP	2,909,062	COP	16,485,000,000	(62)	(0.04)
HSBC	13/02/25	GBP	631,479	EUR	760,000	2	0.00
HSBC	13/03/25	BRL	23,410,000	GBP	3,012,121	(21)	(0.02)
JP Morgan Chase	23/01/25	GBP	1,115,227	JPY	216,400,000	13	0.01
JP Morgan Chase	13/02/25	GBP	4,389,610	EUR	5,283,000	12	0.01
JP Morgan Chase	13/03/25	BRL	1,600,000	GBP	205,869	(2)	0.00
Merrill Lynch	13/02/25	GBP	1,076,450	COP	6,100,000,000	(23)	(0.02)
Merrill Lynch	13/02/25	GBP	3,157,395	EUR	3,800,000	8	0.01
Merrill Lynch	13/02/25	ZAR	18,000,000	GBP	786,495	(28)	(0.02)
Merrill Lynch	27/03/25	KZT	1,010,000,000	GBP	1,543,889	(41)	(0.03)
State Street	23/01/25	GBP	114,679	USD	150,000	(5)	0.00
State Street	13/02/25	GBP	1,728,258	EUR	2,080,000	5	0.00
State Street	13/02/25	GBP	277,908	USD	355,000	(6)	0.00
State Street	27/02/25	GBP	2,915,734	AUD	5,760,000	67	0.05
State Street	27/02/25	NZD	6,200,000	GBP	2,857,538	(81)	(0.06)
UBS	13/02/25	GBP	2,111,556	MXN	56,300,000	(35)	(0.03)
UBS	13/02/25	GBP	1,522,622	USD	1,945,000	(31)	(0.02)
UBS	13/02/25	ZAR	31,600,000	GBP	1,380,736	(49)	(0.03)
Unrealised gains/(losses) on open forward currency contracts						(309)	(0.22)

Portfolio Statement as at 31 December 2024 cont.

Table 2: Unrealised gains/(losses) on futures contracts

Futures	Maturity	Notional	Unrealised gains/(losses) £'000	% of total net assets
Euro-Bobl Future March 2055	10/03/25	(15)	-	0.00
Euro-BTP Future March 2025	10/03/25	20	-	0.00
Euro-Bund Future March 2025	10/03/25	(39)	-	0.00
Euro-Oat Future March 2025	10/03/25	(31)	-	0.00
Japan 10 Year Bond (OSE) Future March 2025	21/03/25	(17)	-	0.00
Long Gilt Future 10 Year March 2025	31/03/25	74	-	0.00
US 10 Year Note Future March 2025	31/03/25	(41)	-	0.00
US 5 Year Note March 2025	03/04/25	21	-	0.00
US Ultra 10 Year Note Future March 2025	31/03/25	12	-	0.00
US Ultra Long (CBT) March 2025	31/03/25	(39)	-	0.00
Unrealised gains/(losses) on futures contracts			-	0.00

Portfolio Statement as at 31 December 2024 cont.

Table 3: Unrealised gains/(losses) on open interest rate swap contracts

Counterparty	Ccy	Termination	Notional	Fund pays	Fund receives	Unrealised gains/(losses) £'000	% of total net assets
Barclays	EUR	08/05/53	2,300,000	2.5297%	Euribor 6 Month	(134)	(0.10)
BNP Paribas	SEK	02/07/27	64,800,000	Stockholm Interbank Offered Rates 3 Month	2.7525%	40	0.03
Citigroup	BRL	04/01/27	7,700,000	Brazil Cetip Interbank Deposit Rate	11.8002204%	(85)	(0.06)
Citigroup	EUR	22/11/29	3,600,000	2.0907%	ESTR Volume Weighted Trimmed Mean Rate	-	0.00
Deutsche Bank	GBP	19/04/25	13,000,000	SONIA Interest Rate Benchmark	4.5799%	(7)	(0.01)
Goldman Sachs	CZK	02/07/34	350,000,000	Czech Interbank Rates 6 Month Intraday	3.895%	(20)	(0.01)
HSBC	EUR	19/07/29	18,800,000	2.7418%	Euribor 6 Month	(334)	(0.24)
HSBC	EUR	19/07/29	21,150,000	Euribor 6 Month	2.7418%	375	0.27
HSBC	EUR	21/11/29	3,600,000	2.0657%	ESTR Volume Weighted Trimmed Mean Rate	4	0.00
HSBC	GBP	21/05/29	10,200,000	SONIA Interest Rate Benchmark	4.0005%	(31)	(0.02)
HSBC	GBP	21/05/54	3,000,000	3.9057%	SONIA Interest Rate Benchmark	164	0.12
HSBC	MXN	19/11/27	276,000,000	Mexico Interbank TIIE 1 Day	8.901%	(59)	(0.04)
HSBC	MXN	16/11/29	134,000,000	Mexico Interbank TIIE 1 Day	8.798%	(78)	(0.06)
HSBC	MXN	10/11/34	188,000,000	8.954%	Mexico Interbank TIIE 1 Day	194	0.14
HSBC	BRL	04/01/27	24,600,000	Brazil Cetip Interbank Deposit Rate	11.3925%	(262)	(0.19)
JP Morgan Chase	BRL	02/01/31	13,600,000	Brazil Cetip Interbank Deposit Rate	10.221%	(499)	(0.35)
Lloyds Bank	GBP	27/02/25	33,000,000	4.5393%	SONIA Interest Rate Benchmark	15	0.01
Lloyds Bank	GBP	27/02/25	51,000,000	SONIA Interest Rate Benchmark	4.5393%	(24)	(0.02)
Lloyds Bank	GBP	14/02/44	1,200,000	SONIA Interest Rate Benchmark	3.9223%	(51)	(0.04)

Portfolio Statement as at 31 December 2024 cont.

Counterparty	Ccy	Termination	Notional	Fund pays	Fund receives	Unrealised gains/(losses) £'000	% of total net assets
Morgan Stanley	CZK	21/11/29	104,000,000	Czech Interbank Rates 6 Month Intraday	3.4675%	(29)	(0.02)
Morgan Stanley	CZK	22/11/29	104,000,000	Czech Interbank Rates 6 Month Intraday	3.443%	(32)	(0.02)
Morgan Stanley	CZK	02/07/34	132,200,000	3.895%	Czech Interbank Rates 6 Month Intraday	8	0.01
Morgan Stanley	GBP	21/08/28	3,550,000	5.122%	SONIA Interest Rate Benchmark	(118)	(0.08)
Morgan Stanley	SEK	02/07/27	230,000,000	2.7525%	Stockholm Interbank Offered Rates 3 Month	(143)	(0.10)
NatWest	GBP	03/09/27	5,250,000	SONIA Interest Rate Benchmark	3.8895%	(40)	(0.03)
NatWest	GBP	14/02/29	3,800,000	SONIA Interest Rate Benchmark	3.9367%	(21)	(0.02)
UBS	GBP	21/08/28	7,100,000	SONIA Interest Rate Benchmark	5.122%	236	0.17
Unrealised gains/(losses) on open interest rate swap contracts						(931)	(0.66)

Table 4: Credit default swap contracts

Credit Default Swap	Maturity	Currency	Direction	Notional	Premium	Market Value £'000	% of total net assets
CDS Buy iTraxx Europe Crossover Series 41 Version 1 EUR 20/06/2029	20/06/29	EUR	Buy protection	2,600,000	5%	(191)	(0.13)
Credit default swap contracts						(191)	(0.13)

Fund Information

Fund and Share Information	31.12.24	30.06.24	30.06.23	30.06.22
Total net asset value of scheme property (£'000)	141,319	149,029	155,706	1,146,840
Synthetic Risk and Reward Indicator¹	4	4	4	4
Net asset value per share (pence)				
B Accumulation	108.82	107.88	100.10	111.05
B Income	92.17	93.31	90.59	104.32
C Accumulation	112.19	111.02	102.66	113.49
Number of shares in issue				
B Accumulation	15,214,144	23,703,751	22,234,695	18,499,269
B Income	500	500	500	500
C Accumulation	111,202,529	111,202,529	129,983,302	992,397,514
Annual Income Record	Period to 31.12.24 (pence)	Year to 30.06.24 (pence)	Year to 30.06.23 (pence)	Year to 30.06.22 (pence)
Income per share (financial period)				
B Accumulation	2.31	4.81	3.71	3.16
B Income	1.98	4.30	3.47	3.03
C Accumulation	2.38	4.94	3.81	3.22
Yearly Highest and Lowest Prices	Period to 31.12.24 (pence)	Year to 30.06.24 (pence)	Year to 30.06.23 (pence)	Year to 30.06.22 (pence)
Highest (financial period)				
B Accumulation	112.3	109.9	116.0	133.4
B Income	97.19	98.71	109.0	128.6
C Accumulation	115.7	112.9	118.6	136.1
Lowest (financial period)				
B Accumulation	107.6	98.76	93.12	109.6
B Income	92.85	89.36	87.47	105.0
C Accumulation	110.8	101.3	95.25	112.0

Fund Information cont.

Ongoing Charges Figures	31.12.24 (%)	30.06.24 (%)	30.06.23 (%)	30.06.22 (%)
Ongoing Charges Figures				
B Accumulation	0.38	0.38	0.38	0.38
B Income	0.38	0.38	0.38	0.38
C Accumulation	0.04	0.03	0.03	0.03

You should be aware that past performance is not a guide to future performance.

¹The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

²The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website www.bailliegifford.com.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 December 2024

	31 December 2024		31 December 2023	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		(2,033)		11,605
Revenue	3,754		3,422	
Expenses	(62)		(62)	
Net revenue before taxation	3,692		3,360	
Taxation	(10)		5	
Net revenue after taxation		3,682		3,365
Total return before distributions		1,649		14,970
Distributions		(3,137)		(2,164)
Change in net assets attributable to shareholders from investment activities		(1,488)		12,806

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 December 2024

	31 December 2024		31 December 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		149,029		155,706
Amounts receivable on issue of shares	617		2,437	
Amounts payable on cancellation of shares	(9,929)		(751)	
		(9,312)		1,686
Dilution adjustment		14		7
Change in net assets attributable to shareholders from investment activities		(1,488)		12,806
Retained distributions on accumulation shares		3,075		2,160
Closing net assets attributable to shareholders		141,318		172,365

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 December 2024

	31 December 2024 £'000	30 June 2024 £'000
Assets:		
Fixed assets:		
Investments	139,280	143,134
Current assets:		
Debtors	3,710	3,541
Cash and bank balances	2,064	6,587
Total assets	145,054	153,262
Liabilities:		
Investment liabilities	(2,796)	(974)
Creditors:		
Bank overdrafts	(702)	(113)
Other creditors	(238)	(3,146)
Total liabilities	(3,736)	(4,233)
Net assets attributable to shareholders	141,318	149,029

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

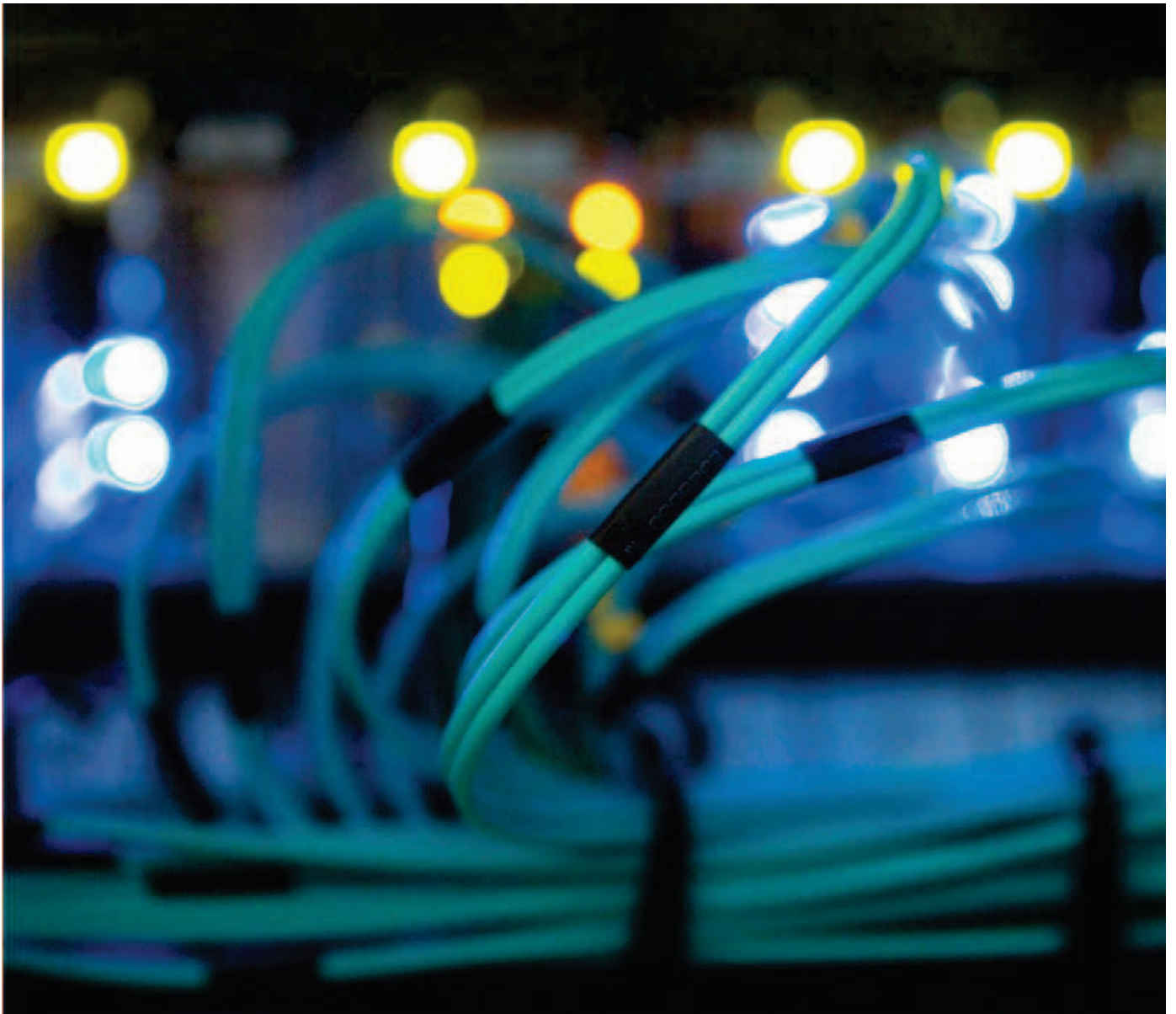
The accounting policies applied are consistent with those in the annual financial statements for the year ended 30 June 2024 and are described in those annual financial statements.

Baillie Gifford™

Baillie Gifford Sustainable Growth Fund

a sub-fund of Baillie Gifford Investment Funds II ICVC

*Interim Report & Financial Statements (Unaudited)
for the six months ended 31 December 2024*



Baillie Gifford Sustainable Growth Fund

Investment Objective

The Fund aims to outperform (after deduction of costs) the MSCI ACWI Index, as stated in sterling, by at least 2% per annum over rolling five-year periods.

Investment Policy

The Fund will invest at least 90% in shares of companies anywhere in the world and of any size and in any sector which, in the Investment Manager’s opinion, demonstrate long-term Sustainable Growth prospects. The Investment Manager defines “Sustainable Growth” as the potential a company has to (i) deliver enduring growth, being a decade or more of profitable growth, and (ii) make a difference to society by, for example, producing products or services which have a clear positive influence, or promoting business practices that help shape industry standards and inspire wider change. The Investment Manager applies a proprietary qualitative investment process to assess companies’ Sustainable Growth prospects. The Fund applies a revenue-based screen that excludes companies with a defined level of activity in certain sectors, details of which are disclosed in the Prospectus. Companies the Fund directly invests in will be selected following a norms-based evaluation. The Fund will comply with the Investment Adviser’s policy on assessing breaches of the United Nations Global Compact as outlined in its ESG Principles and Guidelines document. The Fund will be actively managed.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund’s ranking on the Risk and Reward Indicator.



Market conditions can change rapidly and a fund in any rank can lose you your investment. The Fund is classified as above as it invests in company shares.

The indicator does not take into account the following relevant material risks:

The Fund is actively managed meaning the Investment Manager selects investments of their own choosing with the aim of achieving the Fund’s objectives. This is done without seeking to replicate any index in either of performance or portfolio composition. This investment style, selecting companies with perceived greater long-term growth potential ahead of any short-term returns, in combination with the relative concentration of the Fund, may lead to prolonged periods of underperformance in certain market conditions, both in relation to the Fund’s benchmark and in absolute terms.

Over shorter time periods the Fund’s share price can be volatile and returns can be much higher or lower than our five-year average target. There is no guarantee this objective will be achieved over any time period.

The Fund’s ESG investment policy limits the type of companies it can hold. The Fund may have different returns from funds with no such restrictions.

The limitations of third party data, which may be backward looking or estimated, may impact on the Funds ability to achieve any non-financial considerations.

In adverse market conditions it may be difficult to sell investments held by the Fund in a timely manner and their value may fall significantly. This could affect how much money you receive and even delay the selling of your shares if dealing in the Fund is suspended.

Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.

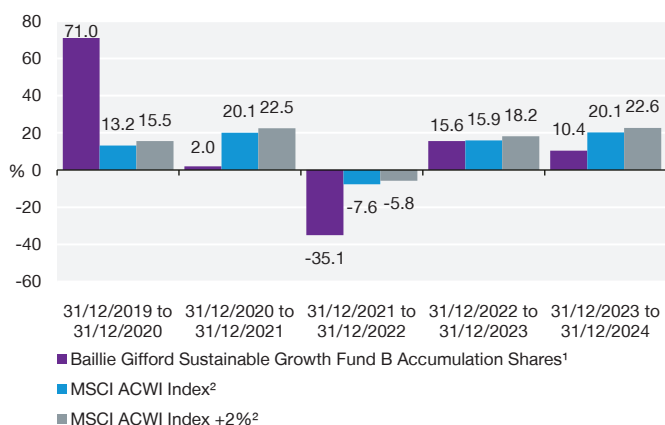
You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

Where possible, charges are taken from income. If insufficient, the rest will be taken from capital, reducing the capital value of the Fund.

For a more detailed explanation of the risks, please see the “Risk Warnings” section of the prospectus.

Investment Report

Past Performance



The performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the annual management charge of 0.50%. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

Past performance

The investment objective of the Fund is to outperform (after deduction of costs) the MSCI ACWI Index (the 'Index') by at least 2% per annum (the 'target return') over rolling five-year periods. For the six months to 31 December 2024 the return on B Accumulation Shares was 6.7%¹ compared to the Index of 6.8%² and the target return of 7.9%². We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance, a period in line with the Fund's objectives. Over that period, the annualised return on B Accumulation Shares was 7.6%¹ compared to the Index of 11.8%² and the target return of 14.1%². It is disappointing that over this period the Fund has underperformed its target return. Although periods of underperformance are inevitable given our style of investment, we fully appreciate that returns over the past few years will have disappointed investors in the Fund. The Fund struggled during 2021 and 2022 against a backdrop of high inflation and rising interest rates but we remain confident that our long-term growth approach will add value over time.

Market environment

Over the past six months, global equity markets have mirrored the year as a whole, with tech-focused US businesses leading the way, while European industrials have lagged behind. Alongside this concentrated market, the period saw a bout of volatility, starting in August, when global markets experienced significant fluctuations. A surprise interest rate hike in Japan was followed by the widely anticipated rate cut by the Fed in September, and the announcement of Chinese stimulus measures soon after. Despite these headlines, many markets remained near historical highs, although investor nervousness was evident due to stretched valuations.

Performance

From an operational perspective, the portfolio has performed well. However, despite achieving respectable absolute returns, the portfolio has lagged behind a highly concentrated index.

¹Source: FE, 10am dealing prices, income accumulated. ²Source: Revolution and MSCI, total return in sterling terms. The target return outperformance is compounded daily therefore the Index return plus the outperformance will not equal the target return. Please see Disclaimer on page 99. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

The streaming service Spotify has been a significant contributor, benefiting from several years of strict cost control with minimal impact on top-line growth. The Swedish company reported a 20% year-on-year revenue increase in November, which was reflected in an expansion of its gross margin.

Shopify also performed strongly, benefiting from cost control measures implemented in 2023. After divesting its logistics arm, the company is now focused solely on ecommerce software and is beginning to achieve software-like margins.

And Recruit, a leading online recruitment provider simplifying the hiring process through its platform 'Indeed', also made a positive contribution driven by growth in the HR Technology segment. This success is attributed to the company's effective cost-control measures and successful monetisation efforts, which consistently deliver impressive results despite tight job markets.

With US technology firms performing so strongly, the absence of certain holdings has once again hindered performance. Index heavyweights Tesla and Apple were two of the largest detractors from relative returns.

The US plastic pipes distributor, Advanced Drainage Systems, also negatively impacted performance during the period. In November, it announced second-quarter results that disappointed investors. We believe the company's capacity to maintain profitability in a challenging environment demonstrates resilience and sensible capital allocation.

Notable transactions

After reducing the NVIDIA stake by over 2% this year, we sold the remainder in July. Since acquiring a holding in 2016, NVIDIA has delivered a 50-fold return for the portfolio. Our initial thesis was that its graphics processing units would become relevant beyond gaming, which materialised with their use in training large language models for AI applications. Despite impressive

growth and an undemanding valuation, we are concerned that recent capital expenditure levels from key customers are unsustainable, particularly without a definitive AI use case.

NVIDIA's focus may be its greatest strength; however, we prefer companies with diversified, resilient business models. Our purchase of Microsoft provides AI exposure in a more diversified manner, transitioning from hardware to software. AI features enhance Microsoft's customer proposition, with Azure cloud computing being particularly exciting. Two-thirds of Fortune 500 companies use Azure AI features, and as more workloads migrate to the cloud, Microsoft's platform familiarity is a significant draw.

We also exited positions in Denali Therapeutics, JD.com and adidas. While Denali's mission to deliver a large molecule drug across the blood-brain barrier is commendable, progress has been slower than expected, with little excitement in the pipeline. We divested from JD.com and adidas due to waning conviction in their sustainability efforts amid intensifying competition.

In their place, we acquired a position in the US cold storage logistics business, Lineage, which commands a 30% market share, double that of its nearest competitor. This scale offers resilience and facilitates significant investments in automation. Lineage's efficiency improvements could substantially reduce food waste, potentially feeding over a billion people annually.

We also invested in Edwards Lifesciences, a leader in minimally invasive treatments for structural heart diseases. Its transcatheter aortic valve replacement provides a less invasive alternative to open-heart surgery. Despite recent hospital staffing challenges, the company has considerable long-term potential for expansion in moderate heart disease cases and international markets. A recent share price decline of about one-third presented an attractive investment opportunity.

Our approach to investment maintains various points of contact with diverse growth opportunities across sectors and regions. While the market's current narrow focus is on US tech and artificial intelligence (AI), our broader perspective reveals a rich landscape of operational progress and emerging opportunities. We

Investment Report cont.

believe this multi-dimensional view gives us a more complete picture of the investment environment and positions us well for the years ahead.

Baillie Gifford & Co, 15 January 2025

Principal Holdings as at 31 December 2024

Investment	Percentage of total Fund
Microsoft	4.53
TSMC	4.11
Alphabet Inc Class A	3.81
Recruit Holdings	3.37
Illumina	3.25
Spotify Technology SA	3.18
MercadoLibre	3.10
Mastercard	2.87
UnitedHealth	2.63
Texas Instruments	2.59

Material Portfolio Changes for the six months ended 31 December 2024

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Microsoft	25,614	NVIDIA	11,001
Edwards Lifesciences Corp	12,279	Watsco Inc	8,465
Marsh & McLennan	10,468	Bridgestone	6,724
bioMérieux	5,320	adidas	6,634
Lineage Inc	5,308	Waters	5,930
GMO Payment Gateway	5,261	Beijer Ref	5,879
Centre Testing 'A' - Stock Connect	4,491	Dassault Systemes	5,568
Wise Plc	2,705	Recruit Holdings	5,289
Spirax-Sarco	2,616	MercadoLibre	5,145
Alphabet Inc Class A	2,602	Centre Testing 'A' - Local	4,479

Portfolio Statement as at 31 December 2024

Stock description	Holding	Market value £'000	% of total net assets
Brazil - 3.79% (4.73%)			
MercadoLibre	11,967	16,247	3.10
Raia Drogasil	1,264,400	3,594	0.69
Canada - 2.50% (1.71%)			
Shopify 'A'	154,388	13,111	2.50
China - 1.69% (1.77%)			
Centre Testing 'A' - Stock Connect	3,542,600	4,813	0.92
Meituan	259,500	4,047	0.77
Denmark - 2.59% (1.85%)			
DSV	80,212	13,558	2.59
Finland - 1.14% (1.36%)			
Metso Corp	804,118	5,982	1.14
France - 5.14% (5.68%)			
bioMérieux	62,282	5,309	1.01
L'Oreal	30,308	8,552	1.63
Sartorius Stedim Biotech	40,757	6,307	1.20
Schneider Electric SE	34,036	6,779	1.30
Germany - 0.00% (1.34%)			
Hong Kong - 1.26% (1.26%)			
AIA Group	1,143,000	6,615	1.26
India - 1.25% (1.34%)			
HDFC Life Insurance Co Ltd	1,139,037	6,555	1.25
Japan - 6.93% (8.30%)			
GMO Payment Gateway	101,900	4,127	0.79
Kubota	453,000	4,232	0.81
Nintendo	124,300	5,850	1.11

Portfolio Statement as at 31 December 2024 cont.

Stock description	Holding	Market value £'000	% of total net assets
Rakuten	1,021,300	4,457	0.85
Recruit Holdings	311,800	17,655	3.37
Luxembourg - 1.51% (1.55%)			
Eurofins	194,115	7,914	1.51
Netherlands - 1.29% (1.62%)			
IMCD Group N.V.	57,556	6,760	1.29
Sweden - 8.13% (9.68%)			
Atlas Copco B	969,890	10,439	1.99
Beijer Ref	960,996	11,254	2.15
Epiroc B	340,906	4,225	0.81
Spotify Technology SA	46,732	16,683	3.18
Taiwan - 4.11% (4.50%)			
TSMC	823,000	21,548	4.11
UK - 7.09% (6.32%)			
Experian	265,377	9,142	1.74
Prudential	1,267,339	8,070	1.54
Spirax-Sarco	111,124	7,618	1.45
Wise Plc	1,162,283	12,355	2.36
United States - 50.31% (46.05%)			
Abiomed CVR Line	38,587	-	0.00
Advanced Drainage Systems	73,230	6,758	1.29
Alphabet Inc Class A	132,210	19,986	3.81
Amazon.com	52,043	9,115	1.74
Carlisle Companies	19,899	5,858	1.12
Cognex Corp	223,096	6,388	1.22
Edwards Lifesciences Corp	215,983	12,772	2.44
Exact Sciences	79,872	3,582	0.68
Illumina	159,862	17,056	3.25
Inspire Medical Systems	31,323	4,645	0.89

Portfolio Statement as at 31 December 2024 cont.

Stock description	Holding	Market value £'000	% of total net assets
Lineage Inc	106,502	4,981	0.95
MarketAxess Holdings	50,401	9,089	1.73
Marsh & McLennan	57,630	9,775	1.87
Mastercard	35,731	15,040	2.87
Microsoft	70,606	23,750	4.53
Moderna Inc	125,123	4,153	0.79
MSA Safety	57,495	7,603	1.45
New York Times Co	227,223	9,442	1.80
Savers Value Village	273,500	2,238	0.43
STAAR Surgical	107,576	2,086	0.40
Starbucks Corp	107,992	7,868	1.50
Texas Instruments	90,770	13,590	2.59
The Trade Desk	124,045	11,636	2.22
UnitedHealth	34,115	13,795	2.63
Wabtec	80,700	12,219	2.33
Warby Parker Inc	456,926	8,833	1.69
Watsco Inc	13,088	4,954	0.95
Workday Inc	60,179	12,397	2.37
YETI Holdings	132,002	4,058	0.77
Portfolio of investments		517,465	98.73
Net other assets - 1.27% (0.94%)		6,668	1.27
Net assets		524,133	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules, unless otherwise stated.

Figures in brackets refer to 30 June 2024.

Fund Information

Fund and Share Information	31.12.24	30.06.24	30.06.23	30.06.22
Total net asset value of scheme property (£'000)	524,133	523,258	632,790	546,254
Synthetic Risk and Reward Indicator¹	6	6	6	6
Net asset value per share (pence)				
B Accumulation	770.76	719.62	659.62	610.83
B Income	758.42	708.10	651.34	604.86
C Accumulation	777.18	723.77	660.11	608.24
J Accumulation	775.00	723.03	661.75	611.89
J Income	758.61	707.72	650.96	604.46
Y Accumulation	781.83	729.77	668.58	618.80
Number of shares in issue				
B Accumulation	34,064,848	35,747,358	40,358,711	36,907,054
B Income	10,175,582	10,249,951	7,160,494	5,141,726
C Accumulation	12,557,896	13,448,420	34,254,189	32,405,594
J Accumulation	233,187	262,503	316,003	365,241
J Income	1,407	1,663	3,477	4,156
Y Accumulation	10,870,175	12,906,396	13,716,731	14,601,009
Annual Income Record	Period to 31.12.24 (pence)	Year to 30.06.24 (pence)	Year to 30.06.23 (pence)	Year to 30.06.22 (pence)
Income per share (financial period)				
B Accumulation	n/a	2.54	1.85	1.26
B Income	n/a	2.50	1.83	1.24
C Accumulation	n/a	5.94	5.05	5.46
J Accumulation	n/a	3.56	2.82	2.54
J Income	n/a	3.51	2.77	2.52
Y Accumulation	n/a	2.92	2.21	1.96

Fund Information cont.

Yearly Highest and Lowest Prices	Period to 31.12.24 (pence)	Year to 30.06.24 (pence)	Year to 30.06.23 (pence)	Year to 30.06.22 (pence)
Highest (financial period)				
B Accumulation	799.1	739.0	714.1	1,018
B Income	786.3	729.8	707.1	1,010
C Accumulation	805.6	742.8	711.5	1,010
J Accumulation	803.4	742.4	715.4	1,019
J Income	786.4	730.3	706.8	1,010
Y Accumulation	810.6	749.4	723.4	1,031
Lowest (financial period)				
B Accumulation	688.2	590.8	579.5	587.3
B Income	677.1	583.4	573.8	582.7
C Accumulation	692.5	592.2	577.9	584.7
J Accumulation	691.5	593.0	580.7	588.3
J Income	676.9	583.3	573.7	583.5
Y Accumulation	697.9	598.9	587.1	594.9
Ongoing Charges Figures	31.12.24 (%)	30.06.24 (%)	30.06.23 (%)	30.06.22 (%)
Ongoing Charges Figures²				
B Accumulation	0.53	0.52	0.53	0.52
B Income	0.53	0.52	0.53	0.53
C Accumulation	0.03	0.02	0.03	0.03
J Accumulation	0.38	0.37	0.37	0.37
J Income	0.38	0.37	0.37	0.38
Y Accumulation	0.48	0.47	0.47	0.44 ³

You should be aware that past performance is not a guide to future performance.

¹The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

²The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website www.bailliegifford.com.

³Class Y Shares have a separate annual management charge arrangement with the ACD, where a tiered scale may be applied. Please refer to the Prospectus for further information. As at 30 June 2022 the ACD considered 0.48% to be a more indicative rate for the ongoing charges figure for Class Y Shares.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 December 2024

	31 December 2024		31 December 2023	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		36,368		30,837
Revenue	2,089		2,286	
Expenses	(1,131)		(1,019)	
Net revenue before taxation	958		1,267	
Taxation	(218)		(231)	
Net revenue after taxation		740		1,036
Total return before distributions		37,108		31,873
Distributions		(35)		1
Change in net assets attributable to shareholders from investment activities		37,073		31,874

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 December 2024

	31 December 2024		31 December 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		523,258		632,790
Amounts receivable on issue of shares	4,584		22,607	
Amounts payable on cancellation of shares	(40,831)		(22,060)	
		(36,247)		547
Dilution adjustment		49		40
Change in net assets attributable to shareholders from investment activities		37,073		31,874
Closing net assets attributable to shareholders		524,133		665,251

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 December 2024

	31 December 2024 £'000	30 June 2024 £'000
Assets:		
Fixed assets:		
Investments	517,465	518,314
Current assets:		
Debtors	443	2,522
Cash and bank balances	6,441	5,590
Total assets	524,349	526,426
Liabilities:		
Creditors:		
Bank overdrafts	-	(1,454)
Distributions payable	-	(256)
Other creditors	(216)	(1,458)
Total liabilities	(216)	(3,168)
Net assets attributable to shareholders	524,133	523,258

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those in the annual financial statements for the year ended 30 June 2024 and are described in those annual financial statements.

Baillie Gifford™

Baillie Gifford Sustainable Income Fund

a sub-fund of Baillie Gifford Investment Funds II ICVC

*Interim Report & Financial Statements (Unaudited)
for the six months ended 31 December 2024*



Baillie Gifford Sustainable Income Fund

Investment Objective

The Fund aims to produce monthly income, whilst seeking to maintain the value of that income and of capital in line with inflation (UK CPI) over five-year periods.

Investment Policy

The Fund will gain exposure to a wide range of asset classes in any country or sector, subject to exclusion's identified by the Investment Manager's sustainable investment process. At any one time, the Fund may be invested in any one or more of the following: shares, bonds, money market instruments, deposits, and cash. This exposure may be achieved directly or indirectly through collective investment schemes. The Fund may also invest indirectly in property, infrastructure, commodities and loans. The purpose of the sustainable investment process, which is applied to all assets except cash and cash-like instruments, is to ensure that the Fund invests in a way which is, in the Investment Manager's opinion, compatible with a sustainable economy. The Fund applies a revenue-based screen that excludes companies with a defined level of activity in certain sectors, details of which are disclosed in the Prospectus. The Fund will comply with the Investment Adviser's policy on assessing breaches of the United Nations Global Compact as outlined in its ESG Principles and Guidelines document. Currency forwards and derivatives, which are types of financial contracts, are used for both investment purposes and in the management of risk. The Fund will be exposed to foreign currencies and the Fund will be actively managed.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The

shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Market conditions can change rapidly and a fund in any rank can lose you your investment. The Fund is classified as above as it invests in a range of assets.

The indicator does not take into account the following relevant material risks:

The Fund aims to maintain capital value in line with inflation. Neither this nor positive returns are guaranteed.

Bonds are affected by interest rates and inflation trends which may affect the value of the Fund. They could lose value if the issuer's financial health deteriorates.

Derivatives can magnify losses if the underlying asset does not perform as the manager expects.

The Fund's ESG investment policy limits the type of companies it can hold. The Fund may have different returns from funds with no such restrictions.

The limitations of third party data, which may be backward looking or estimated, may impact on the Fund's ability to achieve any non-financial considerations.

In adverse market conditions it may be difficult to sell investments held by the Fund in a timely manner and their value may fall significantly. This could affect how much money you receive and even delay the selling of your shares if dealing in the Fund is suspended.

Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care.

You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

The manager can charge some, or all, expenses to the Fund's capital, reducing its value. This amount can vary from year to year.

Baillie Gifford Sustainable Income Fund cont.

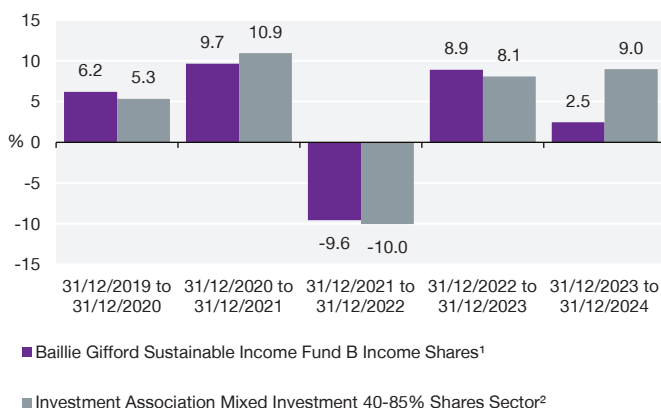
For a more detailed explanation of the risks, please see the “Risk Warnings” section of the prospectus.

Fees Allocated to Capital

For distribution purposes the ACD has the facility to allocate some or all expenses to capital. For the year to 30 June 2024 100% of expenses were allocated to capital. This will reduce the capital value of the Fund. This number may vary from year to year. The figure for the current financial period has not yet been determined.

Investment Report

Past Performance



The performance figures shown in this graph are for Class B Income Shares. Performance figures reflect the annual management charge of 0.50%. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

Past performance

The investment objective of the Fund is to produce monthly income, while seeking to maintain the value of that income and of capital in line with inflation (UK Consumer Price Index (CPI)) over five-year periods. For the six months to 31 December 2024 the total return on B Income Shares was 1.1%¹ compared to the Investment Association Mixed Investment 40-85% Shares sector (the 'comparator') of 2.9%². The capital return was -1.0%³ compared to the rise in CPI of 1.1%⁴. B Income Shares paid a monthly stream of income totalling 1.94 pence per share.

We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance, a period in line with the Fund's objectives. Over that period, the annualised total return on B Income Shares was 3.3%¹ compared to the return on the comparator of 4.4%². The annualised capital return was -0.6%³ compared to the annualised CPI return of 4.6%⁴, and B Income Shares paid income totalling 20.30 pence per share. The monthly income stream paid during the previous 12 months was

4.41 pence per share, which represents annualised growth of 1.4% compared with the same period five years ago. While this growth rate is behind the prevailing rate of UK CPI inflation, we would emphasise the unusual nature of this five-year period. The Fund's income distributions declined at the onset of the Covid-19 pandemic amid widespread dividend cancellations, and then a temporary spike in UK CPI inflation to 11% caused the Fund's real income growth to be negative in 2022. However, conditions have normalised since then and we have returned to positive real income growth during the past two years. The Fund's distributions are currently forecast to grow faster than CPI inflation in 2025, too.

Market environment

The six-month period began with some weakness in global equity markets, as various US economic data points, including on the labour market, came in below expectations, increasing fears of a recession. However, a combination of a 0.5% cut in US interest rates and a stimulus package in China drove a subsequent rally in risk assets.

¹Source: FE, 10am dealing prices, income reinvested. ²Source: Revolution and The Investment Association. ³Source: Baillie Gifford & Co Limited, 10am dealing prices, excluding income, after charges. ⁴Source: Revolution and the Office for National Statistics. You should be aware that past performance is not a guide to future performance. Please see Disclaimer on page 99.

Investment Report cont.

At the end of the third quarter, investors had expected significant rate cuts into 2025, however, the expectation is now that there will be fewer cuts. This is partly due to the potential inflationary policies of the new Trump administration, as well as the continued strength of the US domestic economy.

Although US equities defied the headwind of higher interest rate expectations, outperforming most other asset classes, the performance of equity markets in other regions was more muted in late 2024. European equities were impacted by political instability in its two largest economies, Germany, and France. Meanwhile, stocks in Asia and emerging markets were hit by concerns over the impact of potential tariffs from the US.

The anticipation of higher US rates for longer caused US Treasury bond yields to rise, which impacted valuations of other asset classes globally. The year ended with significant weakness in many government bond markets, although corporate bonds proved more resilient, particularly in high yield.

In real assets, the share prices of property and infrastructure companies were also impacted. We saw acute weakness among UK and European property and infrastructure companies, which faced a double headwind of higher interest rate expectations and faltering economic growth.

Performance

During this six-month period, most asset classes posted gains during the third quarter of 2024, which reversed during the quarter that followed. Equities have made the strongest contribution to the Fund's returns since its inception, and we have gradually reduced the Fund's exposure during the past couple of years.

Although the dividend growth of our underlying companies remains reassuringly strong, we are mindful that the income yield available from our equities is now less than half of that which can be achieved from our other asset classes. By reducing our equities in favour of bonds, property and infrastructure, the Fund's forecast

yield has increased. Although these changes have boosted the Fund's income prospects going forward, it has weighed on its short-term capital returns.

The Fund's weak capital returns in late 2024 were due to two main factors. The first was its high allocation to property and infrastructure, both of which performed poorly because of their sensitivity to changes in interest rate expectations. In addition, some US infrastructure names were weighed down by the risk of the incoming Trump administration slowing the clean energy transition.

The second reason was the Fund's underweight allocation to equities, specifically US equities. Our equity allocation is invested in large, global companies that pay attractive dividends which can grow ahead of inflation over long periods of time. While a high proportion of their revenues are generated in the US, our allocation to US-listed companies is low compared with a global equity index. This is in part due to the very low dividend yields on US stocks. During a period of stark US outperformance, this underweight allocation was a major headwind.

Given the positive backdrop for equity and corporate credit markets during 2024, the Fund's total return of 2.5% for the calendar year was disappointing. However, we believe the current mix of assets is well-placed to meet the Fund's objective going forward.

While capital returns have been below expectations recently, the Fund's income growth continues to exceed the rate of inflation. The Fund's monthly income distributions grew by 4.3% for the 2024 calendar year, which was comfortably ahead of UK CPI. We expect another year of positive real income growth in 2025, with our current forecasts estimating distribution growth of 5-6% in 2025.

Notable transactions

The Fund has around one-third invested in equities, bonds and real assets, along with a small cash balance.

Investment Report cont.

Asset allocation changes during the six-month period were relatively modest. We reduced our equity allocation by around 2% during the third quarter and reinvested the proceeds into property and infrastructure. Property and infrastructure valuations are compelling—particularly for companies with strong fundamentals that can withstand ongoing inflation and interest rate volatility. In property, US stocks have held up more than their UK and European counterparts, and we considered the relative weakness of non-US names to be a buying opportunity.

While our allocations to fixed income were broadly unchanged during these six months, we did see significant activity within the underlying bond portfolios. Various investment theses played out within our high yield corporate bond allocation during the period. These bonds were sold and replaced by new ideas, including several newly issued bonds offering attractive coupons.

Baillie Gifford & Co, 17 January 2025

Principal Holdings as at 31 December 2024

Investment	Percentage of total Fund
Greencoat UK Wind	1.64
Microsoft	1.58
TSMC	1.48
Assura Group	1.44
Apple	1.43
Fastenal	1.36
UK T Bill 03/02/2025	1.35
Greencoat Renewables	1.25
Renewables Infrastructure Group	1.22
Procter & Gamble	1.21

Material Portfolio Changes for the six months ended 31 December 2024

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Assura Group	1,890	Eversource Energy	1,411
Renewables Infrastructure Group	1,297	Jordan 5.85% 07/07/2030 (USD)	1,191
Edison International	1,231	Sonic Healthcare	1,053
Jordan 5.85% 07/07/2030 (USD)	1,154	WEC Energy Group	966
Turkey 6.875% 17/03/2036 (USD)	1,086	NextEra Energy	890
India 7.54% 23/05/2036	1,082	Watsco	817
Foresight Environmental Infrastructure Ltd	1,044	Schneider Electric SE	671
Greencoat Renewables	994	BCE Inc	669
CME Group Inc	977	TSMC	623
Greencoat UK Wind	916	Senegal 4.75% 13/03/2028 (EUR)	618

The largest purchases and sales have been shown, with the exception of UK Treasury Bills, which are used for cash management purposes, and derivatives.

Portfolio Statement as at 31 December 2024

Stock description	Holding	Market value £'000	% of total net assets
Commodities - 0.00% (0.00%)			
Alrosa ¹	240,540	-	0.00
Developed Government Bonds - 4.02% (3.29%)			
UK T Bill 03/02/2025	2,120,000	2,111	1.35
UK T Bill 20/01/2025	700,000	698	0.45
UK T Bill 24/02/2025	1,100,000	1,093	0.70
US Treasury 3.875% 15/08/2034	1,036,000	782	0.50
US Treasury 4.125% 15/11/2032	2,035,000	1,585	1.02
Emerging Market Bonds Hard Currency - 7.66% (7.53%)			
Abu Dhabi 3.125% 30/09/2049 (USD)	1,200,000	637	0.41
Argentina 0.75% 09/07/2030 (USD)	110,000	65	0.04
Argentina 5% 09/01/2038 (USD)	710,000	396	0.25
Bahamas 8.95% 15/10/2032 (USD)	400,000	330	0.21
Barbados 6.5% 01/10/2029 (USD)	400,000	311	0.20
Chile 2.55% 27/07/2033 (USD)	400,000	257	0.16
Chile 3.5% 25/01/2050 (USD)	400,000	219	0.14
Chile 4.34% 07/03/2042 (USD)	700,000	468	0.30
Chile 6% 01/01/2043 (USD)	155,000,000	129	0.08
Colombia 3% 30/01/2030 (USD)	1,000,000	661	0.42
Colombia 3.875% 15/02/2061 (USD)	200,000	82	0.05
Dominican Republic 5.875% 30/01/2060 (USD)	150,000	101	0.06
Dominican Republic 6% 19/07/2028 (USD)	150,000	119	0.08
Dominican Republic 6.875% 29/1/2026 (USD)	300,000	241	0.15
Egypt 5.875% 16/02/2031 (USD)	400,000	266	0.17
Hungary 3.125% 21/09/2051 (USD)	1,000,000	467	0.30
Ivory Coast 5.25% 2030 (EUR)	700,000	546	0.35
Ivory Coast 6.625% 2048 (EUR)	300,000	200	0.13
Mexico 4.75% 27/04/2032 (USD)	600,000	434	0.28
Mexico 5.75% 12/10/2110 (USD)	100,000	61	0.04
Mexico 6.75% 27/09/2034 (USD)	600,000	485	0.31
Nigeria 7.625% 28/11/2047 (USD)	600,000	365	0.23
Nigeria 8.375% 24/03/2029 (USD)	400,000	310	0.20
North Macedonia 1.625% 10/03/2028 (EUR)	1,000,000	747	0.48

Portfolio Statement as at 31 December 2024 cont.

Stock description	Holding	Market value £'000	% of total net assets
Oman 6.5% 08/03/2047 (USD)	600,000	476	0.31
Paraguay 5.4% 30/03/2050 (USD)	630,000	426	0.27
Sri Lanka 3.1% 15/01/2030 (USD)	72,513	48	0.03
Sri Lanka 3.35% 15/03/2033 (USD)	142,233	86	0.06
Sri Lanka 3.6% 15/02/2038 (USD)	133,364	81	0.05
Sri Lanka 3.6% 15/05/2036 (USD)	66,654	40	0.03
Sri Lanka 3.6% 15/06/2035 (USD)	96,040	55	0.04
Sri Lanka 4% 15/04/2028 (USD)	92,925	64	0.04
Tajikistan 7.125% 14/09/2027 (USD)	600,000	469	0.30
Turkey 6.875% 17/03/2036 (USD)	1,280,000	976	0.63
Ukraine 0% 01/02/2034 (USD)	149,896	49	0.03
Ukraine 1.75% 01/02/2034 (USD)	817,712	369	0.24
Ukraine 1.75% 01/02/2035 (USD)	240,191	105	0.07
Ukraine 1.75% 01/02/2036 (USD)	226,431	98	0.06
Uzbekistan 3.9% 19/10/2031 (USD)	400,000	263	0.17
Uzbekistan 5.375% 20/02/2029 (USD)	600,000	450	0.29
Emerging Market Bonds Local Currency - 9.59% (8.42%)			
Brazil 10% 01/01/2025	1,580	204	0.13
Brazil 10% 01/01/2027	3,397	421	0.27
Brazil 10% 01/01/2029	2,700	311	0.20
Brazil 10% 01/01/2035	5,000	519	0.33
Chile 5% 01/03/2035	220,000,000	167	0.11
Colombia 3% IL 25/03/2033	6,180,000	357	0.23
Colombia 6.25% 09/07/2036	2,600,000,000	304	0.19
Colombia 7% 26/03/2031	763,000,000	113	0.07
Colombia 7.5% 26/08/2026	1,252,000,000	221	0.14
Czech Republic 2% 13/10/2033	1,010,000	28	0.02
Czech Republic 6% 26/02/2026	4,610,000	156	0.10
Dominican Republic 11.25% 15/09/2035	11,500,000	164	0.11
Dominican Republic 13.625% 03/02/2033	46,300,000	738	0.47
EBRD 0% 11/07/2036	46,200,000	79	0.05
EBRD 0% 19/11/2034	236,500,000	543	0.35
EBRD 20% 19/03/2025	200,000	176	0.11
Hungary 4.75% 24/11/2032	151,140,000	270	0.17

Portfolio Statement as at 31 December 2024 cont.

Stock description	Holding	Market value £'000	% of total net assets
India 7.54% 23/05/2036	112,300,000	1,097	0.70
Indonesia 7.125% 15/06/2042	5,970,000,000	295	0.19
Indonesia 7.5% 15/08/2032	430,000,000	22	0.01
Indonesia 8.25% 15/05/2036	14,721,000,000	794	0.51
Indonesia 9% 15/03/2029	12,027,000,000	638	0.41
Malaysia 4.232% 30/06/2031	2,610,000	478	0.31
Mexico 7.5% 03/06/2027	52,000	189	0.12
Mexico 7.75% 13/11/2042	221,200	651	0.42
Mexico 7.75% 23/11/2034	17,500	56	0.04
Mexico 8.5% 31/05/2029	66,000	240	0.15
Nigeria OMO Bill 04/11/2025	829,500,000	356	0.23
Peru 6.15% 12/08/2032	4,623	974	0.62
Poland 2.5% 25/07/2027	1,400,000	254	0.16
Poland 5% 25/10/2034	1,450,000	263	0.17
Poland 6% 25/10/2033	3,250,000	636	0.41
Romania 3.65% 24/09/2031	1,490,000	200	0.13
South Africa 1.875% IL 31/03/2029	4,190,000	235	0.15
South Africa 6.25% 31/03/2036	16,300,000	497	0.32
South Africa 6.5% 28/02/2041	2,500,000	71	0.05
South Africa 8.75% 31/01/2044	20,230,000	694	0.44
Sweihan 3.625% 2049	600,000	367	0.24
Thailand 1.25% IL 12/03/2028	22,300,000	578	0.37
Uruguay 9.75% 20/07/2033	33,700,000	609	0.39
Global Equities - 32.10% (34.70%)			
Admiral Group	36,415	962	0.62
AJ Gallagher & Co	4,030	913	0.58
Albemarle	6,642	456	0.29
Amadeus IT Group SA	11,363	630	0.40
Analog Devices	8,489	1,440	0.92
ANTA Sports Products	75,000	600	0.38
Apple	11,191	2,237	1.43
Atlas Copco A	104,697	1,273	0.82
AVI	121,067	560	0.36
B3 S.A.	357,970	477	0.31

Portfolio Statement as at 31 December 2024 cont.

Stock description	Holding	Market value £'000	% of total net assets
Carsales.com	55,072	981	0.63
Cisco Systems	15,763	745	0.48
CME Group Inc	5,373	996	0.64
Cognex Corp	12,863	368	0.24
Coloplast AS	8,874	773	0.50
Deutsche Boerse	8,265	1,522	0.98
Edenred	27,774	729	0.47
Epiroc B	51,191	634	0.41
Equity Residential REIT	14,831	850	0.54
Eurofins	10,090	411	0.26
Experian	32,635	1,124	0.72
Fastenal	36,927	2,121	1.36
HKT Trust and HKT	947,000	935	0.60
Home Depot	1,724	536	0.34
Hong Kong Exchanges & Clearing	16,800	509	0.33
Intuit	1,660	833	0.53
Kuehne & Nagel	2,650	485	0.31
L'Oreal	2,636	744	0.48
Medtronic	9,546	609	0.39
Microsoft	7,346	2,471	1.58
Midea Group 'A'	111,100	914	0.59
Mobile Telesystems Ojsc ¹	84,348	-	0.00
Nestle	11,007	726	0.46
NetEase HK Line	40,100	571	0.37
Novo Nordisk	23,682	1,629	1.04
Partners Group	1,339	1,451	0.93
Paychex	2,841	318	0.20
Pepsico	11,270	1,368	0.88
Procter & Gamble	14,160	1,896	1.21
Roche	4,397	989	0.63
SAP	4,351	850	0.54
Schneider Electric SE	7,719	1,538	0.99
Starbucks Corp	7,807	569	0.36
T. Rowe Price	5,370	485	0.31
TCI Co	102,000	304	0.19

Portfolio Statement as at 31 December 2024 cont.

Stock description	Holding	Market value £'000	% of total net assets
Texas Instruments	3,593	538	0.34
TSMC	88,000	2,304	1.48
United Overseas Bank	39,000	829	0.53
UPS	8,949	901	0.58
USS Co	62,200	435	0.28
Valmet Oyj	21,610	417	0.27
Watsco Inc	4,724	1,788	1.15
Wolters Kluwer N.V.	10,242	1,355	0.87
High Yield Credit - 9.30% (10.47%)			
B&M European Value Retail 8.125% 2030	245,000	261	0.17
Banijay Gp 8.125% 2029 (144A)	400,000	331	0.21
Brightline East 11% 2030 (144A)	500,000	381	0.24
Burford Capital 9.25% 2031 (144A)	530,000	449	0.29
Canpack 3.125% 2025 (144A)	600,000	467	0.30
Cheplapharm 5.5% 2028 (144A)	200,000	145	0.09
Cimpress 7.375% 2032 (144A)	350,000	277	0.18
Close Brothers GP 7.75%	161,000	160	0.10
Cushman & Wakefield 6.75% 2028 (144A)	460,000	368	0.24
DaVita 6.875% 2032 (144A)	600,000	483	0.31
Domestic & General 8.125% 2029	200,000	201	0.13
Evri 8.125% 2031	485,000	495	0.32
FMG Resources 6.125% 2032 (144A)	340,000	268	0.17
Iceland Foods 10.875% 2027	400,000	428	0.27
Iliad 8.5% 2031 (144A)	500,000	425	0.27
IMA E+3.75% FRN 2029	550,000	457	0.29
Italmatch Chemicals 10% 2028	390,000	340	0.22
Kier Group 9% 2029	453,000	477	0.30
La Doria E+4.5% 2029 FRN	500,000	420	0.27
Liberty Costa Rica 10.875% 2031 (Reg S)	435,000	371	0.24
Marks and Spencer 7.125% 2037 (144A)	590,000	487	0.31
Multi-Colour 9.5% 2028 (144A)	390,000	312	0.20
Multiversity 8.049667% 2031 FRN	460,000	383	0.24
Nationwide 5.75% Perp	450,000	436	0.28
NCR Atleos 9.5% 2029 (144A)	420,000	363	0.23

Portfolio Statement as at 31 December 2024 cont.

Stock description	Holding	Market value £'000	% of total net assets
Neopharmed 7.125% 2030	550,000	482	0.31
Open Text 6.9% 2027 (144A)	580,000	479	0.31
Organon & Co. 6.75% 2034 (144A)	490,000	388	0.25
Perrigo 4.9% 2044	550,000	342	0.22
Pinewood Gp 3.625% 2027	355,000	336	0.21
Roquette Freres 5.494% 2030 Perp	300,000	253	0.16
Sally Beauty Holdings 6.75% 2032	520,000	416	0.27
Santander 9.625% 2029 Perp AT1	600,000	526	0.34
Solenis 9.625% 2028	496,000	437	0.28
Venture Global Delta LNG 8.125% 2028 (144A)	470,000	390	0.25
Veritext 8.5% 2030 (144A)	662,000	560	0.36
Virgin Media 7.75% 2032 (144A)	402,000	323	0.21
Walgreen Co 8.125% 2029	515,000	407	0.26
Infrastructure - 20.05% (19.73%)			
3i Infrastructure	381,367	1,211	0.78
Aguas Andinas	4,583,142	1,097	0.70
Brookfield Renewable	40,317	891	0.57
CenterPoint Energy Inc	70,923	1,796	1.15
Consolidated Edison	19,093	1,360	0.87
Edison International	18,900	1,204	0.77
Exelon Corporation	58,275	1,752	1.12
Foresight Environmental Infrastructure Ltd	2,316,397	1,682	1.08
Fortis	37,146	1,230	0.79
Greencoat Renewables	2,904,912	1,950	1.25
Greencoat UK Wind	1,997,710	2,551	1.64
Italgas S.p.A	282,181	1,259	0.81
NextEra Energy	21,348	1,222	0.78
Renewables Infrastructure Group	2,214,550	1,900	1.22
Severn Trent	65,711	1,648	1.06
Southern	24,639	1,620	1.04
Terna	267,829	1,687	1.08
TINC Comm. VA	132,366	1,206	0.77
Transurban Group	144,805	959	0.61
United Utilities	157,911	1,660	1.06

Portfolio Statement as at 31 December 2024 cont.

Stock description	Holding	Market value £'000	% of total net assets
WEC Energy Group	18,708	1,405	0.90
Investment Grade Bonds - 5.59% (6.45%)			
Admiral Group 8.5% 2034 T2	270,000	302	0.19
Annington Funding 2.308% 2032	575,000	489	0.31
Barclays 3.811% 2042	730,000	451	0.29
Barclays 7.125% 2025 Perp AT1	500,000	501	0.32
Berkeley Group 2.5% 2031	300,000	240	0.15
Burberry 1.125% 2025	440,000	426	0.27
Caixabank 6.875% 2028/33 T2	500,000	516	0.33
Center Parcs 5.876% 2027	355,000	357	0.23
CK Hutchison Telecom 2.625% 2034	600,000	433	0.28
Ford 9.625% 2030	360,000	331	0.21
Inchcape 6.5% 2028	464,000	474	0.30
International Workplace Group 6.5% 2030	500,000	442	0.28
Investec 10.5% 2029 Perp AT1	400,000	433	0.28
Investec 9.125% 2033	375,000	404	0.26
IQVIA 6.25% 2029	320,000	264	0.17
Pension Insurance Corp 8% 2033 T2	460,000	493	0.32
Pershing Square Holdings 3.25% 2030	250,000	174	0.11
Phoenix Group 7.75% 2033/53 T2	270,000	282	0.18
Schroders 6.346% 2029/34 T2	320,000	323	0.21
Sealed Air 1.573% 2026 (144A)	320,000	240	0.15
TP ICAP Gp 7.875% 2030	200,000	213	0.14
Weir Group 6.875% 2028	490,000	509	0.33
Yorkshire Water 6.375% 2034	430,000	430	0.28
Property - 9.97% (8.77%)			
American Tower Corp REIT	7,781	1,139	0.73
Assura Group	5,846,144	2,241	1.44
Crown Castle International REIT	7,886	571	0.37
Ctp N.V.	114,945	1,408	0.90
Digital Realty Trust REIT	6,634	939	0.60
Equinix	1,304	982	0.63
Grainger PLC	222,587	501	0.32

Portfolio Statement as at 31 December 2024 cont.

Stock description	Holding	Market value £'000	% of total net assets
Healthcare Realty Trust REIT	19,628	266	0.17
Healthpeak Properties Inc REIT	38,027	616	0.40
LondonMetric Property	445,099	801	0.51
Montea NV	15,271	798	0.51
Prologis Inc REIT	8,658	731	0.47
Rexford Industrial Realty REIT	9,245	285	0.18
Segro Plc	100,426	704	0.45
Sun Communities Inc REIT	4,424	434	0.28
Target Healthcare REIT Plc	745,878	627	0.40
Tritax Big Box REIT	635,246	843	0.54
Unite Group	122,517	988	0.63
Warehouses De Pauw	43,438	682	0.44
Derivatives - -0.41% (-0.51%)			
Forward currency contracts (see Table 1)		(371)	(0.24)
Credit default swap contracts (see Table 2)		(265)	(0.17)
Portfolio of investments		152,746	97.87
Other Assets - 2.13% (1.15%)		3,317	2.13
Net assets		156,063	100.00

¹This stock was valued at nil at the period end amid the ongoing conflict in Ukraine. It has been valued at the Investment Adviser's valuation.

Please note: figures are based on market values rather than economic exposure.

All investments are listed on recognised stock exchanges or are fixed interest securities and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets in the investment category headings refer to 30 June 2024.

Portfolio Statement as at 31 December 2024 cont.

Table 1: Unrealised gains/(losses) on open forward currency contracts

Counterparty	Settlement	Buy	Buy Amount	Sell	Sell Amount	Unrealised	% of total
						gains/(losses)	
						£'000	
Citigroup	23/01/25	USD	326,700	GBP	251,330	9	0.01
Deutsche Bank	23/01/25	GBP	235,969	EUR	283,000	2	0.00
HSBC	23/01/25	GBP	21,083,386	EUR	25,390,000	67	0.04
NatWest	23/01/25	GBP	58,822,645	USD	74,294,000	(510)	(0.33)
Royal Bank of Canada	23/01/25	GBP	1,332,847	EUR	1,598,500	10	0.01
Royal Bank of Canada	23/01/25	USD	1,726,200	GBP	1,327,964	51	0.03
Unrealised gains/(losses) on open forward currency contracts						(371)	(0.24)

Table 2: Credit default swap contracts

Credit Default Swap	Maturity	Currency	Direction	Notional	Premium	Market	% of
						Value	
						£'000	net assets
CDS Buy iTraxx Europe Crossover Series 42 Version 1 EUR 20/12/2029	20/12/29	EUR	Buy protection	4,100,000	5%	(265)	(0.17)
Credit default swap contracts						(265)	(0.17)

Breakdown of portfolio of investments

	31 December 2024		30 June 2024	
	Market value £'000	Percentage of total Fund	Market value £'000	Percentage of total Fund
Bonds	56,438	36.16	56,742	36.16
Derivatives	(636)	(0.41)	(799)	(0.51)
Equities	96,944	62.12	99,167	63.20
Portfolio of investments	152,746	97.87	155,110	98.85

Investments are categorised based on underlying asset class.

Fund Information

Fund and Share Information	31.12.24	30.06.24	30.06.23	30.06.22
Total net asset value of scheme property (£'000)	156,063	156,910	148,824	114,773
Synthetic Risk and Reward Indicator¹	5	5	5	4
Net asset value per share (pence)				
B Accumulation	133.43	131.79	124.59	118.75
B Income	104.60	105.19	103.74	102.81
C Accumulation	136.80	134.85	126.98	120.56
C Income	107.98	108.31	106.29	104.82
H Accumulation	135.36	133.53	125.90	119.64
H Income	105.64	106.08	104.33	102.97
J Accumulation	135.48	133.74	126.28	120.22
J Income	104.95	105.46	103.85	102.78
P Accumulation	134.20	132.47	125.18	119.17
P Income	105.35	105.87	104.26	103.18
Number of shares in issue				
B Accumulation	16,356,780	10,933,148	7,800,881	7,905,751
B Income	104,141,836	116,636,781	100,433,690	93,633,165
C Accumulation	895	895	15,768,067	895
C Income	659,447	659,447	705,318	774,956
H Accumulation	1,000	1,000	1,000	1,000
H Income	20,817,369	15,808,088	11,882,362	6,923,266
J Accumulation	1,045,396	1,056,302	953,698	753,962
J Income	1,129,914	864,185	521,377	258,624
P Accumulation	1,000	1,000	1,000	1,000
P Income	1,000	1,000	1,000	1,000

Fund Information cont.

Annual Income Record	Period to 31.12.24 (pence)	Year to 30.06.24 (pence)	Year to 30.06.23 (pence)	Year to 30.06.22 (pence)
Income per share (financial period)				
B Accumulation	2.44	5.39	4.73	4.65
B Income	1.94	4.40	4.03	4.11
C Accumulation	2.42	5.38	4.69	4.58
C Income	1.93	4.42	4.02	4.04
H Accumulation	2.46	5.36	4.69	4.61
H Income	1.94	4.37	3.97	4.04
J Accumulation	2.45	5.43	4.76	4.66
J Income	1.92	4.38	4.01	4.06
P Accumulation	2.43	5.27	4.72	4.62
P Income	1.93	4.40	4.02	4.07
Yearly Highest and Lowest Prices	Period to 31.12.24 (pence)	Year to 30.06.24 (pence)	Year to 30.06.23 (pence)	Year to 30.06.22 (pence)
Highest (financial period)				
B Accumulation	138.9	134.5	127.4	132.6
B Income	110.0	108.6	110.1	117.6
C Accumulation	142.3	137.6	129.4	134.4
C Income	113.4	111.7	112.3	119.6
H Accumulation	140.8	136.3	128.4	133.5
H Income	111.0	109.4	110.3	117.6
J Accumulation	141.0	136.5	129.0	134.2
J Income	110.3	108.8	110.1	117.5
P Accumulation	139.7	135.3	127.9	133.0
P Income	110.7	109.2	110.5	117.9
Lowest (financial period)				
B Accumulation	131.6	118.3	111.4	117.1
B Income	104.6	97.62	95.74	102.0
C Accumulation	134.7	120.7	113.3	118.9
C Income	108.0	100.2	97.74	103.9
H Accumulation	133.4	119.6	112.3	118.0
H Income	105.7	98.22	95.94	102.1
J Accumulation	133.6	119.9	112.9	118.6
J Income	105.0	97.78	95.74	101.9
P Accumulation	132.3	118.9	111.9	117.5
P Income	105.4	98.15	96.12	102.3

Fund Information cont.

Ongoing Charges Figures	31.12.24 (%)	30.06.24 (%)	30.06.23 (%)	30.06.22 (%)
Ongoing Charges Figures²				
B Accumulation	0.56	0.56	0.63 ³	0.56
B Income	0.56	0.56	0.63 ³	0.56
C Accumulation	0.06	0.06	0.13 ³	0.06
C Income	0.06	0.06	0.13 ³	0.06
H Accumulation	0.22 ⁵	0.22 ⁴	0.30 ³	0.30
H Income	0.22 ⁵	0.22 ⁴	0.30 ³	0.30
J Accumulation	0.41	0.41	0.48 ³	0.41
J Income	0.41	0.42	0.48 ³	0.41
P Accumulation	0.41	0.40	0.48 ³	0.41
P Income	0.41	0.41	0.48 ³	0.41

You should be aware that past performance is not a guide to future performance.

¹The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

²The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website www.bailliegifford.com.

³In July 2020, the Investment Association issued Guidance on Disclosure of Fund Charges and Costs effective from 30 June 2022 which updated the Ongoing Charges disclosure requirements to include indirect costs associated with funds' holdings of closed-ended investment funds. This resulted in an increase of 0.07% in the Ongoing Charges figures disclosed as at 30 June 2023. In November 2023, following the FCA's statement regarding communications related to PRIIPs and UCITS, the Investment Association amended its Guidance on Disclosure of Fund Charges and Costs, removing the requirement to include indirect costs associated with holding closed-ended investment funds from Ongoing Charges figures. Consequently, these costs are no longer included in the Ongoing Charges figures.

⁴As at 30 June 2024 the ACD considered 0.30% to be a more indicative rate for the ongoing charges figure for Class H Shares.

⁵As at 31 December 2024 the ACD considered 0.30% to be a more indicative rate for the ongoing charges figure for Class H Shares.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 December 2024

	31 December 2024		31 December 2023	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		(586)		3,988
Revenue	3,709		3,393	
Expenses	(421)		(333)	
Net revenue before taxation	3,288		3,060	
Taxation	(485)		(494)	
Net revenue after taxation		2,803		2,566
Total return before distributions		2,217		6,554
Distributions		(2,995)		(2,816)
Change in net assets attributable to shareholders from investment activities		(778)		3,738

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 December 2024

	31 December 2024		31 December 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		156,910		148,824
Amounts receivable on issue of shares	21,902		8,800	
Amounts payable on cancellation of shares	(22,396)		(2,637)	
		(494)		6,163
Dilution adjustment		73		22
Change in net assets attributable to shareholders from investment activities		(778)		3,738
Retained distributions on accumulation shares		352		569
Closing net assets attributable to shareholders		156,063		159,316

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 December 2024

	31 December 2024 £'000	30 June 2024 £'000
Assets:		
Fixed assets:		
Investments	153,521	155,940
Current assets:		
Debtors	2,946	3,459
Cash and bank balances	2,192	1,112
Total assets	158,659	160,511
Liabilities:		
Investment liabilities	(775)	(830)
Creditors:		
Bank overdrafts	(729)	(784)
Distributions payable	(431)	(746)
Other creditors	(661)	(1,241)
Total liabilities	(2,596)	(3,601)
Net assets attributable to shareholders	156,063	156,910

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

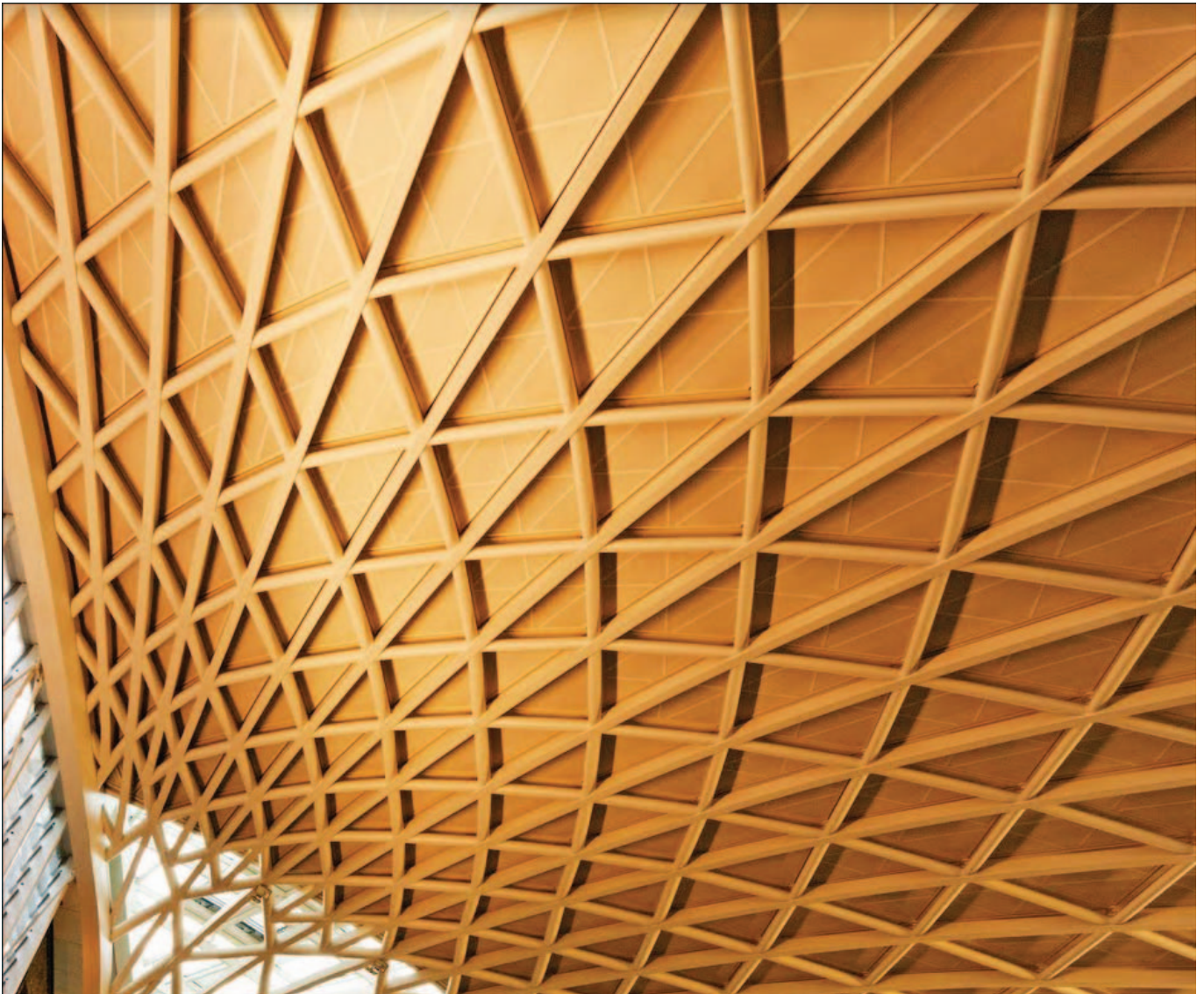
The accounting policies applied are consistent with those in the annual financial statements for the year ended 30 June 2024 and are described in those annual financial statements.

Baillie Gifford™

Baillie Gifford UK Equity Core Fund

a sub-fund of Baillie Gifford Investment Funds II ICVC

*Interim Report & Financial Statements (Unaudited)
for the six months ended 31 December 2024*



Baillie Gifford UK Equity Core Fund

Investment Objective

The Fund aims to outperform (after deduction of costs) the FTSE All-Share Index by at least 1% per annum over rolling five-year periods.

Investment Policy

The Fund will invest at least 80% directly or indirectly in shares of UK companies of any size and in any sector. The indirect investment will be through collective investment schemes. UK companies are companies which are incorporated, domiciled or conduct a significant portion of their business in the UK. The Fund may also invest in companies which are listed, traded or quoted in the UK. Companies the Fund directly invests in will be selected following a norms-based evaluation. The Fund will comply with the Investment Adviser’s policy on assessing breaches of the United Nations Global Compact as outlined in its Stewardship Principles and Guidelines document. The Fund will be managed to align the Fund’s holdings with the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5C (“net zero”). As part of this process, all portfolio companies are actively assessed and prioritised for engagement for their alignment with net zero on an ongoing basis. The Fund will be actively managed.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund’s ranking on the Risk and Reward Indicator.



Market conditions can change rapidly and a fund in any rank can lose you your investment. The Fund is classified as above as it invests in company shares.

The indicator does not take into account the following relevant material risks:

The Fund is actively managed meaning the Investment Manager selects investments of their own choosing with the aim of achieving the Fund’s objectives. This is done without seeking to replicate any index in either of performance or portfolio composition. This investment style, selecting companies with perceived greater long-term growth potential ahead of any short-term returns, in combination with the relative concentration of the Fund, may lead to prolonged periods of underperformance in certain market conditions, both in relation to the Fund’s benchmark and in absolute terms.

Over shorter time periods the Fund’s share price can be volatile and returns can be much higher or lower than our five-year average target. There is no guarantee this objective will be achieved over any time period.

The Fund’s ESG investment policy limits the type of companies it can hold. The Fund may have different returns from funds with no such restrictions.

The limitations of third party data, which may be backward looking or estimated, may impact on the Funds ability to achieve any non-financial considerations.

In adverse market conditions it may be difficult to sell investments held by the Fund in a timely manner and their value may fall significantly. This could affect how much money you receive and even delay the selling of your shares if dealing in the Fund is suspended.

Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care

You could lose your investment due to global factors like natural disasters, pandemics, or through developments such as military conflict, or changes in government policies.

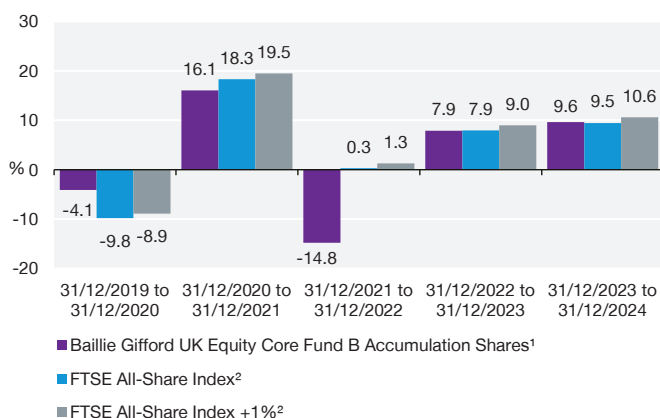
Where possible, charges are taken from income. If insufficient, the rest will be taken from capital, reducing the capital value of the Fund.

Baillie Gifford UK Equity Core Fund cont.

For a more detailed explanation of the risks, please see the “Risk Warnings” section of the prospectus.

Investment Report

Past Performance



The performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the annual management charge of 0.42%. Performance figures for the other share class in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

Past performance

The investment objective of the Fund is to outperform (after deduction of costs) the FTSE All-Share Index (the 'Index') by at least 1% per annum (the 'target return') over rolling five-year periods. For the six months to 31 December 2024, the return on B Accumulation Shares was 4.5%¹ compared to the Index of 1.9%² and the target return of 2.4%². We believe that short-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance, a period in line with the Fund's objectives. Over that period, the annualised return on B Accumulation Shares was 2.3%¹ compared to the Index of 4.8%² and the target return of 5.9%². Although periods of underperformance are inevitable given our style of investment, we fully appreciate that returns over the past few years will have disappointed investors in the Fund. The Fund struggled during 2021 and 2022 against a backdrop of high inflation and rising interest rates but we remain confident that our long-term growth approach will add value over time.

Market environment

2024 has been an 'interesting' year for markets, with some of the most dramatic action in the second half when we saw the election of Donald Trump as President of the USA. What it means for the world and markets will be the topic for many end-of-year commentaries by many other institutions, and we have little insight to add to that, having already noted the pitfalls of making predictions.

The situation closer to home in the UK with the new Labour government is an interesting example of rhetoric and subsequent actions getting into a terrible tangle. The Labour Party campaigned on a pro-growth agenda but, once in power, quickly began to sound markedly downbeat about the economic situation they had inherited. Since then, the likelihood that the brunt of tax rises, which falls on companies, will hamper job creation and be inflationary has hurt business and consumer confidence, and the government's popularity has fallen. Nevertheless, it is still early days and much remains to be seen about what shape the new government's policies will take.

¹Source: FE, 10am dealing prices, income accumulated. ²Source: Revolution and FTSE, total return. The target return outperformance is compounded daily therefore the Index return plus the outperformance will not equal the target return. Please see Disclaimer on page 99. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

Performance

During the six-month period to 31st December, the Fund delivered a positive return and outperformed the Index. The largest contributors to relative performance were Just Group and Marks & Spencer. In addition, having no exposure to Shell supported performance relative to the benchmark.

Just Group is a bulk annuity provider. Results throughout the year have been impressive, with significant increases in profitability. The rising rate environment has been a boon for annuity providers as higher rates have narrowed the funding gap for many smaller pension funds, leading to a rise in demand for buyouts. We remain enthused about Just Group's position in this space and its ability to take advantage of an exciting structural growth opportunity as demand for pension risk transfer products grows.

Elsewhere, the turnaround story at high-street retailer, Marks & Spencer, continues to progress as the shares hit a five-year high towards the end of 2024. The company has seen strong sales across its food, clothing, and home segments. CEO Stuart Machin's growth plan has focused on modernising the business by developing the retailer's online presence, closing underperforming stores, opening more out-of-town outlets, and tackling some of the logistics inefficiencies that he inherited. While we are starting to see signs of real progress, we believe that there is a lot more than can be achieved with the business.

Turning to detractors, not holding large index constituents that performed well, including financials such as HSBC and Barclays, weighed on relative returns. Of the holdings in the portfolio, PageGroup and Helical were among the detractors to returns during the period.

The recruitment consultant, PageGroup, has faced significant headwinds over the past six months, largely due to challenging macroeconomic conditions affecting the sector. Ongoing economic uncertainty has meant many employers have become more cautious in their hiring practices as recruitment budgets have shrunk. This has been accompanied by a fall in the conversion of interviews to accepted offers. While salaries continue to

be competitive, the offers are not as generous as those seen in the last few years. For PageGroup, this was particularly pronounced in Germany and France, two of its key markets.

The broader market environment for property development firm, Helical, also continues to be challenging. The real estate sector, particularly London offices (which make up a large part of the Helical portfolio) continued to face headwinds as inflationary concerns lingered throughout the second half the year. We met with senior management in an in-depth site visit in July which gave us the opportunity to spend time with newly appointed CEO and tour some of the portfolio properties. We came away reassured that Helical remain well-positioned to deliver best-in-class office space to an under-supplied central London market for the next five years onwards.

Notable transactions

Portfolio turnover remained low in line with our long-term investment time horizon. However, competition for capital remains high. We made the decision to sell out of holdings in wealth platform, Hargreaves Lansdown, spread betting and derivatives business, IG Group, aerospace parts manufacturer, Melrose Industries and pharmaceutical company, Exscientia.

We used some of the proceeds to take new positions in food processor and distributor, Cranswick, nutrition supplier, Applied Nutrition, and industrial engineering company, Spirax-Sarco.

Baillie Gifford & Co, 15 January 2025

Principal Holdings as at 31 December 2024

Investment	Percentage of total Fund
AstraZeneca	4.14
Marks & Spencer	4.01
Bunzl	3.94
RELX	3.65
Unilever	3.61
Just Group	3.58
Rio Tinto	3.52
Standard Chartered	3.47
Auto Trader	3.23
Legal & General	3.20

Material Portfolio Changes for the six months ended 31 December 2024

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Cranswick plc	1,181	Hargreaves Lansdown	3,328
Spirax-Sarco	1,153	IG Group	3,312
Bodycote	910	Marks & Spencer	1,011
Applied Nutrition	775	Bunzl	872
Prudential	771	Melrose Industries	568
Genus	764	AstraZeneca	394
Breedon Group	709	Unilever	303
Diageo	483	Lancashire Holdings	209
Renishaw	377	Prudential	194
		Intermediate Capital Group	192

Portfolio Statement as at 31 December 2024

Stock description	Holding	Market value £'000	% of total net assets
Basic Materials - 3.52% (4.01%)			
Rio Tinto	170,482	8,052	3.52
Consumer Discretionary - 17.92% (18.31%)			
Bellway	99,626	2,483	1.09
Burberry	242,870	2,360	1.03
Games Workshop Group	26,889	3,579	1.57
Howden Joinery Group	761,645	6,040	2.64
Inchcape	936,146	7,203	3.15
Informa	645,364	5,150	2.25
Persimmon	246,164	2,944	1.29
RELX	229,911	8,341	3.65
Trainline Plc	661,884	2,854	1.25
Consumer Staples - 12.72% (11.16%)			
Applied Nutrition	553,604	777	0.34
Cranswick plc	24,638	1,195	0.52
Diageo	275,830	6,998	3.06
Greggs	81,820	2,265	0.99
Marks & Spencer	2,439,327	9,160	4.01
Ocado	141,975	429	0.19
Unilever	181,516	8,253	3.61
Energy - 0.28% (0.31%)			
Enquest	5,154,396	647	0.28
Financials - 22.42% (23.15%)			
Close Brothers	204,444	483	0.21
Hiscox	277,574	3,001	1.31
IntegraFin	439,110	1,517	0.66
Intermediate Capital Group	189,061	3,902	1.71
Just Group	5,053,888	8,187	3.58
Lancashire Holdings	788,808	5,190	2.27
Legal & General	3,184,555	7,318	3.20
Molten Ventures	444,480	1,418	0.62

Portfolio Statement as at 31 December 2024 cont.

Stock description	Holding	Market value £'000	% of total net assets
Prudential	924,884	5,890	2.58
Sabre Insurance Gp	455,254	628	0.28
St. James's Place	665,436	5,773	2.53
Standard Chartered	801,069	7,920	3.47
Health Care - 7.32% (8.16%)			
AstraZeneca	90,490	9,469	4.14
Genus	105,960	1,640	0.72
Hikma Pharmaceuticals	281,568	5,612	2.46
Industrials - 26.98% (26.10%)			
Ashtead	108,743	5,394	2.36
Babcock International	1,273,858	6,369	2.79
Bodycote	574,336	3,630	1.59
Breedon Group	722,918	3,217	1.41
Bunzl	273,217	9,005	3.94
Diploma	67,803	2,875	1.26
Experian	178,611	6,153	2.69
Halma	104,899	2,821	1.23
Keller	193,019	2,791	1.22
PageGroup	740,254	2,543	1.11
Renishaw	67,882	2,294	1.00
Spirax-Sarco	17,313	1,187	0.52
Volution Group	702,491	3,934	1.72
Weir	269,660	5,889	2.58
Wise Plc	334,392	3,555	1.56
Real Estate - 3.77% (3.97%)			
Helical	892,722	1,544	0.67
Rightmove	800,245	5,136	2.25
Shaftesbury Capital REIT	1,550,383	1,946	0.85
Technology - 3.61% (3.87%)			
Auto Trader	934,801	7,379	3.23

Portfolio Statement as at 31 December 2024 cont.

Stock description	Holding	Market value £'000	% of total net assets
Kainos Group	106,368	860	0.38
Portfolio of investments		225,200	98.54
Net other assets - 1.46% (0.96%)		3,341	1.46
Net assets		228,541	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules, unless otherwise stated.

Figures in brackets refer to 30 June 2024.

Fund Information

Fund and Share Information	31.12.24	30.06.24	30.06.23	30.06.22
Total net asset value of scheme property (£'000)	228,541	225,830	224,577	223,651
Synthetic Risk and Reward Indicator¹	6	6	6	6
Net asset value per share (pence)				
B Accumulation	123.03	117.08	107.22	97.27
C Accumulation	126.68	120.30	109.71	99.11
Number of shares in issue				
B Accumulation	8,077,606	8,431,341	13,235,254	25,649,529
C Accumulation	172,557,411	179,519,983	191,759,557	200,485,868
Annual Income Record	Period to 31.12.24 (pence)	Year to 30.06.24 (pence)	Year to 30.06.23 (pence)	Year to 30.06.22 (pence)
Income per share (financial period)				
B Accumulation	0.90	3.20	2.67	3.26
C Accumulation	1.00	3.76	3.18	3.80
Yearly Highest and Lowest Prices	Period to 31.12.24 (pence)	Year to 30.06.24 (pence)	Year to 30.06.23 (pence)	Year to 30.06.22 (pence)
Highest (financial period)				
B Accumulation	127.7	121.0	113.0	126.1
C Accumulation	131.5	124.2	115.5	128.1
Lowest (financial period)				
B Accumulation	115.9	99.10	91.10	96.56
C Accumulation	119.1	101.5	92.93	98.38

Fund Information cont.

Ongoing Charges Figures	31.12.24 (%)	30.06.24 (%)	30.06.23 (%)	30.06.22 (%)
Ongoing Charges Figures²				
B Accumulation	0.45	0.44	0.44	0.44
C Accumulation	0.02	0.02	0.02	0.02

You should be aware that past performance is not a guide to future performance.

¹The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

²The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. For further details on the costs associated with investing in the Fund please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website www.bailliegifford.com.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 December 2024

	31 December 2024		31 December 2023	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		9,054		7,800
Revenue	2,871		3,174	
Expenses	(42)		(45)	
Net revenue before taxation	2,829		3,129	
Taxation	-		-	
Net revenue after taxation		2,829		3,129
Total return before distributions		11,883		10,929
Distributions		(1,844)		(2,013)
Change in net assets attributable to shareholders from investment activities		10,039		8,916

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 December 2024

	31 December 2024		31 December 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		225,830		224,577
Amounts receivable on issue of shares	5,365		15,998	
Amounts payable on cancellation of shares	(14,531)		(16,866)	
		(9,166)		(868)
Dilution adjustment		40		107
Change in net assets attributable to shareholders from investment activities		10,039		8,916
Retained distributions on accumulation shares		1,798		2,031
Closing net assets attributable to shareholders		228,541		234,763

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 December 2024

	31 December 2024 £'000	30 June 2024 £'000
Assets:		
Fixed assets:		
Investments	225,200	223,661
Current assets:		
Debtors	288	716
Cash and bank balances	3,189	4,451
Total assets	228,677	228,828
Liabilities:		
Creditors:		
Bank overdrafts	-	(2,469)
Other creditors	(136)	(529)
Total liabilities	(136)	(2,998)
Net assets attributable to shareholders	228,541	225,830

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those in the annual financial statements for the year ended 30 June 2024 and are described in those annual financial statements.

General Information

Dilution Adjustment

A sub-fund suffers dilution (reduction) in the value of the Scheme Property attributable to it because the actual costs of buying or selling investments for the sub-fund deviate from the mid-market values generally used in calculating the price of shares in the sub-fund. Such deviation may occur as a result of the costs (which may include dealing charges and taxes) incurred in dealing in such investments and of any spread between the buying and selling prices of such investments. It is not possible to predict accurately whether dilution is likely to occur.

The COLL Rules allow the cost of dilution to be (1) met directly from the Scheme Property attributable to the sub-fund or (2) addressed by the imposition on investors of a dilution levy on the issue by the Company, subscriptions facilitated by the ACD, cancellation by the Company or redemption by the ACD of shares in the sub-fund or (3) dealt with by means of a dilution adjustment, which is the policy which has been adopted by the ACD in relation to the sub-funds of the Company. With a view to mitigating the effects of dilution, the ACD therefore reserves the right, at its sole discretion, to make a dilution adjustment in the calculation of the dealing price, and thereby swing the dealing price, of shares in any sub-fund of the Company if in its opinion the existing shareholders (for net purchases of shares) or remaining shareholders (for net redemptions of shares) might otherwise be adversely affected. By 'purchases' of shares we mean issues by the Company and subscriptions facilitated by the ACD and by 'redemptions' of shares we mean cancellations by the Company and redemptions by the ACD.

The COLL Rules acknowledge that the need to make a dilution adjustment may depend on the volume of purchases of shares or redemptions of shares. Accordingly, the ACD reserves the right at its sole discretion to impose a dilution adjustment in the following circumstances:

- (a) If the sub-fund is experiencing steady decline (net outflow of investment).
- (b) If the sub-fund is experiencing steady growth (net inflow of investment).

- (c) If the sub-fund is experiencing large levels of net purchases or net redemptions relative to its size.
- (d) Where the sub-fund experiences net purchases or net redemptions on any Dealing Day exceeding a particular value or a particular percentage of the value of the sub-fund.
- (e) In any other circumstances where the ACD believes it will be in the interests of shareholders to make a dilution adjustment.

The ACD is currently of the opinion that it is in the best interests of shareholders in the Company to make a dilution adjustment whenever dealings in the shares of any sub-fund result in shares in that sub-fund being issued or cancelled by the Company. The ACD believes that this policy should result in no significant dilution occurring. The adjustment will take account of any spread between the buying and selling prices of the relevant sub-fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments, as the case may be.

The level of the dilution adjustment is set by the ACD based on prevailing market conditions. Where liquidity is restricted and trading in size in the portfolio's investments results in significant movement in the prices of these investments the ACD may adjust the level of the dilution adjustment to protect the interests of the ongoing investors in a sub-fund. The ACD has thresholds for the sub-funds for daily net inflows or outflows of cash into or out of the sub-funds. Above these thresholds, which vary by sub-fund and according to market conditions, the ACD will increase the dilution adjustment to reflect the increased dealing costs incurred by the sub-funds as a result of larger inflows and outflows. A consequence of this policy is, however, that smaller transactions made on any day that the relevant threshold is exceeded will also trade at the price incorporating the higher adjustment and this may lead to increased dealing costs. Whether an adjustment may be necessary will depend upon the net movement into or out of a sub-fund on any given day and on the underlying market conditions on that day and it is therefore not possible to predict when an adjustment may be made.

General Information cont.

Dilution Adjustment cont.

On any Dealing Day when the Company neither issues nor cancels shares in a sub-fund the price of shares in that sub-fund will not contain any dilution adjustment.

This policy to swing the dealing price will be subject to regular review and may change. The ACD's decision on whether or not to make a dilution adjustment, and on what level of adjustment to make in particular circumstances or generally, will not prevent it from making a different decision in similar circumstances in the future.

Where a dilution adjustment is applied, it will increase the dealing price when there are net inflows into the relevant sub-fund and decrease the dealing price when there are net outflows. The dealing price of each class of share in a sub-fund will be calculated separately but any dilution adjustment will in percentage terms affect the dealing price of shares of each class identically.

On the occasions when no dilution adjustment is made there may be an adverse impact on the value of the Scheme Property attributable to the relevant sub-fund.

Stamp Duty Reserve Tax (SDRT)

Generally, there will be no charge to SDRT when shareholders surrender or redeem shares. However, where the redemption is satisfied by a non-pro rata in specie redemption, then a charge of SDRT may apply.

Taxation Reporting

In order to fulfil its legal obligations, the ACD is required to collect and report certain information about shareholders (and in some circumstances the shareholder's controlling persons), including their identity, tax residency, tax status and financial information relating to their shareholding. Shareholders must provide the ACD with any information required to meet these obligations, and may also be asked to provide self-certifications and tax reference numbers or the equivalent. The ACD reserves the right to refuse an

application for shares or a transfer of shares until it receives a declaration as to the shareholder's tax residency or status in the form prescribed by the ACD.

The ACD is also required to provide to HMRC certain information regarding shareholders, payments made to shareholders and proceeds arising on the disposal of shares, and HMRC may pass such information on to the tax authorities of another jurisdiction.

Share Classes

The net asset value of each sub-fund, the net asset value per share, and the number of shares in each class are shown in the Fund Information sections of the relevant sub-fund. In each sub-fund all share classes have the same rights on winding up.

Class C Shares are only available to persons to whom an associate of the ACD provides services under an investment management agreement or who has a separate fee arrangement with the ACD or one of its associates.

Class H Shares are only available to persons who have, or whose agent or associate has a separate agreement in place with the ACD or one of its associates.

Class J Shares are only available to persons who have, or whose agent or associate has, a separate agreement, governing aggregate investment flows and marketing activity, in place with the ACD or one of its associates.

Class P Shares are available to persons who: (i) are considered by the ACD to be institutional pension platforms and who have a relevant agreement with the ACD or an associate of the ACD; or (ii) are otherwise considered appropriate by the ACD at its sole discretion.

Class W Shares are only available to persons who have, or whose agent has, a separate fee arrangement with the ACD or one of its associates in relation to the relevant Class W Shares.

General Information cont.

Share Classes cont.

Class Y Shares of Baillie Gifford Sustainable Growth Fund are only available to former unitholders of Phoenix Global Growth Fund which merged into Baillie Gifford Sustainable Growth Fund on 5 December 2015 via a scheme of arrangement or such other persons as the ACD may permit as its sole discretion.

The minimum lump sum investment amounts are shown in the table on page 102.

Equalisation

The Company will operate grouping for equalisation. Each class of shares will operate its own equalisation account. Shares subscribed for during a distribution period are called Group 2 shares. Shares subscribed for during any previous distribution period are called Group 1 shares. Group 2 shares contain in their subscription price an amount called equalisation which represents a proportion of the net income of the sub-fund that has accrued up to the date of subscription. The amount of equalisation is averaged across all the shareholders of Group 2 shares and is refunded to them as part of their first distribution and is treated as a return of capital for tax purposes. Being capital it is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

An 'income equalisation-like' mechanism will be operated by the ACD for conversions. The ACD will ensure that the mechanism is operated to ensure fair treatment of those converting their shares and other shareholders in the affected classes.

Fund Charges and Costs

For further details on the costs associated with investing in the sub-funds of the ICVC, please see the Enhanced Disclosure of Fund Costs and Charges document and Baillie Gifford's Funds Costs and Charges Summary, both of which are available on the website www.bailliegifford.com.

Conflicts of Interest

From time to time, there may be situations that give rise to a material interest or conflict of interest. Such interests can arise between the interests of the ACD, the Investment Adviser, other persons associated with them and the interests of the sub-funds and their shareholders. A material interest or a conflict of interest can also arise between the interests of different shareholders. In such circumstances the ACD will put in place effective organisational and administrative arrangements to manage and monitor the material interest or conflict of interest in a way that ensures shareholders are treated fairly, or where it is impractical to manage the conflict, it will be disclosed.

The ACD, the Investment Adviser and other persons associated with them may, from time to time, act as authorised corporate directors, investment managers or advisers to other persons, companies or funds which follow similar investment objectives to the sub-funds. It is therefore possible that the ACD and/or the Investment Adviser may in the course of their business have potential conflicts of interest with the Company or a particular sub-fund. Each of the ACD and the Investment Adviser will, however, have regard in such event to, amongst other things, its obligation to act in the best interests of the Company so far as practicable, having regard to its obligations to other clients, when undertaking any investment where potential conflicts of interest may arise. The Depositary may, from time to time, act as the depositary or trustee of other companies or funds.

Full details of the ACD's conflicts of interest policy can be inspected at the offices of the ACD at Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN during normal business hours.

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General Information cont.

Third Party Data Provider Disclaimers cont.

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FTSE Russell Index Data

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TOPIX Index Data

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Taskforce on Climate-related Financial Disclosures

Following the adoption of the Taskforce on Climate-related Financial Disclosures' ('TCFD') recommendations into the FCA's ESG sourcebook, Baillie Gifford & Co Limited is required to publish its 'TCFD entity report' by 30 June each year, detailing how in its role as ACD it takes climate-related matters into

General Information cont.

Taskforce on Climate-related Financial Disclosures cont.

account in managing investments on behalf of clients and consumers. The regulations also require the ACD to prepare a TCFD product report for each sub-fund on how climate-related matters are taken into account within the sub-fund, including a core set of climate-related metrics. The reports must be made available on the ACD's website and a clear and prominent signpost to the product report for each authorised sub-fund must be included within each set of annual and interim financial statements. The latest product reports covering the period to 31 December 2023 are available in the website via this link:[Literature/Individual Investors/Baillie Gifford](#)

General Information cont.

Minimum Lump Sum Investment Amounts and Annual Management Charge

	Class B ¹	Class C	Class H	Class J	Class P	Class W	Class Y
Minimum lump sum investments:							
Baillie Gifford Japanese Income Growth Fund	£100,000	£250,000	n/a	n/a	n/a	£1,000	n/a
Baillie Gifford Sterling Aggregate Bond Fund	£100,000	£250,000	n/a	n/a	n/a	n/a	n/a
Baillie Gifford Sustainable Growth Fund	£100,000	£250,000	n/a	£1,000	n/a	n/a	£1,000
Baillie Gifford Sustainable Income Fund	£100,000	£250,000	£1,000	£1,000	£250,000	n/a	n/a
Baillie Gifford UK Equity Core Fund	£100,000	£250,000	n/a	n/a	n/a	n/a	n/a
Annual management charge:							
Baillie Gifford Japanese Income Growth Fund	0.60%	Nil	n/a	n/a	n/a	Note2	n/a
Baillie Gifford Sterling Aggregate Bond Fund	0.35%	Nil	n/a	n/a	n/a	n/a	n/a
Baillie Gifford Sustainable Growth Fund	0.50%	Nil	n/a	0.35%	n/a	n/a	Note3
Baillie Gifford Sustainable Income Fund	0.50%	Nil	0.25%	0.35%	0.35%	n/a	n/a
Baillie Gifford UK Equity Core Fund	0.42%	Nil	n/a	n/a	n/a	n/a	n/a

¹The minimum initial investment and minimum holding do not apply to persons who, as at 29 February 2022, had or continue to have a directholding in the range of funds managed by the ACD. For such persons, the applicable minimum initial investment is £1,000 and the minimum holding is £1,000.

²Where the combined net asset value of the relevant Class W Shares (accumulation and income) is equal to or greater than £100 million, the following fee scale will be applied to the whole of the net asset value of the relevant Class W Shares:

- 0.60% on the first £30 million;
- 0.50% on the next £20 million;
- 0.40% on the next £140 million; and
- 0.35% thereafter.

Where the combined net asset value of the relevant Class W Shares (accumulation and income) is less than £100 million a rate of 0.60% shall be applied to the whole of the net asset value of the relevant Class W Shares.

³The following fee scale will be applied to the whole of the net asset value of the Y accumulation Shares: 0.50% on the first £60 million and 0.35% thereafter.

General Information cont.

Active Share

Active Share is a measure of how actively managed a sub-fund is and is calculated by taking 100 minus the % of the sub-fund that overlaps with the comparative index. The Active Share as at the period end and the comparative index, for sub-funds which invest primarily in equities, is shown in the table below. The Active Share has been shown against this index to highlight the active management style against what is deemed to be the most relevant index for each sub-fund.

Sub-fund	Active Share	Comparative Index
Baillie Gifford Japanese Income Growth Fund	85%	TOPIX
Baillie Gifford Sustainable Growth Fund	89%	MSCI ACWI Index
Baillie Gifford UK Equity Core Fund	75%	FTSE All-Share Index

Active Share has not been shown for sub-funds with holdings in bonds as other factors, such as the economic exposure of a holding in a bond, are not taken in to consideration. As a result, Active Share does not give as clear an indication for these sub-funds of the magnitude of the difference between sub-fund and the comparative index.

Portfolio Turnover Ratio

Portfolio Turnover Ratio is a measure of portfolio change or trading activity in a Fund. It is calculated as the minimum of purchases and sales in a month, divided by the average market value of the Fund. The annual turnover is then calculated as the sum of the monthly turnover figures for the 12 month period.

Sub-fund	Portfolio Turnover Ratio
Baillie Gifford Japanese Income Growth Fund	6%
Baillie Gifford Sustainable Growth Fund	28%
Baillie Gifford UK Equity Core Fund	6%

Portfolio Turnover Ratio has not been disclosed for Baillie Sterling Aggregate Bond Fund and Baillie Gifford Sustainable Income Fund because the ACD does not consider it an appropriate measure for fixed income funds. In addition, Portfolio Turnover Ratio has not been disclosed for Baillie Gifford Health Innovation Fund as the Fund is no longer available for subscription.

The Group's Funds

Baillie Gifford Bond Funds ICVC

Baillie Gifford Emerging Markets Bond Fund¹
 Baillie Gifford High Yield Bond Fund
 Baillie Gifford Investment Grade Bond Fund
 Baillie Gifford Strategic Bond Fund

Baillie Gifford Investment Funds ICVC

Baillie Gifford Diversified Growth Fund
 Baillie Gifford Defensive Growth Fund²
 Baillie Gifford Long Term Global Growth Investment Fund
 Baillie Gifford Multi Asset Growth Fund
 Baillie Gifford Positive Change Fund

Baillie Gifford Investment Funds II ICVC

Baillie Gifford Health Innovation Fund³
 Baillie Gifford Japanese Income Growth Fund
 Baillie Gifford Sterling Aggregate Bond Fund
 Baillie Gifford Sustainable Growth Fund
 Baillie Gifford Monthly Income Fund⁴
 Baillie Gifford UK Equity Core Fund

Baillie Gifford Overseas Growth Funds ICVC

Baillie Gifford American Fund
 Baillie Gifford China Fund
 Baillie Gifford Developed Asia Pacific Fund
 Baillie Gifford Emerging Markets Growth Fund
 Baillie Gifford Emerging Markets Leading Companies Fund
 Baillie Gifford European Fund
 Baillie Gifford Global Discovery Fund
 Baillie Gifford Japanese Fund
 Baillie Gifford Japanese Smaller Companies Fund
 Baillie Gifford Pacific Fund

Baillie Gifford UK & Balanced Funds ICVC

Baillie Gifford Global Alpha Growth Fund
 Baillie Gifford Global Alpha Paris-Aligned Fund
 Baillie Gifford Global Income Growth Fund
 Baillie Gifford International Fund
 Baillie Gifford Managed Fund
 Baillie Gifford Responsible Global Equity Income Fund
 Baillie Gifford UK and Worldwide Equity Fund
 Baillie Gifford UK Equity Alpha Fund
 Glenfinlas Global Fund⁵

¹Baillie Gifford Emerging Markets Bond Fund is no longer available for subscription.

²With effect from 2 December 2024 Baillie Gifford Sustainable Multi Asset Fund name was changed to Baillie Gifford Defensive Growth Fund.

³Baillie Gifford Health Innovation Fund is no longer available for subscription.

⁴With effect from 31 January 2025 Baillie Gifford Sustainable Income Fund name was changed to Baillie Gifford Monthly Income Fund.

⁵Glenfinlas Global Fund is no longer available for subscription.

**For further information about the Funds or
Baillie Gifford's range of funds, please:**

Contact us at: Client Relations Team
Baillie Gifford & Co Limited,
Calton Square, 1 Greenside Row,
Edinburgh EH1 3AN

Call our Client Relations Team on 0800 917 2113. Your call may be recorded for training or monitoring purposes.

Visit our website at www.bailliegifford.com, or email us on trusenquiries@bailliegifford.com.

Or fax us on 0131 275 3955.

