

Baillie Gifford International Concentrated Growth Equities Fund

First Quarter 2021



Baillie Gifford Update

Philosophy	Long-term investment horizon A growth bias Bottom-up portfolio construction High active share
Partnership	100% owned by 46 partners with average 21 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 Baillie Gifford International Concentrated Growth Equities Fund invests in exceptional growth companies operating in international markets. We invest with a 10-year investment horizon which we believe differentiates us from the market and allows us to benefit from the power of compound returns. We run a concentrated portfolio to avoid diluting the growth stocks in which we have the highest conviction.

Fund Facts

K Class Ticker	BTLKX
Institutional Class Ticker	BTLSX
Launch Date	December 14, 2017
Size	\$134.8m
Benchmark	MSCI AC World ex US Index
Stocks (guideline range)	20-35
Current Number of Stocks	25
Active Share	93%*
Annual Turnover	29%
Style	Growth

*Relative to MSCI AC World ex US 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.

International Concentrated Growth Portfolio Construction Group

Name	Years Experience
James Anderson*	38
Lawrence Burns*	12
Paulina Sliwinska	8

*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 March 31, 2021



Gross Expense Ratio	
Share Class – K	0.90%
Share Class – Institutional	0.91%
Net Expense Ratio	
Share Class – K	0.72%
Share Class – Institutional	0.73%

**MSCI ACWI ex US 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, 2021.

The MSCI AC World ex US 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, excluding the United States. This unmanaged index does not reflect fees and expenses and is not available for direct investment. The Fund is more concentrated than the MSCI AC World ex US Index.

Source: Baillie Gifford & Co, Bank of New York Mellon and MSCI. Share Class launch date: December 14, 2017. NAV returns in US dollars. *Not annualized.

Stock Level Attribution

Quarter to March 31, 2021

Top Five Contributors

Asset Name	Contribution (%)
ASML	1.80
Nestle	0.11
Atlas Copco	0.10
Keyence	0.09
Samsung Electronics	0.08

Bottom Five Contributors

Asset Name	Contribution (%)
MercadoLibre	-1.33
M3	-1.13
Spotify Technology SA	-0.77
Delivery Hero AG	-0.72
Zalando SE	-0.62

One Year to March 31, 2021

Top Five Contributors

Asset Name	Contribution (%)
Tesla Inc	10.69
MercadoLibre	6.24
ASML	3.98
Meituan Dianping	3.96
Zalando SE	2.45

Bottom Five Contributors

Asset Name	Contribution (%)
TSMC	-0.69
Alibaba	-0.69
Ping An Insurance	-0.42
Kering	-0.41
Samsung Electronics	-0.35

Source: StatPro, MSCI, Baillie Gifford International Concentrated Growth Equities Fund relative to MSCI AC World ex US Index. 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.

During the first quarter of 2021, the fund fell 2.30% (Institutional Class) in comparison to the MSCI ACWI ex US Index which rose 3.60%. Whereas 2020 was extraordinary in so many ways, which was reflected in extraordinary investment returns for International Concentrated Growth (ICG), it has since been a more tumultuous start to 2021 in share prices. Such is the short-term nature of global financial markets. However, the aim of ICG as always, is to step back from market noise, focus on clients' long-term interests, be good stewards of the assets we manage on clients' behalf, and run a concentrated portfolio of exceptional growth companies – exceptional growth which they derive from being at the heart of long-term, deep, structural transformations, in societies and economies.

Top Contributors included ASML and Atlas Copco

ASML is the Dutch lithography company that's right at the very heart of driving the continuation of Moore's law – the doubling in computing power of microchips roughly every 2 years (which has tremendous ongoing implications for transforming broader society). ASML's relentless focus on R&D, to make incredible advances in technology, means that it's become recognised as the world's main driver in lithographic advancements. Given their high R&D spend of EUR2.2bn for 2020, complimented by record net sales the same year of EUR14bn, the company continues to solidify its reputation as a smart allocator of capital. ASML now has optimistic targets for the future distribution of its EUV lithography machines too, for a range of leading-edge technological uses.

Atlas Copco, the Sweden-based business, is an operationally excellent industrial machinery company, with an entrepreneurial and innovative long-term culture. The four main business segments are compressor, vacuum, industrial and power solutions. Perhaps understandably, given lockdown restrictions on industrials, 2020 orders and revenue were down on 2019. However, this is of little relevance to the long-term success of the business. 2020 orders were still up on previous years, but more relevant looking forward is optimism of a recovery in demand across the business sectors, which the market has recognised this period. Further, two recent European acquisitions demonstrate management's ongoing commitment to invest in long-term growth.

MercadoLibre and M3 were the two most significant detractors from performance

MercadoLibre is the leading Latin American e-commerce company, which is driving massive change in the region, including a view towards digital finance. E-commerce penetration in the region is low by global standards, even more so in digital finance, and MercadoLibre has continued to invest heavily to grow penetration and share. Year-over-year annual revenue growth, posted end 2020, was an impressive 73%. This was mirrored by 63% increase in R&D spend. As such, MercadoLibre has again kept short-term profits down by continuing to invest heavily, and the market will often discount the share price because of this. However, we remain very clear that excessive concerns about short-term margins are misplaced, with capital being wisely spent on the future scale of the platform.

M3 is a Japanese company that provides online marketing support for pharmaceutical companies. It runs a medical website with an interactive portal where doctors can log in, source information, and pick up targeted messages about relevant new drug developments. This online marketing is much cheaper for pharma companies than face-to-face contact and allows for more efficient time-management by doctors. The share price has struggled during the period though, after very strong growth in years prior, as recent news has included data governance concerns with a joint venture. However, the company are addressing this by highlighting data security plans for the future, and we believe the broader investment case for M3 remains very interesting indeed.

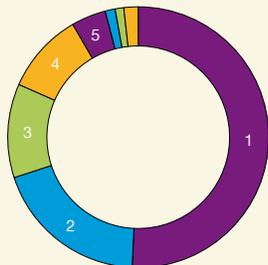
Transactions from 01 January 2021 to 31 March 2021.

There were no new purchases during the period.

Complete Sales

Stock Name	Transaction Rationale
Amazon.com	<p>We continue to believe that Amazon faces a large opportunity, with only 10-15% of retail sales globally having moved online. Moreover, we believe that the company's competitive position, owing to the size of its existing ecosystem, huge capital resources and long-term mindset, is only growing. Nevertheless, with the company now valued at \$1.7trn imagining multiples of upside is more challenging from here. We also have questions around Amazon's ability to capture more emotive retail categories where online penetration remains low. Furthermore we take seriously the departure of Jeff Wilkes and are concerned Jeff Bezo's true passion increasingly lies with ventures other than Amazon. Given these factors and in the context of a limited US allocation we have decided to sell the holding.</p>
Trip.com Group	<p>Trip faces a very large long-term opportunity in outbound travel. However, in the domestic travel business it faces a growing competitive threat from Meituan. We fear the disappearance of Trip's outbound business (even if temporary) due to the pandemic has heightened this threat. Trip is no longer able to cross-sell its lucrative outbound travellers domestic services whilst it will now have radically lower cash-flows from outbound to help defend its domestic business against Meituan's encroachment. Given these concerns and growing enthusiasm for other opportunities we have sold the holding.</p>

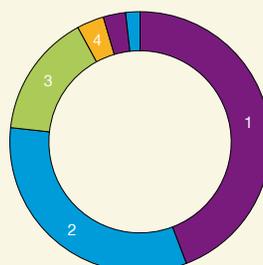
Sector Analysis (%)



1	Consumer Discretionary	50.75
2	Information Technology	19.24
3	Health Care	11.65
4	Communication Services	10.01
5	Financials	4.29
6	Consumer Staples	1.23
7	Industrials	1.07
8	Cash	1.77

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.

Geographic Analysis (%)



1	Europe (ex UK)	44.22
2	Emerging Markets	32.53
3	North America	15.34
4	Developed Asia Pacific	3.36
5	UK	2.79
6	Cash	1.77

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 Five Holdings

Holdings	Fund %
1 ASML	11.94
2 MercadoLibre	9.02
3 Meituan Dianping	7.53
4 Tencent	6.29
5 Tesla Inc	6.02

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

Portfolio Characteristics

Number of holdings	25
Number of countries	12
Number of sectors	7
Number of industries	14
Active Share	93%*
Annual Turnover	29%

*Relative to MSCI AC World ex US Index. Source: Baillie Gifford & Co, MSCI.

Voting Activity

Votes Cast in Favour		Votes Cast Against		Votes Abstained/Withheld	
Companies	2	Companies	1	Companies	None
Resolutions	29	Resolutions	1	Resolutions	None

The prioritisation of staff welfare and the fair treatment of wider stakeholders is becoming even more crucial as the pandemic creates huge strains across the world

Sustainable business practices reflect our desire to work with companies that act as responsible corporate citizens

We are delighted to witness that many managements of companies in the portfolio focus their investments on long-term value creation

Company Engagement

Engagement Type	Company
Corporate Governance	Adyen N.V.
Environmental/Social	Atlas Copco AB, Kering SA, Tesla, Inc.
AGM or EGM Proposals	Kering SA, L'Oreal S.A.
Executive Remuneration	Kinnevik AB, Zalando SE

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
Adyen Nv, Ping An Insurance	We voted in favour of routine proposals at the aforementioned meeting(s).

Votes Cast Against

Company	Meeting Details	Resolution(s)	Voting Rationale
Ping An Insurance	AGM 03/25/21	8.07	We opposed the re-election of a non-executive director as he is a shareholder representative and sits on the Audit Committee, which should be comprised entirely of independent directors.

Votes Abstained

We did not abstain on any resolutions during the period.

Votes Withheld

We did not withhold on any resolutions during the period.

Asset Name	Fund %
ASML	11.94
MercadoLibre	9.02
Meituan Dianping	7.53
Tencent	6.29
Tesla Inc	6.02
Alibaba	4.95
Adyen	4.27
Zalando	4.17
Illumina	4.04
Kering	3.98
Delivery Hero	3.95
Spotify	3.72
M3	3.36
Hermès International	3.08
Ferrari	3.03
Ocado	2.79
Ping An Insurance	2.50
Moderna	2.26
NIO	2.23
Shopify	2.05
Genmab	1.99
Kinnevik	1.79
L'Oréal	1.23
Atlas Copco	1.07
NVIDIA	0.97
Cash	1.77
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.

All information is sourced from Baillie Gifford & Co unless otherwise stated. All amounts are in US dollars, as of March 31, 2021 unless otherwise stated.

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.

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 an investment in the Baillie Gifford International Concentrated Growth Equities Fund are Investment Style Risk, Growth Stock Risk, Long-Term Investment Strategy Risk, Geographic Focus Risk and Non-Diversification 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 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 focuses on investments in a limited number of countries or regions, meaning it may offer less diversification and be more volatile than other funds. The Fund may have a smaller number of holdings with larger positions in each relative to other mutual funds. Other Fund risks include: Asia Risk, China Risk, Conflicts of Interest Risk, Currency Risk, Emerging Markets Risk, Equity Securities Risk, Focused Investment Risk, Information Technology Risk, IPO Risk, Japan Risk, Large Capitalization Securities Risk, Liquidity Risk, Market Disruption and Geopolitical Risk, Market Risk, New and Smaller-Sized Funds Risk, Non-U.S. Investment Risk, Service Provider Risk, Settlement Risk, Small-and Medium-Capitalization Securities Risk, 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.

The Baillie Gifford International Concentrated Growth Equities Fund seeks capital appreciation. There can be no assurance, however, that the Fund will achieve its investment objective.

Any stock examples, or images, used in this document 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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