

Baillie Gifford International Concentrated Growth Equities Fund



Third Quarter 2021

Baillie Gifford Update

Philosophy	Long-term investment horizon A growth bias Bottom-up portfolio construction High active share
Partnership	100% owned by 47 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	\$139.1m
Benchmark	MSCI ACWI ex US Index
Stocks (guideline range)	20-35
Current Number of Stocks	25
Active Share	94%*
Annual Turnover	28%
Style	Growth

*Relative to MSCI ACWI 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
Spencer Adair*	21
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 September 30, 2021



Gross Expense Ratio	
Share Class – K	0.79%
Share Class – Institutional	0.87%

Net Expense Ratio	
Share Class – K	0.72%
Share Class – Institutional	0.80%

Benchmark: 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, 2022.

The MSCI ACWI 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 ACWI ex US Index.

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

The Fund's high returns during 2020 were in part due to unusual market conditions caused by the Coronavirus pandemic which benefitted a number of existing holdings in the Fund's portfolio. These companies saw faster than expected growth as a result of early adoption by people of some technologies and services. That rate of growth is unlikely to be repeated in normal market conditions. The Fund's investment horizon spans several years so periods of short-term volatility should be expected.

Stock Level Attribution

Quarter to September 30, 2021

Top Five Contributors

Asset Name	Contribution (%)
Moderna	2.60
ASML	1.35
MercadoLibre	0.95
Tesla Inc	0.77
Adyen	0.76

Bottom Five Contributors

Asset Name	Contribution (%)
Meituan	-1.45
Zalando	-1.18
Alibaba	-0.87
NIO	-0.76
Tencent	-0.73

One Year to September 30, 2021

Top Five Contributors

Asset Name	Contribution (%)
ASML	5.00
Moderna	3.93
Tesla Inc	2.91
MercadoLibre	2.31
Adyen	0.96

Bottom Five Contributors

Asset Name	Contribution (%)
Alibaba	-2.70
Ocado	-1.89
Meituan	-1.38
Tencent	-1.32
Ping An Insurance	-0.96

Source: StatPro, MSCI, Baillie Gifford International Concentrated Growth Equities Fund relative to MSCI ACWI 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 baillieghifford.com/usmutualfund. A full list of holdings is available on request. The composition of the Fund's holdings is subject to change.

During the second quarter of 2021, the K class fell 5.09% and the Institutional class fell 5.07% compared to the MSCI ACWI ex US index which fell 2.88%. Positive contributors to performance once again included Moderna and ASML, which have been making very impressive operational progress and continue to drive advancements in Messenger Ribonucleic Acid (mRNA) technology and Extreme Ultraviolet Lithography (EUV) (transistors, and ultimately microchips) respectively. Meanwhile, news about regulatory development in China have weighed on certain holdings, including Meituan. However, we see significant upside in the Fund and the research pipeline, and we do continue to test investment cases on an iterative basis. A quarter is not long enough a time frame by which to properly judge Fund holdings, because transformational growth takes place over five to ten years, not months. However, certain contributors for the period are below.

Top contributors, as last quarter, included Moderna and ASML

Moderna has potential to revolutionise healthcare and is demonstrating this with vaccine success. Moderna is a North American based biotechnology company, which uses a cutting-edge platform to exploit mRNA to transform the potential of immunology and therapeutic medicines. It is a leader in using the body's natural protein production to fight disease. Billions of Covid vaccine doses have been distributed. However, while the success of this outcome is widely welcomed, we view with further excitement a much broader range of applications in prophylactics, oncology and other therapeutics, which is why the foundational approach of the platform technology is so inspiring.

ASML is the world's largest manufacturer of equipment used in the manufacture of semiconductors for microchips. It is comfortably the largest manufacturer of this high-end equipment which means it is well placed to meet ongoing record demand. Management decision making and execution over 30 years has been excellent, and results have yet again been strong. Second quarter results included 21% year-on-year (yoy) sales growth, 51% gross margin and 26% Net Interest Margin (NIM). The company has upped its full year guidance: it now expects 35% (30% prior) yoy sales growth which will be driven by strong growth in its memory business. Management note this reflects increasing demand for leading edge chips and the company's plans to build even more EUV machines.

Meituan and Zalando were the two most significant detractors from performance this quarter

Meituan's operations include food delivery (c60% of sales) and a travel agency internet business (c20%). It is one of China's 'super apps' though, helping to distribute things from food delivery, travel, hotels, cinema tickets, car hailing, bike sharing and more. It has huge growth potential for users and profitability, and is founder led with an entrepreneurial culture. Operational performance has been strong. Second quarter sales have been +77% yoy, with food delivery +59%, travel +89%, and new initiatives +113%. Regulatory wise there has been a lot happening in China. It is important to take stock of these developments carefully, and not take hasty decisions.

Zalando, the ecommerce company, specialises in fashion retail and is the European leader in this area. It has an enormous potential market with the shift of fashion online and has opted to go more for long-term investment in logistics as opposed to curating its own brands. Strong growth was seen last quarter, but returns have come down recently which could be seen as good investment in the platform, such as descriptions, photography, AI, and personalised recommendations. A further encouraging signal is that "lockdown" customers (those acquired in March/April 2020) are sticking and remaining active, repurchasing more as a group than the March/April 2019 cohort.

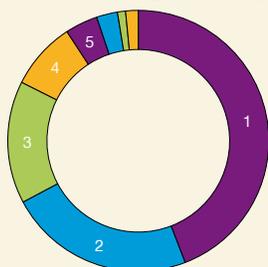
The views expressed reflect the personal opinion of the author and should not be considered as advice or a recommendation to buy, sell or hold a particular investment.

Transactions from 01 July 2021 to 30 September 2021.

There were no new purchases during the period.

There were no complete sales during the period.

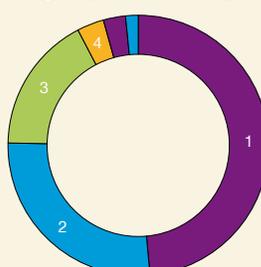
Sector Analysis (%)



1	Consumer Discretionary	44.16
2	Information Technology	23.06
3	Health Care	15.19
4	Communication Services	8.39
5	Consumer Staples	4.05
6	Financials	2.60
7	Industrials	1.00
8	Cash	1.56

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)	48.56
2	Emerging Markets	26.74
3	North America	17.05
4	Developed Asia Pacific	3.34
5	UK	2.76
6	Cash	1.56

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	14.19
2 MercadoLibre	10.10
3 Meituan	5.91
4 Moderna	5.57
5 Adyen	5.39

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	15
Active Share	94%*
Annual Turnover	28%

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

Voting Activity

Votes Cast in Favour		Votes Cast Against		Votes Abstained/Withheld	
Companies	2	Companies	None	Companies	None
Resolutions	5	Resolutions	None	Resolutions	None

MercadoLibre enables the creation of a new retail and finance infrastructure at a much faster pace than what would otherwise happen if it did not exist - this is additionality in action

We can add value through ownership by flagging possible future areas where more actions could become necessary. In M3's case, the subject of disclosure comes up periodically in our discussions

Electrification is by far the most material ESG challenge faced by Ferrari

Company Engagement

Engagement Type	Company
Environmental/Social	Hermès International Societe en commandite par actions, Moderna, Inc., Ocado Group plc
AGM or EGM Proposals	Kinnevik AB

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
Alibaba, Kering	We voted in favour of routine proposals at the aforementioned meeting(s).

Votes Cast Against

We did not vote against any resolutions during the period.

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 %
ASML	14.19
MercadoLibre	10.10
Meituan	5.91
Moderna	5.57
Adyen	5.39
Zalando	4.69
Tencent	4.51
Tesla Inc	4.29
Delivery Hero	4.06
Spotify	3.88
Hermès International	3.77
Illumina	3.70
Kering	3.47
M3	3.34
Ferrari	2.97
Alibaba	2.90
Ocado	2.76
Genmab	2.58
Shopify	2.48
NIO	1.99
Ping An Insurance	1.33
L'Oréal	1.29
Kinnevik	1.27
NVIDIA	1.00
Atlas Copco	1.00
Cash	1.56
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 an investment in the International Concentrated Growth Equities Fund are: Investment Style Risk, Growth Stock Risk, Long-Term Investment Strategy Risk, Non-U.S. Investment Risk, Non-Diversification Risk and Asia 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. Non-U.S. securities are subject to additional risks, including less liquidity, increased volatility, less transparency, withholding or other taxes and increased vulnerability to adverse changes in local and global economic conditions. There can be less regulation and possible fluctuation in value due to adverse political conditions. The Fund may have a smaller number of holdings with larger positions in each relative to other mutual funds. Some Asian securities may be less liquid than US or other foreign securities. They can be affected by high inflation, currency fluctuations, political instability and less efficient markets. Many Asian economies are dependent on international trade and only a few industries and can be badly affected by trade barriers. Other Fund risks include: China Risk, Conflicts of Interest Risk, Currency Risk, Emerging Markets Risk, Equity Securities Risk, Focused Investment Risk, Geographic Focus Risk, Government and Regulatory Risk, Information Technology Risk, IPO Risk, Japan Risk, Large-Capitalization Risk, Liquidity Risk, Market Disruption and Geopolitical Risk, Market Risk, Service Provider Risk, Settlement 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 International Concentrated Growth 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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