



Baillie Gifford Health Innovation Equities Fund

Third Quarter 2022

About Baillie Gifford

| | |
|--------------------|---|
| Philosophy | Long-term investment horizon A growth bias Bottom-up portfolio construction High active share |
| Partnership | 100% owned by 51 partners with average 20 years' service Ownership aligns our interests with those of our clients Enables us to take a thoughtful, long-term view in all that we do Stability, quality and consistency |

Portfolio Summary

The strategy aims to invest in companies that have the potential to bring substantial improvements to human health and healthcare systems. The team believe such companies are best positioned to deliver attractive investment returns over the long term. The team recognise that such companies often lie at the intersection of the different disciplines, driven by the convergence of technologies and it is therefore critical that the scope is not limited to the traditional definition of the healthcare sector. The team's ambition extends beyond generating attractive returns for the Fund's investors, they also want to play a part in speeding up the healthcare revolution.

Fund Facts

| | |
|----------------------------|-------------------------------|
| K Class Ticker | BGHDX |
| Institutional Class Ticker | BGHBX |
| Launch Date | December 28, 2021 |
| Size | \$6.4m |
| Benchmark | MSCI ACWI Index |
| Stocks (guideline range) | 25-50 |
| Current Number of Stocks | 39 |
| Active Share | 99%* |
| Style | Long-term growth stockpicking |

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

Active Share is a measure of the Fund's overlap with the benchmark. An active share of 100 indicates no overlap with the benchmark and an active share of zero indicates a portfolio that tracks the benchmark.

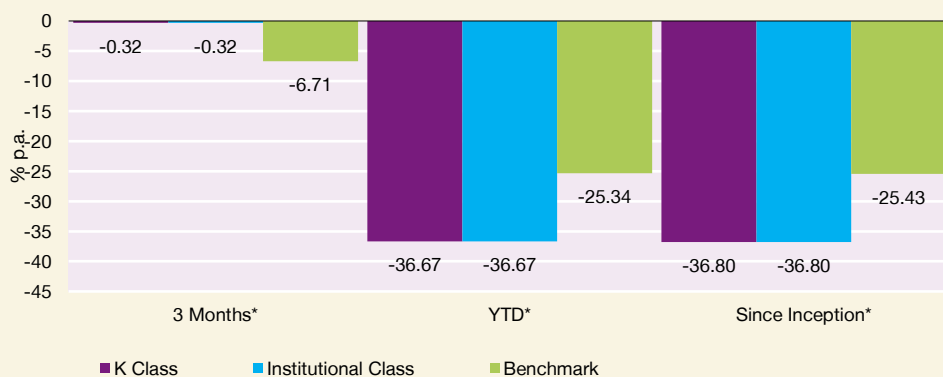
Health Innovation Team

| Name | Years' Experience |
|----------------|-------------------|
| Julia Angeles* | 14 |
| Marina Record | 14 |
| Rose Nguyen | 9 |

*Partner

Investors should consider the investment objectives, risks, charges and expenses carefully before investing. This information and other information about the Fund can be found in the prospectus and summary prospectus. For a prospectus and summary prospectus, please visit our website at bailliegifford.com/usmutualfunds Please carefully read the Fund's prospectus and related documents before investing. Securities are offered through Baillie Gifford Funds Services LLC, an affiliate of Baillie Gifford Overseas Ltd and a member of FINRA.

Fund Performance as of September 30, 2022



| Gross Expense Ratio | |
|-----------------------------|-------|
| Share Class – K | 2.22% |
| Share Class – Institutional | 2.37% |

| Net Expense Ratio | |
|-----------------------------|-------|
| Share Class – K | 0.65% |
| Share Class – Institutional | 0.80% |

Benchmark: MSCI ACWI Index

The performance data quoted represents past performance and is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance please visit the Fund's website at bailliegifford.com/usmutualfunds.

The Baillie Gifford Fund's performance shown assumes reinvestment of dividend and capital gain distributions and is net of management fees and expenses. From time to time, certain fees and/or expenses have been voluntarily or contractually waived or reimbursed, which has resulted in higher returns. Without these waivers or reimbursements, the returns would have been lower. Voluntary waivers or reimbursements may be applied or discontinued at any time without notice. Only the Board of Trustees may modify or terminate contractual fee waivers or expense reimbursements. All fees are described in the Fund's prospectus.

*Expense Ratios: All mutual funds have expense ratios which represent what shareholders pay for operating expenses and management fees. Expense ratios are expressed as an annualized percentage of a fund's average net assets paid out in expenses. Expense ratio information is as of the Fund's current prospectus, as revised and supplemented from time to time. The net expense ratios for this fund are contractually capped (excluding taxes, sub-accounting expenses and extraordinary expenses) through April 30, 2023. *Not annualized.*

The MSCI ACWI Index is a free float-adjusted market capitalization weighted index that is designed to measure equity market performance in the global developed and emerging markets. This unmanaged index does not reflect fees and expenses and is not available for direct investment. The Fund is more concentrated than the MSCI ACWI Index.

Source: Baillie Gifford & Co, Bank of New York Mellon, MSCI. Share Class launch date: Dec 23, 2021. NAV returns in US dollars.

Stock Level Attribution

Quarter to September 30, 2022

Top Five Contributors

| Asset Name | Contribution (%) |
|---------------------------|------------------|
| ShockWave Medical Inc | 3.81 |
| Alnylam Pharmaceuticals | 2.22 |
| Ionis Pharmaceuticals | 0.61 |
| Butterfly Network | 0.51 |
| Recursion Pharmaceuticals | 0.49 |

Bottom Five Contributors

| Asset Name | Contribution (%) |
|----------------|------------------|
| 10X Genomics | -1.03 |
| Wuxi Biologics | -1.01 |
| Moderna | -0.58 |
| Apple* | -0.34 |
| Doximity | -0.32 |

Source: StatPro, MSCI, Baillie Gifford Health Innovation Equities Fund relative to MSCI ACWI Index.

*Stocks not held in the portfolio.

The performance data quoted represents past performance and it should not be assumed that transactions made in the future will be profitable or will equal the performance of the securities mentioned. For the most recent month-end performance please visit our website at bailliegifford.com/usmutualfund. A full list of holdings is available on request. The composition of the Fund's holdings is subject to change.

Market environment

Markets continue to be volatile as the US Federal Reserve narrative following the Jackson Hole Economic Symposium conference has signalled that there may be further significant rate rises in the coming months. Performance has improved over recent months compared to the benchmark but remains behind since the start of the year, though even this we believe is too short a time period to meaningfully judge given our 5+ year investment horizon. The dislocation in share price and operational progress remains stark, and the long-term trends are strengthening.

The theme in which we invest is hugely volatile over the short term, and we remain committed to finding and owning the best companies transforming human health, focusing on our bottom-up, fundamentals-driven investment approach. We believe in times like these it is most important to stick to our processes. There remains a real opportunity to find new ideas for the portfolio – companies who can flourish even in the harshest financial deserts. Indeed, as one of the team remarked, camels will be the new unicorns.

Performance

The Fund has outperformed the benchmark during the third quarter. However, we do not believe that performance metrics over such short time horizons are particularly meaningful, and the Fund remains slightly lagging since inception.

Shockwave Medical (Shockwave) contributed to performance this quarter. The company is a California-based pioneer of intravascular lithotripsy (IVL), an innovative technology that treats calcified blood vessels using sonic pressure waves. Shockwave's execution this year has been exemplary, with growing market share, and Research and Development (R&D) accelerating following a huge expansion in their R&D capability; they expect to have six commercialised products by 2026. Entry to the Chinese market, coupled with an expected reimbursement upgrade for coronary devices removes any reimbursement uncertainty, which has been one of the largest barriers to adoption, for this faster, simpler, and safer procedure in removing arterial blockages. We continue to be impressed by the management's execution of their strategy and believe that this is an exciting company to continue to hold for coming years as they expand into other areas of the body.

Alnylam also contributed to performance this quarter following the positive phase 3 read out of Apollo B at the beginning of August. This builds on the approval in June of AMVUTTURA, which becomes the fifth RNAi therapeutic drug approved in under four years for the company, and further validation of their multi-product transthyretin

franchise. The probability of success in the Alnylam pipeline now sits at c60% vs an industry average of 10%, and a clear platform in RNA interference (RNAi) is being developed. Year-Over-Year in product revenues has grown by 40% at the end of the second quarter of 2022, and we are excited about their continued expansion into other disease areas.

Ionis Pharmaceuticals has been another large contributor to performance this quarter. Ionis is a US biotech focused on the discovery and development of products using RNA-based technology. The company has continued its progress in commercialisation contributing in large part to the appreciation of its share price for the quarter. With a mature technology, strong financial position and shifted focus from technology validation to value retention of its drugs, the company's progress has been strongly affirmative of our forward-looking hypothesis. The company's clinical development pipeline of over 30 drugs lends to the long-term investment case for this company.

10X Genomics was amongst the largest detractors to performance this quarter. 10X Genomics, is a US company that builds the tools to understand and manipulate the genome at the single cell level. Shares in the company were volatile, but this appears to be driven by market sentiment rather than company fundamentals. We maintain our view that 10X Genomics' technology is a crucial pillar in the shift to personalised medicines. Their tools and software allow scientists to compare healthy and diseased cells to understand the drivers of disease and provide the infrastructure with which to develop many cell and gene therapies. The continued operational progress and the excellent culture and management team further strengthens our conviction.

Another detractor to performance this quarter was WuXi Biologics (WuXi). WuXi are the largest contract development and manufacturing organisation (CDMO) in China, founded in 2010. Their business model allows a biotech company to bring their drug design to WuXi, then have it produced, trialed and commercialised in exchange for a royalty. WuXi currently accounts for 40% of new biologic assets globally. The volatility in share price was driven by macro sentiment following the US legislation restricting chip manufacturers from working in China. We remain impressed by WuXi's execution and increasing market share, and the company's impressive culture and work ethic which separate it from European competitors like Lonza. They have also begun production in the US, with the recent opening of a plant in Worcester, Massachusetts.

Finally, another detractor to performance this quarter has been Moderna, the Boston, Massachusetts based biotech, driving innovation and production of mRNA therapeutics. Moderna witnessed some volatility in its share price this quarter following the news that it is launching litigation against both BioNTech and Pfizer for impingement of their patents in some of the key technologies required to produce the Covid-19 vaccine. Litigation of this nature is quite common in the biotech industry. Indeed, there are several examples of firms working together in joint ventures in one area of the business whilst being engaged in legal battles in other areas. This litigation will not be resolved soon and will have no marked impact on the Covid-19 vaccine or other drug production for any of the three companies in the immediate future. Both BioNTech and Moderna have worked on mRNA for a decade prior to the pandemic and we believe there's room for both to flourish regardless of the specifics of the vaccine lawsuit. We remain excited about the possibilities of a pipeline with >45 different candidates in many different disease areas and believe that Moderna continues to be the leader in bringing mRNA to bear against some of the most challenging diseases globally.

Stewardship

This quarter we met with Ambu, a manufacturer of airway and imaging devices, about their environmental impact, and projects they have launched to reduce water and chemical use. We also engaged extensively with Moderna following a shareholder resolution around technology transfer and drug pricing, this has led to us initiating a drug pricing conference later in the year, co-chaired by Cambridge university.

Notable transactions

This quarter we sold out of Amwell (American Well Corp Class A), a US-based technology company whose mission is to connect and enable different players in the healthcare system (providers, insurers, innovators) to deliver virtual care to patients in a more convenient, affordable, and coordinated way. We originally took a small position in Amwell at Initial Public Offering (IPO), but concerns over the lack of adoption, and resistance of different stakeholders in the eco-system to share data has made the pace and timing of wider adoption more uncertain. We have also lost conviction in management's ability to execute in such a complex and dynamic market.

We have taken a holding in Doximity, a US software company that produces tools for doctors to improve the quality of physician's work, streamline workflow, and increase productivity. Doximity has created free-to-use products, within a social network of doctors, that allows them to communicate better with patients and colleagues, and to access information more efficiently. The

inefficiencies of the current in-person sales reps presents a striking opportunity to disrupt the pharma marketing model, whilst also improving the access to the best drugs for patients. We feel Doximity is well positioned to become the dominant player in the space.

We have also taken part in a small primary placement in Relay Therapeutics (Relay), to increase our holding, as they raise capital to proceed to clinical trials in multiple indications. Relay is a US clinical-stage biotech company that aims to transform drug discovery by using a combination of cutting-edge biological tools and computational models to gain new insight into the structures and motions of proteins. By having a deep understanding of a protein's motion, Relay can rationally design drugs that are highly potent and safe to address targets that have been intractable with traditional methods. We are attracted by the company's novel approach and the scalability of its technology which can apply to various diseases. We believe Relay has the potential to become a leading player in the field of computational biology and is now proceeding to build drugs. We met with Relay in Boston, Massachusetts in early September 22, and our conviction has been increasing as they put theory into practice. They are already in a strong position financially with five years cash on the balance sheet but see this raise as prudent to ensure that growth continues to accelerate as they begin producing and trailing drugs and preparing for commercialisation early (similar to the successful strategy employed by argenx). This should allow them to protect their upside potential as it will prepare them to commercialise drugs independently for lucrative opportunities rather than sacrificing future revenues through partnerships.

Transactions from 01 July 2022 to 30 September 2022.

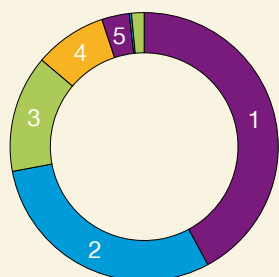
New Purchases

| Stock Name | Transaction Rationale |
|--------------|---|
| Doximity Inc | <p>We have taken a small holding in Doximity, a US software company that produces tools for doctors to improve the quality of physician's work, streamline workflow, and increase productivity. Doximity has created free to use products, within a social network of doctors, that allows them to communicate better with patients and colleagues, and to access information more efficiently. Doximity's vision is to become the 'Physician's cloud' or the 'Bloomberg of Medicine'. This is monetised by selling hyper-targeted, unobtrusive advertising to pharmaceutical companies. This is similar to the model we are familiar with from companies such as Google, with Google maps, Gmail etc, creating a walled garden of users. Pharma spends only ~20% of marketing budgets on digital, compared to ~80% for Fortune 100 companies. The inefficiencies of the current in person sales reps presents a striking opportunity to disrupt the pharma marketing model, whilst also improving the access to the best drugs for patients. With a user base consisting of ~80% of all US Doctors now, and ~90% of US Medical students, we feel Doximity is well positioned to become the dominant player in the space.</p> |

Complete Sales

| Stock Name | Transaction Rationale |
|----------------------------|---|
| American Well Corp Class A | <p>Amwell is a US based technology company whose mission is to connect and enable different players in the healthcare system (providers, insurers, innovators) to deliver virtual care to patients in a more convenient, affordable, and coordinated way. It endeavours to become the underlying technology infrastructure that underpins the virtual care ecosystem and creates seamless online-to-offline integration with the traditional care model. We took a small position in Amwell at IPO, but concerns over the lack of adoption, and resistance of different stakeholders in the eco-system to share data has made the pace and timing of wider adoption more uncertain. We have also lost conviction in management's ability to execute in such a complex and dynamic market, which has become a bigger concern for us given the current capital cycle environment.</p> |

Industry Analysis (%)



| | | |
|---|----------------------------------|-------|
| 1 | Biotechnology | 42.13 |
| 2 | Health Care Equipment & Supplies | 29.92 |
| 3 | Life Sciences Tools & Services | 14.14 |
| 4 | Health Care Technology | 8.72 |
| 5 | Pharmaceuticals | 3.32 |
| 6 | Others | 0.26 |
| 7 | Cash | 1.51 |

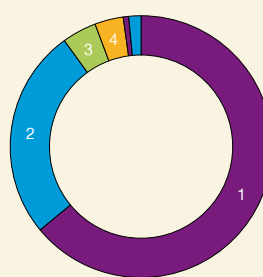
Total may not sum due to rounding. The composition of the Fund's holdings is subject to change. Percentages are based on securities at market value.

Top Ten Holdings

| Holdings | Fund % |
|---------------------------|--------|
| 1 ShockWave Medical | 7.96 |
| 2 argenx | 7.27 |
| 3 Alnylam Pharmaceuticals | 6.65 |
| 4 Genmab | 6.15 |
| 5 Moderna | 5.18 |
| 6 Sartorius Group | 4.79 |
| 7 M3 | 4.26 |
| 8 Illumina | 4.14 |
| 9 Edwards Lifesciences | 3.95 |
| 10 Alk-Abello | 3.32 |

The composition of the Fund's holdings is subject to change. Percentages are based on securities at market value.

Geographic Analysis (%)



| | | |
|---|------------------------|-------|
| 1 | North America | 64.03 |
| 2 | Europe (ex UK) | 26.01 |
| 3 | Developed Asia Pacific | 4.26 |
| 4 | Emerging Markets | 3.53 |
| 5 | UK | 0.67 |
| 6 | Cash | 1.51 |

Total may not sum due to rounding. The composition of the Fund's holdings is subject to change. Percentages are based on securities at market value.

Portfolio Characteristics

| | |
|----------------------|------|
| Number of holdings | 39 |
| Number of countries | 7 |
| Number of sectors | 2 |
| Number of industries | 6 |
| Active Share | 99%* |
| Annual Turnover | % |

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

Voting Activity

| Votes Cast in Favour | | Votes Cast Against | | Votes Abstained/Withheld | |
|----------------------|---|--------------------|---|--------------------------|------|
| Companies | 3 | Companies | 1 | Companies | None |
| Resolutions | 9 | Resolutions | 1 | Resolutions | None |

Company Engagement

| Engagement Type | Company |
|------------------------|---------------|
| Corporate Governance | M3, Inc. |
| Environmental/Social | DexCom, Inc. |
| AGM or EGM Proposals | Abiomed, Inc. |
| Executive Remuneration | Exscientia |

There are four options that an engagement can be tagged as:

- 'Corporate Governance' (engagement on corporate governance issues and the governance of companies),
- 'Executive Remuneration' (pay of executives),
- 'Environmental/Social' (any issues)
- 'AGM or EGM Proposals' (engagement with proposals)

Votes Cast in Favour

| Companies | Voting Rationale |
|--|---|
| Abiomed, Ascendis Pharma ADR 1:1, argenx | We voted in favour of routine proposals at the aforementioned meeting(s). |

Votes Cast Against

| Company | Meeting Details | Resolution(s) | Voting Rationale |
|---------|--------------------|---------------|--|
| Abiomed | Annual 08/10/22 | 2 | We opposed executive compensation due to concerns with the structure of the plan including short term performance targets within the long term plan. |

Votes Abstained

We did not abstain on any resolutions during the period.

Votes Withheld

We did not withhold on any resolutions during the period.

List of Holdings

| Asset Name | Fund % |
|---------------------------|---------------|
| ShockWave Medical | 7.96 |
| argenx | 7.27 |
| Alnylam Pharmaceuticals | 6.65 |
| Genmab | 6.15 |
| Moderna | 5.18 |
| Sartorius Group | 4.79 |
| M3 | 4.26 |
| Illumina | 4.14 |
| Edwards Lifesciences | 3.95 |
| Alk-Abello | 3.32 |
| ResMed | 3.13 |
| Dexcom | 3.00 |
| Ionis Pharmaceuticals | 2.75 |
| Ambu | 2.74 |
| Novocure | 2.68 |
| Abiomed | 2.67 |
| WuXi Biologics | 2.56 |
| Masimo | 2.53 |
| 10x Genomics | 2.26 |
| Denali Therapeutics | 1.93 |
| Ascendis Pharma | 1.73 |
| Relay Therapeutics | 1.68 |
| Recursion Pharmaceuticals | 1.66 |
| Exact Sciences | 1.40 |
| Teladoc | 1.31 |
| Veeva Systems | 1.27 |
| Butterfly Network | 1.25 |
| Doximity | 1.15 |
| Lyell Immunopharma | 1.00 |
| Zai Lab | 0.97 |
| BridgeBio | 0.91 |
| Health Catalyst | 0.73 |
| Exscientia | 0.67 |
| Alector | 0.67 |
| Vir Biotechnology | 0.66 |
| Sage Therapeutics | 0.66 |
| Berkeley Lights | 0.39 |
| Oscar Health | 0.26 |
| Sana Biotechnology | 0.18 |
| Cash | 1.51 |
| Total | 100.00 |

Total may not sum due to rounding. The composition of the Fund's holdings is subject to change. Percentages are based on securities at market value.

Important Information and Fund Risks

Past performance is not a guide to future returns. This document contains information on investments which does not constitute independent research. Accordingly, it is not subject to the protections afforded to independent research and Baillie Gifford and its staff may have dealt in the investments concerned.

The Funds are distributed by Baillie Gifford Funds Services LLC. Baillie Gifford Funds Services LLC is registered as a broker-dealer with the SEC, a member of FINRA and is an affiliate of Baillie Gifford Overseas Limited.

All information is sourced from Baillie Gifford & Co unless otherwise stated. All amounts are in US dollars unless otherwise stated.

As with all mutual funds, the value of an investment in the Fund could decline, so you could lose money. The most significant risks of investing in the Baillie Gifford Health Innovation Equities Fund are Investment Style Risk, Healthcare Industry Risk, Growth Stock Risk, Long-Term Investment Strategy Risk, Non-Diversification Risk and Focused Investment Risk. The Fund is managed on a bottom up basis and stock selection is likely to be the main driver of investment returns. Returns are unlikely to track the movements of the benchmark. The healthcare industry is subject to regulatory action by a number of private and governmental agencies. The profitability of companies in the healthcare sector may be affected by government regulations and government healthcare programs, increases or decreases in the cost of medical products and services, demand for medical products and services and product liability claims, among other factors. New products can be subject to regulatory approvals, which can be a long and costly process with no guarantee of success. Patent protection and the expiration of patents may affect a company's profitability. The prices of growth stocks can be based largely on expectations of future earnings and can decline significantly in reaction to negative news. The Fund is managed on a long-term outlook, meaning that the Fund managers look for investments that they think will make returns over a number of years, rather than over shorter time periods. The Fund may have a smaller number of holdings with larger positions in each relative to other mutual funds. The Fund's focus on a limited number of sectors or companies will create more risk and greater volatility than if the Fund were less focused. Other Fund risks include: China Risk, Conflicts of Interest Risk, Emerging Markets Risk, Equity Securities Risk, Environmental, Social and Governance Risk, Geographic Focus Risk, Government and Regulatory Risk, Information Technology Risk, Initial Public Offering Risk, Liquidity Risk, Market Disruption and Geopolitical Risk, Market Risk, New and Smaller-Sized Funds Risk, Service Provider Risk, Small- and Medium-Capitalization Securities Risk and Valuation Risk. For more information about these and other risks of an investment in the Fund, see "Principal Investment Risks" and "Additional Investment Strategies" in the prospectus.

Baillie Gifford Health Innovation Equities Fund seeks capital appreciation. There can be no assurance, however, that the Fund will achieve its investment objectives.

Any stock examples, or images, used in this presentation are not intended to represent recommendations to buy or sell, neither is it implied that they will prove profitable in the future. It is not known whether they will feature in any future portfolio produced by us. Any individual examples will represent only a small part of the overall portfolio and are inserted purely to help illustrate our investment style.

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