

# Baillie Gifford International Smaller Companies Fund

Second Quarter 2023



## About Baillie Gifford

<b>Philosophy</b>	Long-term investment horizon A growth bias Bottom-up portfolio construction High active share
<b>Partnership</b>	100% owned by 57 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 Baillie Gifford International Smaller Companies Fund seeks capital appreciation by investing in a diversified international portfolio of 75+ quality growth stocks of smaller companies located in countries of developed and emerging markets which we believe will outperform the market over the long-term. The portfolio is built through active bottom-up stock selection by the International Smaller Companies Portfolio Construction Group principally without regard to the Fund's benchmark, the MSCI ACWI ex USA Small Cap Index.

## Fund Facts

K Class Ticker	BICKX
Institutional Class Ticker	BICIX
Launch Date	December 19, 2018
Size	\$14.7m
Benchmark	MSCI ACWI ex-USA Small Cap Index
Stocks (guideline range)	75+
Current Number of Stocks	87
Active Share	98%*
Annual Turnover	13%**
Style	International Small Cap

\*Relative to MSCI ACWI ex-USA Small Cap 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.

\*\*The Turnover figure presented is based on internal calculation methods and differs to the financial statements which are calculated in accordance with the requirements of N-1A.

## International Smaller Companies Portfolio Construction Group

Name	Years' Experience
Brian Lum	17
Praveen Kumar	15
Steve Vaughan	11
Charlie Broughton	9
Remya Nair	5

*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 [baillieghifford.com/usmutualfunds](http://baillieghifford.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 June 30, 2023



Gross Expense Ratio	
Share Class – K	1.55%
Share Class – Institutional	1.64%
Net Expense Ratio	
Share Class – K	0.90%
Share Class – Institutional	0.99%

Benchmark: MSCI ACWI ex USA Small Cap 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](http://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, 2024.*

The MSCI ACWI ex USA Small Cap Index captures small cap representation across Developed Market countries (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 Small Cap Index.

Source: Baillie Gifford & Co, Bank of New York Mellon, MSCI. Share Class launch date: December 19, 2018. NAV returns in US dollars. \*Not annualized.

## Stock Level Attribution

Quarter to June 30, 2023

### Top Five Contributors

Asset Name	Contribution (%)
Global UniChip	0.93
ESI Group	0.65
Hypoport	0.58
Addtech 'B'	0.42
Chroma ATE	0.39

### Bottom Five Contributors

Asset Name	Contribution (%)
Airtac International Group	-0.82
Avanza Bank Holding	-0.71
Brunello Cucinelli SpA	-0.44
Keywords Studios	-0.41
Kamakura Shinsho	-0.41

One Year to June 30, 2023

### Top Five Contributors

Asset Name	Contribution (%)
Global UniChip	3.50
Brunello Cucinelli SpA	2.03
Addtech 'B'	1.23
Games Workshop Group	0.84
Esi Group	0.73

### Bottom Five Contributors

Asset Name	Contribution (%)
Alk-Abello	-0.59
Airtac International Group	-0.54
Katitas	-0.52
Wealthnavi Inc	-0.45
Angle	-0.44

Source: Revolution, MSCI, Baillie Gifford International Smaller Companies Fund relative to MSCI ACWI ex-USA Small Cap 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 [bailliegiifford.com/usmutualfund](http://bailliegiifford.com/usmutualfund). A full list of holdings is available on request. The composition of the Fund's holdings is subject to change.*

*Attribution is shown relative to the benchmark therefore not all stocks shown are held in the portfolio. See the List of Holdings section of this report for the stocks held.*

## Market environment

The market environment has continued to be characterized by persistent inflation, rising interest rates, and risk-averse markets. This has weighed on smaller companies as an asset class. Despite this the portfolio has proved resilient, partly due to the alignment between holdings and their customers, as well as the long-term approach taken by management teams. Several portfolio companies have been able to flex their pricing power to compensate for inflationary and supply chain pressures without losing business. For us, one of the few upsides of this challenging market environment has been to watch holdings continue to invest heavily to consolidate their competitive advantages and grow their addressable markets even as their peers retrench and many investors flee into 'safer' investments.

## Performance

Over the quarter, holdings in Global Unichip (GUC), ESI Group and Hypoport contributed to performance. GUC, the Taiwanese fabless chip company that designs application-specific integrated circuits (ASICs), has continued to benefit from the proliferation of semiconductors in more and more industries and the fervour around Artificial Intelligence (AI). Its small group of highly specialized engineers are limited in the number of projects they take on each year, meaning they must select and truly partner with their customers, sharing in potential success or failure. GUC has several AI-related projects across the US, Europe and Japan. Revenue contributions are expected to benefit their Non-Recurring Engineering segment responsible for design and development, and their Turnkey segment which involves manufacturing will likely benefit from next year.

French simulation software provider ESI has seen share price strength after suggestions of a potential sale to a large suitor were followed by an agreed offer for the company. The company sells simulation software to model physical processes, mainly to transport customers. We initially took a holding, as the company was favourably positioned to benefit from structural tailwinds from increased computing power. Part of our investment case was the then-incoming Chief Executive Officer's (CEO) ability to improve internal efficiency and drive margin growth. This combination of the founder's technical knowledge and the CEO's operational know-how proved to be a powerful cocktail and validated our investment case.

After an extended period of share price weakness, Hypoport, the German mortgage origination software provider has seen some results following its recent cost-saving efforts and its continued focus on its core markets. The company's innovative ways to stay ahead of the competition appears to be being recognised by the market. It has recently announced a new cooperation with

ImmobilienScout24, Germany's leading online real estate platform and the rollout of its GENOFLEX platform in partnership with TeamBank in the cooperative banking sector to help manage mortgage portfolios. Both initiatives will benefit from the power of AI. Hypoport has proved to be adaptive even in times of market volatility, and its performance in the past quarter reflects that.

Conversely, AirTac, Avanza Bank and Brunello Cucinelli detracted from performance over the period. After being one of the top contributors last quarter, AirTac, the Taiwanese pneumatic equipment manufacturer experienced some share price weakness. There has been no significant news driving this other than potentially a slowdown in market demand for its battery business in 2023 due to overcapacity issues. The company still thinks it can deliver strong growth over the longer term in this segment. Overall, AirTac expects double-digit revenue growth for 2023 with its pneumatic revenue outgrowing the market. It is also expecting strong demand from the energy lighting and equipment markets as well as the automotive market. We believe AirTac is still well-positioned to increase its market share in China to 30% in 3-5 years due to its strong management alignment and successful track record.

Despite recent share price weakness, Avanza Bank, Sweden's leading platform for savings and investments remains one of the strongest contributors to performance over the long term. Despite the volatility which is most likely a result of the interest rate environment and the market's perception of banking, Avanza had a strong start to 2023. It took 23% market share of net inflows in the first quarter and customer deposits were growing again in April-May. Trading activity held up well in Sweden and Avanza has not seen any impact from Freetrade, the British fintech trading app, entering the Swedish market. Overall, Avanza is expecting strong growth potential in Sweden with over 3 million clients, and we believe it is well placed to grow its popularity among young savers.

Brunello Cucinelli, the high-end Italian luxury fashion brand, experienced some share price weakness following a period of strong performance. There was no fundamental news flow driving this and as we've mentioned previously, the company reported stellar results for 2022 and it had to raise its revenue guidance for the second time from 12% to 15% for 2023.

## Notable transactions

In addition to a handful of additions and reductions, we took new positions in PVR, India's largest cinema chain and Appier, the Taiwanese software company. We also decided to exit a few positions including Bactiguard, the Swedish MedTech business and Cafe24, the Korean ecommerce platform. The former disappointed by commercial execution while the latter saw its competitive position deteriorate.

Transactions from 01 April 2023 to 30 June 2023.

## New Purchases

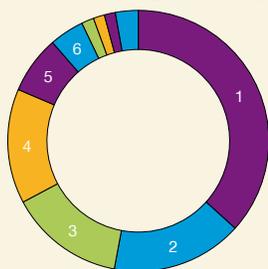
Stock Name	Transaction Rationale
Appier Group Inc	<p>Appier is a Taiwanese software company listed in Japan. Founded in 2012, its SaaS-based software uses AI to help clients acquire and understand customers' behaviour, and automate the associated business processes.</p> <p>Opportunity: It is still very early days for AI. Significant opportunities come from adding new clients and cross-selling Appier's product suites to existing clients. This is key to the investment case.</p> <p>Edge: Appier's clients achieve fantastic returns from Appier's products, which in turn get better with increasing adoption. The breadth of the product portfolio represents another source of edge.</p> <p>Scalability: Inherent scalability is very good with extremely strong underlying unit economics. The main bottleneck is the time it takes to educate clients.</p> <p>Alignment: This is an ambitious business led by founders with impressive AI credentials, and the business model is closely aligned with clients' success.</p> <p>Sustainability: The material factors are cybersecurity, data privacy and employees. Appier is at an early stage in disclosure but is moving in the right direction.</p> <p>Insight: After multiple engagements over the past year, we have been impressed by the ambition of the leadership, the apparent effectiveness of the products, and the company's operational performance. That said, we are still building our understanding and therefore conviction in this investment, so we are starting with a modest position.</p>
Oxford Nanopore Technologies PLC	<p>We have taken a holding in Oxford Nanopore, a manufacturer of nanopore-based sequencing kits.</p> <p>Edge: It is the only company in the world to market this technology. Their products have several advantages over traditional techniques, including cost, portability, and the ability to read native DNA, and therefore can analyse entire genomes more efficiently than alternative sequencing technologies. Their intellectual property is well protected and supported by strong relationships with the scientific community.</p> <p>Opportunity: The novel technology opens up new sequencing opportunities in academic and clinical settings which have the potential to revolutionise healthcare, public health, and commercial biology and translate to extraordinary growth potential for the company.</p> <p>Scalability: The company's razor blade business model, centred around selling hardware and generating recurring revenues from 'flow cells' consumables, is scalable and has the potential to be highly profitable.</p> <p>Alignment: Led by a long-standing team of highly committed scientists, with two of the founders still running the business today. The management team owns around 7% between them, and there are several large strategic holders including Tencent and IP Group.</p> <p>Sustainability: Sequencing in general has the potential to have a transformative impact on healthcare outcomes longer term. Nanopore has the important advantage of helping democratise sequencing through its lower cost and smaller form factor, opening up the technology to a far wider group of potential beneficiaries around the world.</p> <p>Insight: Baillie Gifford has owned the business indirectly through our IP Group position for over a decade and now holds it widely post-IPO. We also have a long history with their main rival Illumina. This has allowed us to build a deep institutional understanding of the sequencing market and excellent access to the companies and thought leaders in this space.</p>

PVR Inox Ltd	<p>PVR is India's largest cinema chain.</p> <p>Opportunity: Following a recently-announced merger with the number two player, the company will account for around half of the multiplex market, and around 20% of India's total cinema screens. This better positions it to capture more of the growth runway, which is in part bolstered by strong structural tailwinds of widening cinema infrastructure and urbanisation. Edge: The company's dominant size and geographic spread across Northern and Southern cities allow for significant negotiating power over box office revenue splits and rental overheads. This poses high competitive barriers against peers looking to scale.</p> <p>Edge: The company's dominant size and geographic spread across Northern and Southern cities allow for significant negotiating power over box office revenue splits and rental overheads. This poses high competitive barriers against peers looking to scale.</p> <p>Scalability: The company has a great long-term track record, in an industry in which scale advantages matter, albeit one that is tempered with occasional but deep cyclicalities given the high fixed costs. PVR's dominant market share and resulting pricing power allow for higher margins, while economies of scale from the merger should also generate lower operational expenses.</p> <p>Sustainability: The company does not presently reflect any significant sustainability-related shortcomings.</p> <p>Alignment: The company is run by long-standing management and a passionate founding Chairman with a sizeable stake in the business.</p> <p>Insight: We believe that the company has proven its ambition and resilience through its execution to date and that the market does not appreciate the structural appeal of cinema in India as compared to Europe or the US. With longer films and fewer alternative entertainment options cinema is a more desirable pastime for Indian consumers and a more profitable business for cinema operators.</p>
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## Complete Sales

Stock Name	Transaction Rationale
Bactiguard Hdg	<p>We have chosen to sell your holding in Bactiguard, the Swedish medical technology business. While we still believe the company's novel antibacterial coating has a number of useful properties that could be applied in a wide range of medical procedures to reduce the risk of infection, ultimately we have been disappointed by the pace of adoption and commercial execution. These concerns coupled with notable changes in the executive team have moved us to redeploy the funds into higher conviction holdings.</p>
Biocartis Gp	<p>Biocartis aims to provide cancer diagnostics at the point of treatment, fulfilling a critical gap in patient care.</p> <p>Scale: Despite having a commercial product and revenues when we invested, Biocartis has since struggled to extend that lead through to true market penetration. Over the past few years, it has suffered from both bad luck and operational mistakes and it now looks increasingly unlikely to succeed.</p> <p>Alignment: The recent departure of the CEO, whom we admired, and the likely need for future funding were the catalysts for us to sell the small remaining hold.</p> <p>We will, as ever, reflect on any lessons we can learn from this failed investment but continue to seek growth companies that are trying to provide vital solutions to unmet needs.</p>
Cafe24	<p>Café24 is a Korean e-commerce platform. We invested on the basis of the e-commerce opportunity both domestically and outbound, as well as an aligned founder-led management team. However, while both of these points arguably still stand, Cafe24's execution in recent years has been disappointing, and its competitiveness has declined relative to larger rivals such as Coupang and Naver. In combination with a weak financial position, we feel that the probability of a significant turnaround is limited and we decided to exit this position.</p>
Collectis	<p>We sold this as part of an outflow. The fund continues to have an exposure to Collectis through the ADR line.</p>

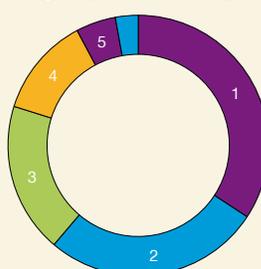
**Sector Analysis (%)**



1	Information Technology	36.70
2	Industrials	16.25
3	Financials	14.26
4	Consumer Discretionary	14.22
5	Communication Services	7.16
6	Health Care	4.30
7	Materials	1.53
8	Real Estate	1.39
9	Consumer Staples	1.37
10	Cash	2.82

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)	34.25
2	Developed Asia Pacific	26.95
3	Emerging Markets	18.65
4	UK	12.38
5	North America	4.95
6	Cash	2.82

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 Global UniChip	4.55
2 ADDTECH	3.55
3 Kinaxis	3.46
4 AirTac International Group	3.40
5 Hypoport	3.06
6 Avanza Bank	2.98
7 Chroma Ate	2.57
8 Brunello Cucinelli	2.55
9 Sensirion	2.54
10 Games Workshop	2.32

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

**Portfolio Characteristics**

Number of holdings	87
Number of countries	19
Number of sectors	9
Number of industries	34
Active Share	98%*
Annual Turnover	13%**

\*Relative to MSCI ACWI ex-USA Small Cap Index. Source: Baillie Gifford & Co, MSCI.

\*\*The Turnover figure presented is based on internal calculation methods and differs to the financial statements which are calculated in accordance with the requirements of N-1A.

Voting Activity

Votes Cast in Favour	Votes Cast Against	Votes Abstained/Withheld
Companies 48	Companies 6	Companies 4
Resolutions 578	Resolutions 9	Resolutions 9

Our 2023 Environmental, Social and Governance (ESG) Principles and Guidelines are available on the website. The document sets out Baillie Gifford's Stewardship Principles and their integration into research, proxy voting, and ownership activities.

The second quarter of the year saw our Statement of Climate-related Intent and Ambition and TCFD-aligned Climate Report published. These are available on the website.

Alignment is key to creating long-term value, both within management as well as between company holdings and their customers, as evidenced by the success of portfolio holdings with strong alignment.

Company Engagement

Engagement Type	Company
Environmental	Docebo Inc., Douzone Bizon Co., Ltd., Melexis NV, Sansan, Inc., u-blox Holding AG
Social	Alpha Group International plc, CreditAccess Grameen Limited, Douzone Bizon Co., Ltd., Melexis NV, u-blox Holding AG
Governance	ALK-Abello A/S, Alpha Group International plc, Aumann AG, Cellectis S.A., CreditAccess Grameen Limited, Demae-Can Co.,Ltd, Docebo Inc., Douzone Bizon Co., Ltd., Naked Wines plc, PVR INOX Limited, Park Systems Corp., Snow Peak, Inc., Tsugami Corporation, Veganz Group AG, Volpara Health Technologies Limited, tonies SE, u-blox Holding AG

Votes Cast in Favour

Companies	Voting Rationale
<p>ANGLE, ASPEED Technology, AirTac International Group, Alpha FX, Anicom Holdings Inc, Aumann Ag, Auto1 Group SE, Bengo4.Com Inc, Biocartis Gp, Bossard, Brunello Cucinelli SpA, CellaVision, Celectis ADR, Chroma ATE, CreditAccess Grameen, Docebo, ESI Group, Global UniChip, HMS Networks, Hypoport, IRISO Electronics Co Ltd, JMDC, Kamakura Shinsho, Katitas, Keywords Studios, Kinaxis, Kitanotatsujin Corp, Locondo, Megachips Corp, Melexis, Nanofarm Finland, New Work, Oxford Nanopore Technologies PLC, PVR Inox Ltd, Paradox Interactive, Reply Spa, Shima Seiki Mfg., Storytel, TCI Co, Team 17 Group, Technogym Spa, Tonies SE, Trustpilot Group Plc, Tsugami Corp, Vostok New Ventures, Vulcan Energy Resources Ltd, Xvivo Perfusion, eGuarantee Inc</p>	<p>We voted in favour of routine proposals at the aforementioned meeting(s).</p>

Votes Cast Against

Company	Meeting Details	Resolution(s)	Voting Rationale
Auto1 Group SE	AGM 06/07/23	8	We opposed the remuneration policy due to concerns with the overall structure and stringency of the terms of the 2020 share option grant to the chief executive officer.
Auto1 Group SE	AGM 06/07/23	9	We opposed the amendment to the terms of the 2020 share option grant to the chief executive officer, due to concerns with the overall structure and appropriateness and stringency of operational targets.
Biocartis Gp	AGM 05/12/23	8	We opposed the request for approval of accelerated vesting of share options in the incentive plan in case of change in control as we do not believe accelerated vesting to be in the best interest of shareholders.
Brunello Cucinelli SpA	MIX 04/27/23	130	We opposed the amendments to the articles of association which would allow shareholders who have held shares for more than two years to apply for additional voting rights. While we support the principle of rewarding long term shareholders, given the company is controlled already, we believe this could further entrench management.
Brunello Cucinelli SpA	MIX 04/27/23	30	We opposed the remuneration report. We think the structure is too short term, have concerns with the lack of disclosure of performance targets, and also have concerns with the lack of response from the company regarding shareholder dissent over executive remuneration.
Celectis ADR	Annual 06/27/23	E29	We voted against this pro-forma resolution in line with Management's recommendation. There is a legal obligation under the French Commercial Code for companies to propose retirement-account share purchase plans at a discount for employees. However, this plan is currently not included within the framework of the Company's existing employee stock-based compensation policy.
Melexis	EGM 05/09/23	2	We opposed the resolution to implement a poison pill (anti-takeover device). We are concerned that a poison pill could entrench management and preclude a takeover which is in our clients' best interests.

Company	Meeting Details	Resolution(s)	Voting Rationale
Technogym Spa	MIX 05/05/23	30	We opposed the remuneration policy as the incentive plan for executive directors allows for retesting.
Technogym Spa	MIX 05/05/23	70	We opposed the share repurchase authority as the maximum premium requested exceeds our expectations.

Votes Abstained

Company	Meeting Details	Resolution(s)	Voting Rationale
Chroma ATE	AGM 06/09/23	4.2-4.5	We abstained on the election of four non-independent directors by cumulative voting in order to concentrate our votes on the company's leadership and independent directors.
Reply Spa	AGM 04/20/23	50	We abstained on the remuneration policy due to a lack of disclosure.
TCI Co	AGM 06/27/23	4.2-4.4	We abstained on the election of three non-independent directors. Since the election of the directors was held by cumulative voting, we were able to concentrate our votes on the independent non-executive directors.
Companies	Voting Rationale		
Brunello Cucinelli SpA	Italian governance allows shareholders to submit 'slates' of auditors for election at the annual general meeting. We voted in favour of the 'slate' where the majority of auditors currently sit on the statutory auditors' board. This is routine and non-contentious.		

Votes Withheld

We did not withhold on any resolutions during the period.

Votes Not Cast

Companies	Voting Rationale
Sensirion Holding AG, U-Blox	We did not vote due to the practice known as "blocking" - the rules in some markets which restrict us from selling your shares during the period between the votes being cast and the date of the meeting.

Asset Name	Fund %
Global UniChip	4.55
ADDTECH	3.55
Kinaxis	3.46
AirTac International Group	3.40
Hypoport	3.06
Avanza Bank	2.98
Chroma Ate	2.57
Brunello Cucinelli	2.55
Sensirion	2.54
Games Workshop	2.32
Reply Spa	2.18
HMS Industrial Networks	1.99
Maytronics	1.93
ASPEED Technology	1.93
Alpha FX	1.89
Koh Young Technology	1.76
RakSul	1.72
Technogym	1.69
Victoria	1.69
Tsugami	1.63
Megachips	1.57
Docebo	1.49
DMG Mori	1.45
ESI Group	1.43
KATITAS	1.39
Bossard	1.38
CreditAccess Grameen	1.29
KH Neochem	1.26
Bengo4.com	1.25
FD Technologies	1.24
Paradox Interactive	1.24
Burford Capital	1.23
Netwealth	1.12
Park Systems	1.02
Iriso Electronics	1.02
Melexis	1.00
JMDC	0.99
Infomart	0.99
eGuarantee	0.97
u-blox	0.97
Keywords Studios	0.97
Optex	0.95
Outsourcing	0.94
New Work	0.84
Johnson Electric	0.79
tonies	0.79

Asset Name	Fund %
Douzone Bizon Co	0.79
Oxford Nanopore Tech	0.78
Alk-Abello	0.77
Sansan	0.77
GA Technologies	0.75
Kamakura Shinsho	0.72
Nayax	0.72
WealthNavi	0.70
Team 17 Digital Limited	0.70
Locondo	0.66
Snow Peak	0.65
COLOPL	0.62
AUTO1	0.60
Xvivo Perfusion	0.60
Appier Group	0.58
Shima Seiki Mfg.	0.57
Kitanotatsujin	0.55
dotdigital	0.54
TCI Co	0.51
Volpara Health Technologies	0.49
PVR Limited	0.42
Freee	0.41
Istyle	0.39
Trustpilot Group	0.36
Molten Ventures	0.35
Aumann	0.34
Anicom	0.33
VNV Global	0.32
Wantedlab	0.29
Vulcan Energy	0.27
Inter Action Corporation	0.26
Nanoform Finland	0.24
Naked Wines	0.23
CellaVision	0.21
Demae-Can	0.16
Collectis	0.14
Hypebeast	0.13
Storytel	0.12
Veganz Group	0.08
ANGLE	0.08
CleanSpace	0.01
Cash	2.82
<b>Total</b>	<b>100.00</b>

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 Baillie Gifford International Smaller Companies Fund are, Small-and Medium Capitalization Securities Risk, Growth Stock Risk, Investment Style Risk, Long-Term Investment Strategy Risk, Non-U.S. Investment Risk and Asia Risk. The shares of small-and medium -capitalization companies can be more volatile than larger companies. This can be more evident during market downturns as they may have potentially reduced liquidity and shorter operating histories. 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 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 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. 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. There can be less regulation and possible fluctuation in value due to adverse political conditions. Other Fund risks include: Conflicts of Interest Risk, Currency Risk, Emerging Markets Risk, Equity Securities Risk, Environmental, Social and Governance Risk, Focused Investment Risk, Geographic Focus Risk, Government and Regulatory Risk, Information Technology Risk, Initial Public Offering Risk, Japan Risk, Liquidity Risk, Market Disruption and Geopolitical Risk, Market Risk, New and Smaller-Sized Funds Risks, Service Provider Risk, Settlement 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. There can be no assurance that the Fund will achieve its investment objective

Baillie Gifford International Smaller Companies Fund seeks capital appreciation. There can be no assurance, however, that the Fund will achieve its investment objectives.

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