

Pacific Fund

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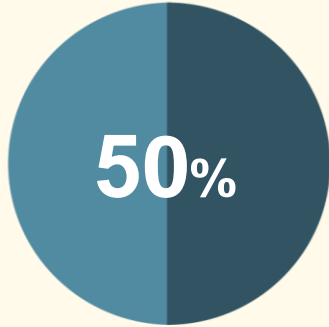
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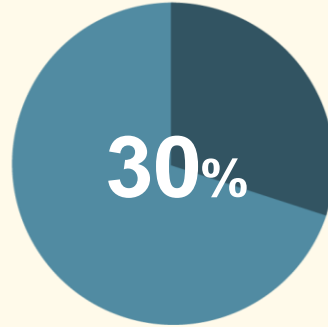
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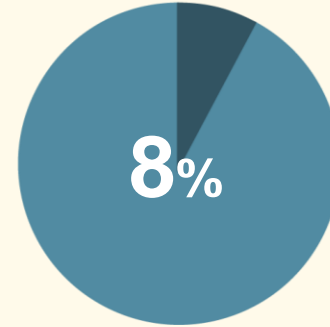
Asia matters – more than market indices suggest



**of the world's
population¹**



**share of
global GDP²**



**of MSCI's
global index³**

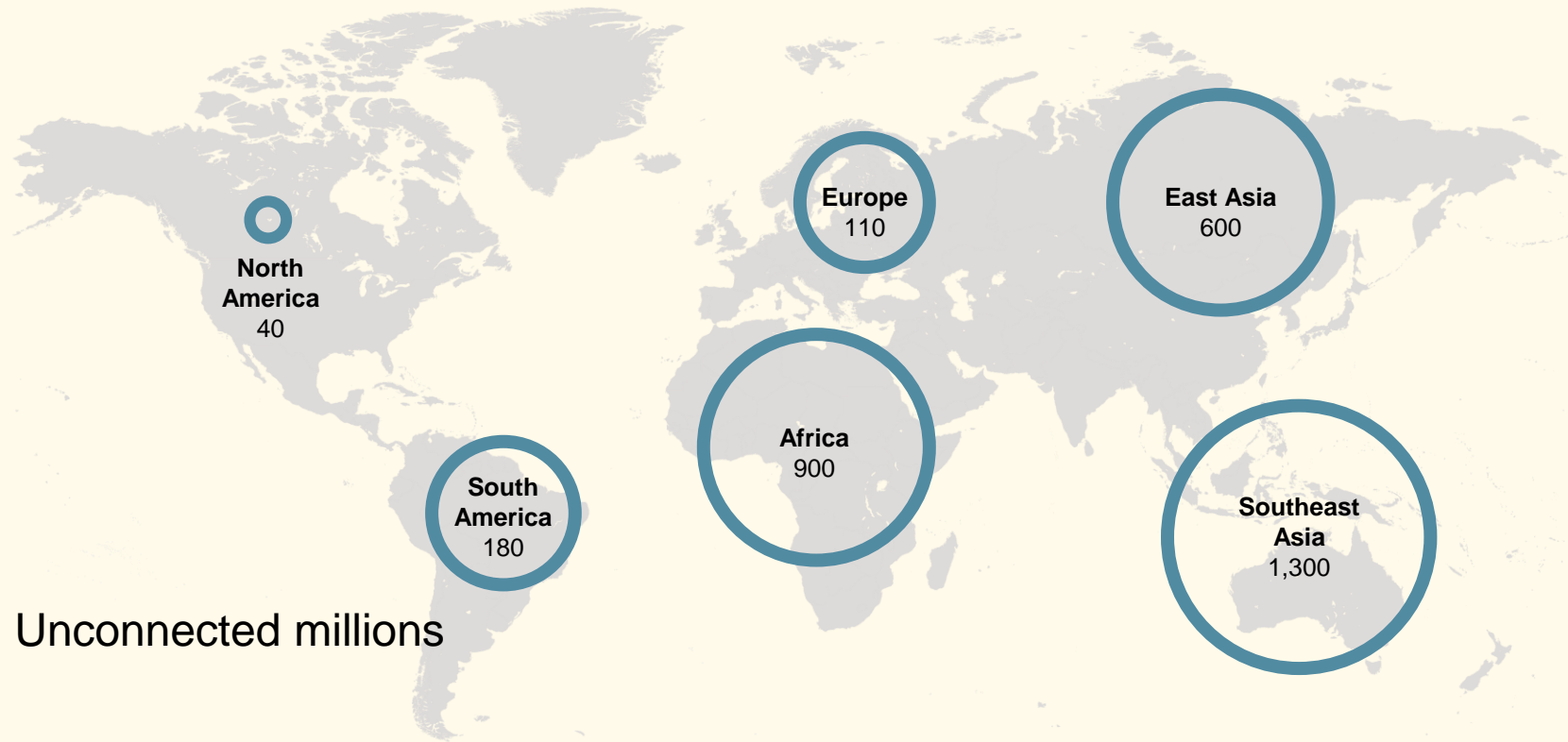
¹Source: United Nations, Population Division, Department of Economic and Social Affairs. World Population (2019).

²Source: The World Bank, World Development Indicators. As at 31 December 2020.

³Source: Bloomberg, MSCI ACWI index. As at April 2023.

The figures shown above are based on an approximation.

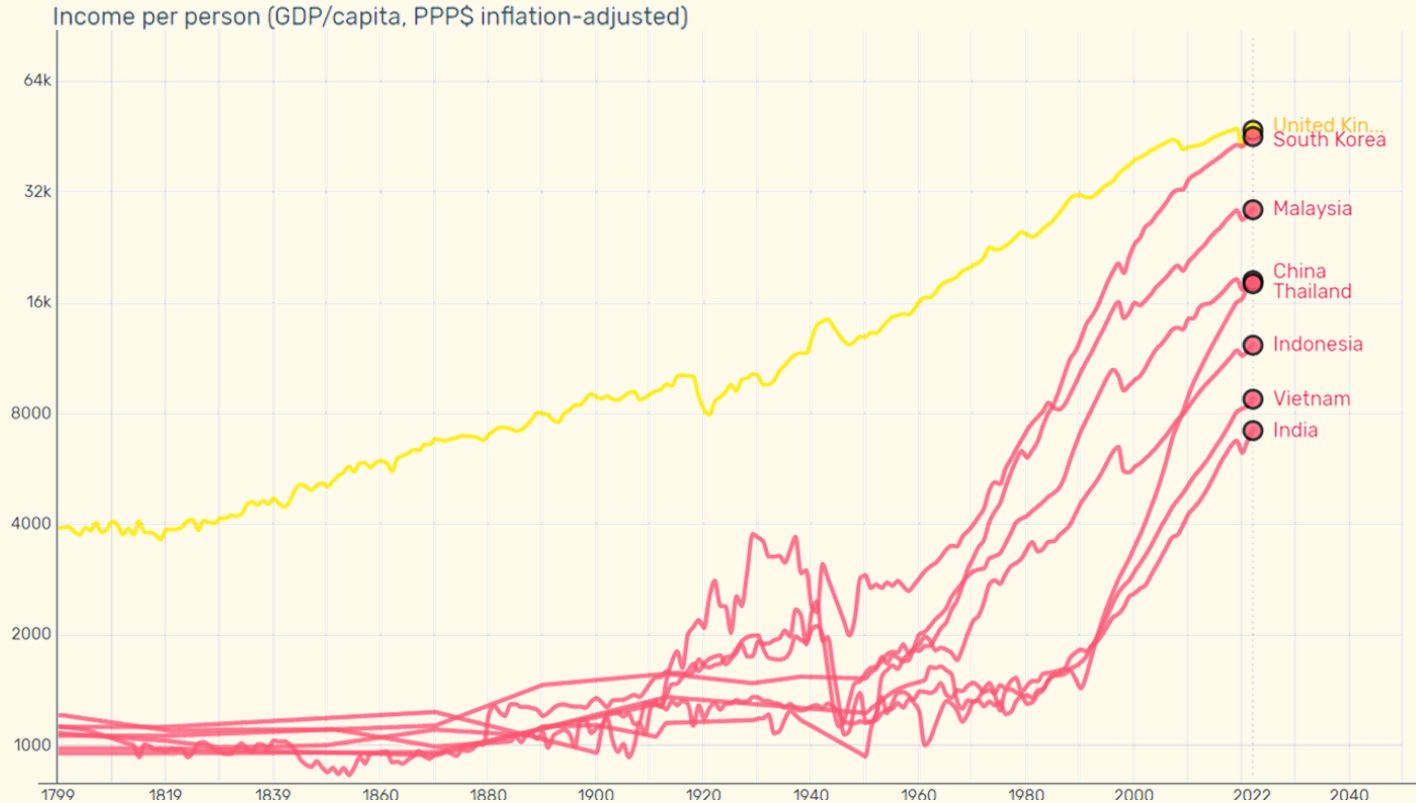
And Asia is only going to matter more – people



Unconnected millions

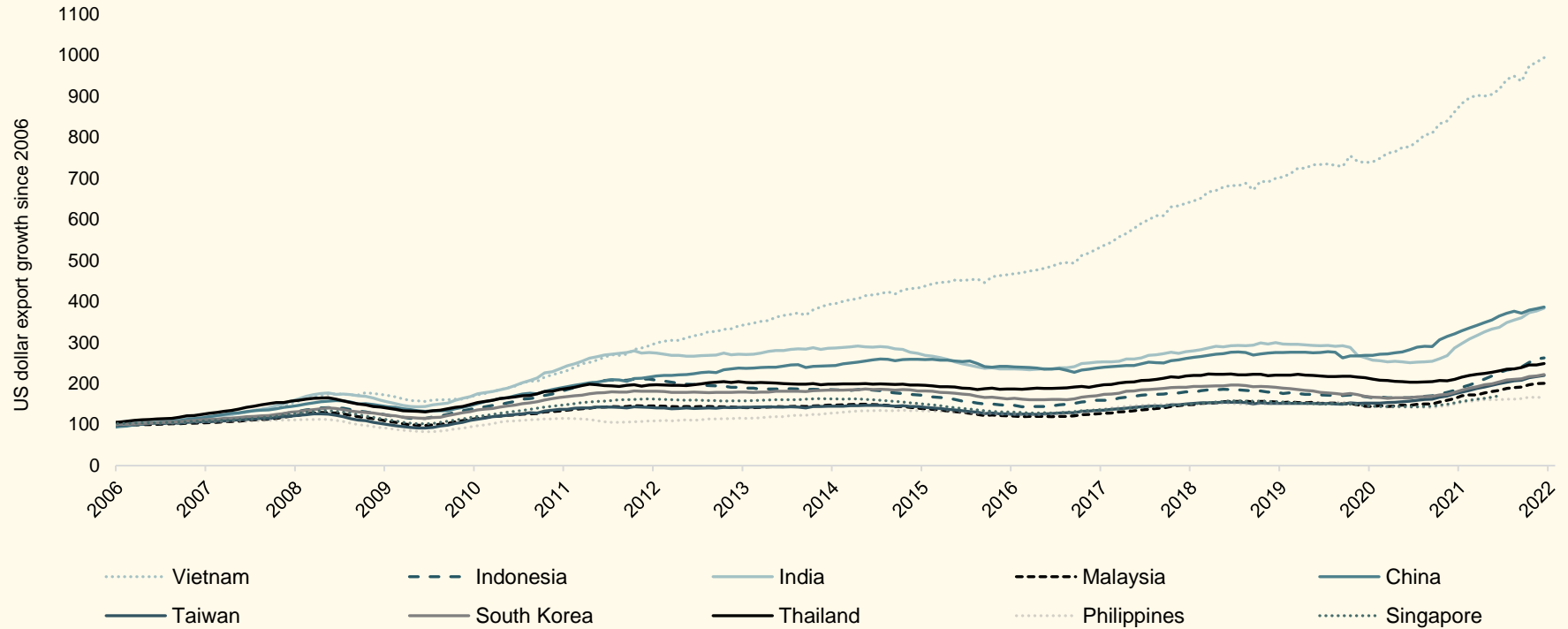
Source: Visual Capitalist published August 2020.

And Asia is only going to matter more – income



Source: Free data from Gapminder.org. Underlying data from World Bank, World Development Indicators, The Maddison Project Database v2020, Penn World Table v10.0, IMF World Economic Outlook, 2022. http://gapm.io/dgdp_cap_ppp

Investing in Asia – exports



Source: Macrobond. US Dollars, rebased to 100.

Investing in Asia – energy's new world order



Materials: the green revolution



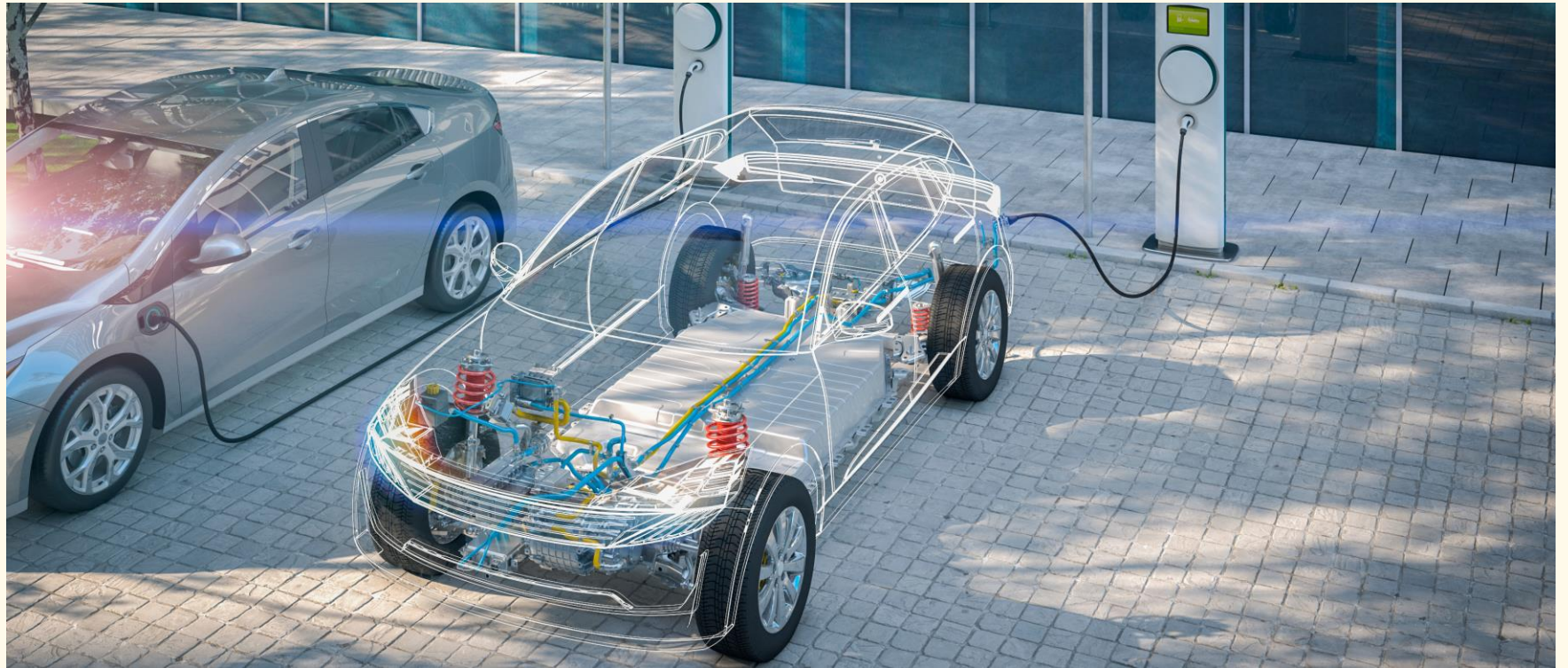
Copper

“Today, the world consumes 30 million tonnes of copper per year and by the year 2050, we’ve got to produce 60 million tonnes of copper per year.”

— Ivan Glasenberg



Nickel



But what about ESG?



ESG is a huge opportunity



“Tesla will give you a giant contract for a long period of time if you mine nickel efficiently and in an environmentally sensitive way.”

— Elon Musk



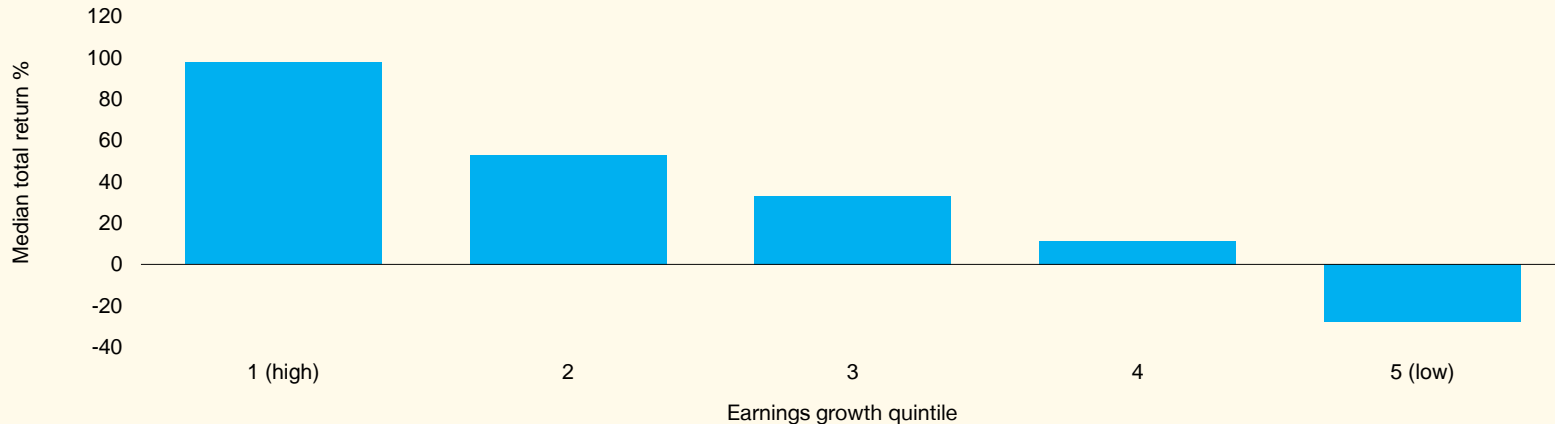
Especially if you can improve

© Bloomberg/Getty Images

Our approach – growth

The most important chart for long term, active growth investors
Returns follow earnings over the long term in Asia ex Japan

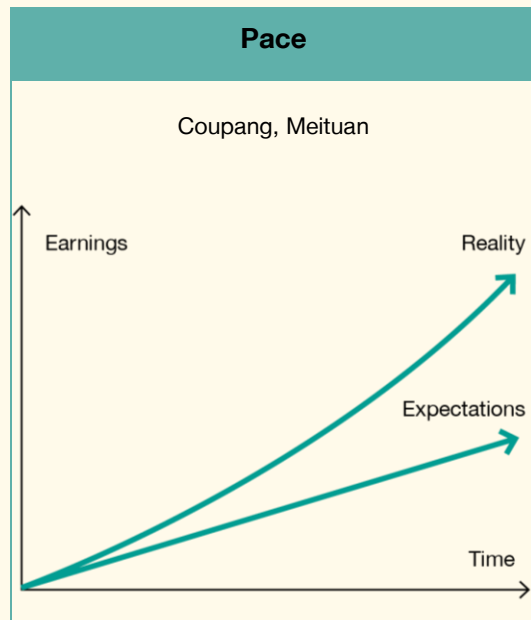
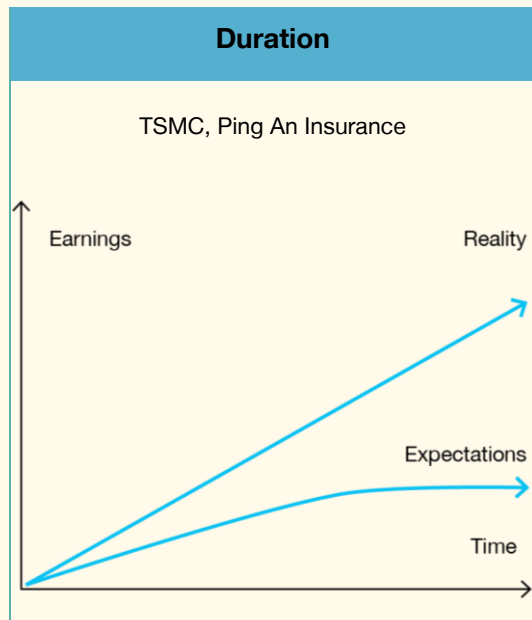
Median share price returns of Asia ex Japan stocks by 5-year rolling growth quintiles



Source: Baillie Gifford & Co, FactSet.

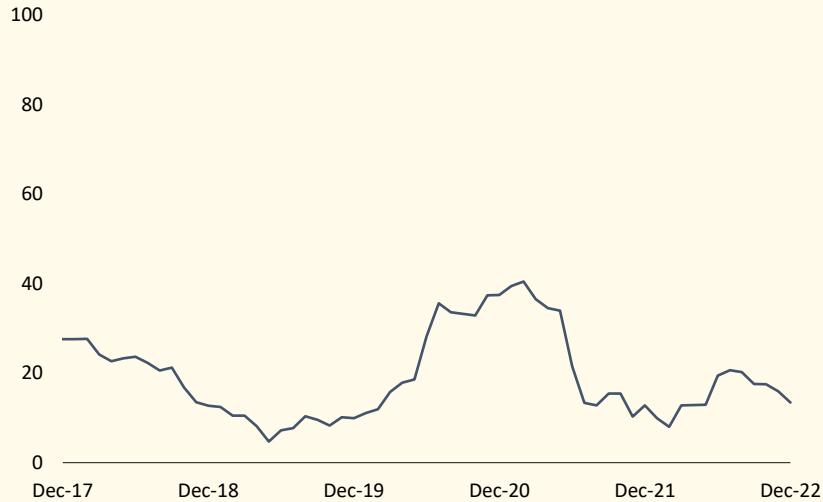
Median 5-year USD share price returns (total return, dividends reinvested) from Asia ex Japan stocks as of the end of December of each year between 1994 and 2021 and with a market capitalisation larger than time-adjusted US\$1bn.

Under appreciated growth opportunities



Patient, active

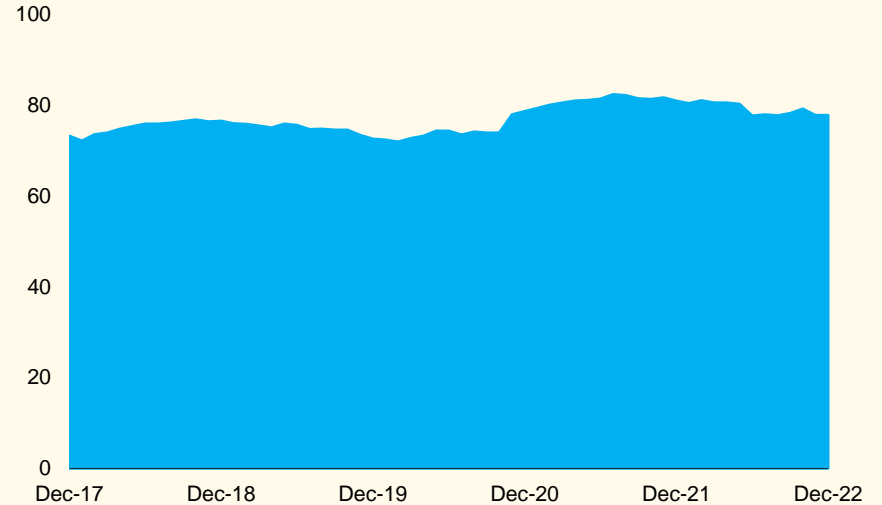
Turnover (%)



— Rolling 12 months

Source: Baillie Gifford & Co, MSCI. Baillie Gifford Pacific Fund

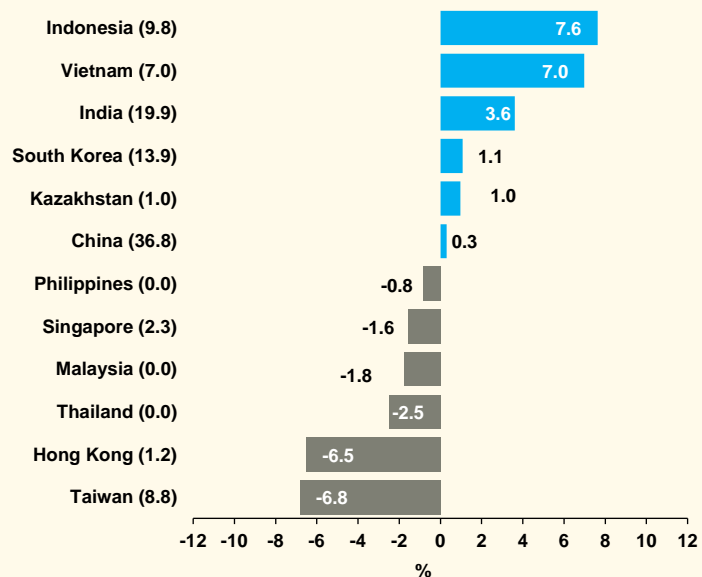
Active share (%)



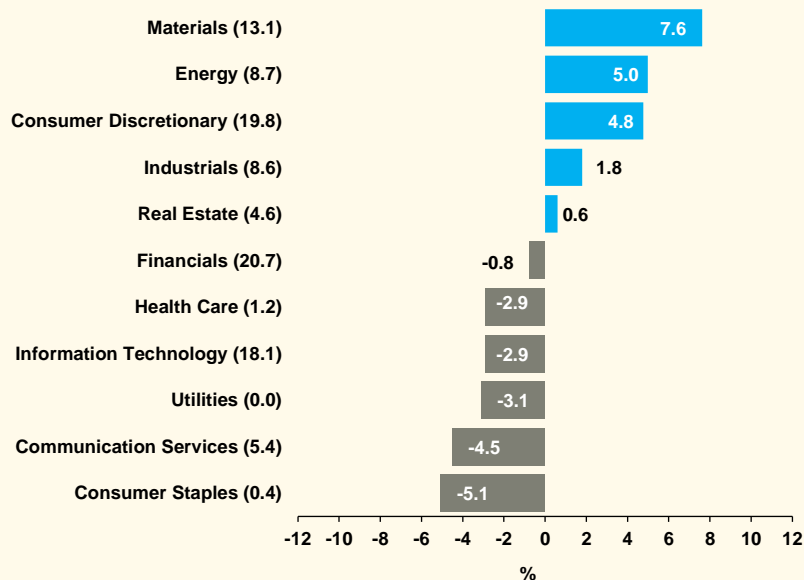
■ Active share vs MSCI AC Asia ex Japan

Willing to be different

Relative geographical positions



Relative sector positions



Source: Baillie Gifford & Co, MSCI.

Absolute positions shown in brackets. Relative to MSCI AC Asia ex Japan Index, as at 31 December 2022.

Baillie Gifford Pacific Fund. Excludes cash.

“But aren't you worried about X, Y, Z...?”



Q&A



Performance: net of fees

Annualised performance to 31 December 2022 (%)

| | 1 Year | 3 Years (p.a.) | 5 Years (p.a.) | 10 Years (p.a.) |
|--|---------|-------------------|-------------------|--------------------|
| Fund (B Acc) | -20.2 | 10.9 | 8.2 | 11.8 |
| Index: MSCI AC Asia ex Japan | -9.2 | 2.1 | 2.0 | 7.0 |
| Target: MSCI AC Asia ex Japan plus 2% per annum over rolling five-year periods | -7.4 | 4.1 | 4.1 | 9.2 |
| IA Asia Pacific ex Japan Sector Quartile | 4 | 1 | 1 | 1 |
| IA Asia Pacific ex Japan Sector Ranking | 122/123 | 4/116 | 3/108 | 2/74 |

Annualised discrete performance

| | 31/12/17- 31/12/18 | 31/12/18- 31/12/19 | 31/12/19- 31/12/20 | 31/12/20- 31/12/21 | 31/12/21- 31/12/22 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Fund (B Acc) | -12.9 | 25.0 | 60.4 | 6.5 | -20.2 |
| Index: MSCI AC Asia ex Japan | -8.8 | 13.9 | 21.5 | -3.6 | -9.2 |
| Target: MSCI AC Asia ex Japan plus 2% per annum over rolling five-year periods | -7.0 | 16.2 | 23.9 | -1.7 | -7.4 |
| IA Asia Pacific ex Japan Sector Average | -9.8 | 15.8 | 20.0 | 1.5 | -6.9 |

Past Performance is not a guide to future returns.

Source: FE, MSCI, total return in sterling. Baillie Gifford Pacific Fund. Target refers to target benchmark. Figures may not sum due to rounding. The manager believes the MSCI AC Asia ex Japan Index +2% is an appropriate target given the investment policy of the Fund and the approach taken by the manager when investing. In addition the manager believes an appropriate performance comparison for this Fund is the Investment Association Asia Pacific excluding Japan sector.

Portfolio listing

| Holding | Portfolio (%) | | |
|-------------------------------------|---------------|--|-------------|
| China | 36.8 | Conch Venture | 0.5 |
| JD.com | 3.7 | Minh Group | 0.4 |
| CNOOC | 2.5 | Huayu Auto Systems | 0.4 |
| Alibaba | 2.5 | Lufax Holding | 0.3 |
| Zijin Mining | 2.2 | Brilliance China Automotive | 0.2 |
| Meituan | 2.2 | China Conch Environment Protection | 0.1 |
| Ping An Insurance | 2.0 | India | 19.9 |
| MMG Limited | 1.9 | Reliance Industries | 4.4 |
| Tencent | 1.7 | HDFC | 1.8 |
| Midea | 1.4 | Phoenix Mills | 1.7 |
| Zhejiang Supor | 1.3 | Tata Motors | 1.6 |
| LONGi Green Energy Technology | 1.3 | ICICI Bank | 1.6 |
| Li Ning | 1.3 | Vedanta | 1.4 |
| China Oilfield Services | 1.2 | DLF | 1.2 |
| Kingdee International Software | 1.0 | AU Small Finance Bank | 1.0 |
| Kuaishou Technology | 0.9 | ICICI Prudential Life Insurance | 1.0 |
| Nexteer Automotive | 0.8 | Indiabulls Real Estate | 1.0 |
| Ping An Bank | 0.8 | ICICI Lombard | 0.9 |
| Jiangxi Copper Company | 0.7 | Tata Iron & Steel Company | 0.9 |
| Geely Automobile | 0.7 | Star Health | 0.5 |
| Guangzhou Kingmed Diagnostics Group | 0.7 | PB Fintech | 0.4 |
| Baidu.com | 0.6 | Delhivery | 0.3 |
| KE Holdings | 0.6 | South Korea | 13.9 |
| Ningbo Peacebird Fashion | 0.6 | Samsung SDI | 3.2 |
| Dada Nexus | 0.6 | Samsung Electronics | 2.6 |
| Zai Lab | 0.6 | Hyundai Mipo Dockyard | 2.1 |
| Han's Laser Technology | 0.5 | Samsung Engineering | 1.7 |
| Wuxi Lead Intelligent Equipment | 0.5 | Koh Young Technology | 1.1 |
| | | EO Technics | 0.9 |
| | | Coupang | 0.8 |
| | | LG Energy Solution | 0.5 |
| | | Big Hit Entertainment | 0.4 |
| | | Douzone Bizon Co | 0.3 |
| | | SK IE Technology | 0.3 |
| | | Indonesia | 9.8 |
| | | Merdeka Copper Gold | 3.1 |
| | | Bank Rakyat Indonesia | 2.2 |
| | | Bank Mandiri | 1.5 |
| | | PT Astra International | 1.2 |
| | | Nickel Mines | 1.0 |
| | | PT Vale Indonesia Tbk | 0.8 |
| | | Taiwan | 8.8 |
| | | TSMC | 4.3 |
| | | Mediatek | 1.7 |
| | | Accton Technology | 1.2 |
| | | AirTac International Group | 0.7 |
| | | Genius Electronic Optical | 0.4 |
| | | Bizlink | 0.4 |
| | | JHL Biotech | 0.0 |
| | | Vietnam | 7.0 |
| | | Dragon Capital Vietnam Enterprise Investments | 2.2 |
| | | HD Bank | 1.4 |
| | | Military Commercial Joint Bank | 1.0 |
| | | Hoa Phat Group | 0.8 |
| | | Vinh Hoan | 0.4 |
| | | Vietcombank | 0.4 |
| | | Vietnam Prosperity Joint Stock Commercial Bank | 0.4 |
| | | Viglacera | 0.3 |
| | | Binh Minh Plastics | 0.1 |
| | | Singapore | 2.3 |
| | | SEA Limited | 1.7 |
| | | Jadestone Energy | 0.5 |
| | | Hong Kong | 1.2 |
| | | Techtronic Industries | 0.8 |
| | | Hong Kong Exchanges & Clearing | 0.4 |
| | | Kazakhstan | 1.0 |
| | | Kaspi.Kz JSC | 1.0 |

86 holdings

Source: Baillie Gifford & Co, MSCI. As at 31 December 2022. Cash -0.5%. Baillie Gifford Pacific Fund. Totals may not sum due to rounding. Please note the fund information contained within this presentation is confidential, proprietary information and should be maintained as such and not disseminated. The content is intended for information purposes only and should not be disclosed to other third parties or used for the purposes of market timing or seeking to gain an unfair advantage.

- Geographical location overweight relative to MSCI AC Asia ex Japan.
- Geographical location underweight relative to MSCI AC Asia ex Japan.

Performance attribution

The background of the slide is an abstract, three-dimensional geometric composition. It features several overlapping planes and rectangular frames in various shades of blue, orange, and white. The perspective is from an interior space looking out through a series of nested, slightly offset rectangular openings, creating a sense of depth and architectural complexity. The lighting is soft, highlighting the edges and surfaces of the planes.

Top and bottom five relative stock contributors

Three months

| Stock | Contribution % |
|------------------------|----------------|
| Zijin Mining Group | 0.4 |
| Kingdee Int'l Software | 0.3 |
| Samsung SDI Co | 0.2 |
| NIO | 0.2 |
| Ping An Insurance | 0.2 |
| HDBank | -0.4 |
| Hyundai Mipo Dockyard | -0.4 |
| AIA Group | -0.4 |
| Tencent | -0.4 |
| PT Astra International | -0.4 |

Twelve months

| Stock | Contribution % |
|------------------------|----------------|
| Phoenix Mills | 0.6 |
| Zijin Mining Group | 0.6 |
| CNOOC | 0.6 |
| Hyundai Mipo Dockyard | 0.5 |
| Merdeka Copper Gold | 0.5 |
| SEA Ltd | -3.2 |
| AIA Group | -0.7 |
| Hoa Phat Group | -0.7 |
| Mediatek | -0.6 |
| Indiabulls Real Estate | -0.6 |

Five years

| Stock | Contribution % |
|------------------------|----------------|
| SEA Ltd | 9.7 |
| Li Ning | 5.1 |
| Accton Technology | 3.2 |
| Alibaba | 2.9 |
| Kingdee Int'l Software | 2.8 |
| Geely Automobile | -1.6 |
| Dada Nexus | -1.3 |
| Lufax Holding | -1.2 |
| Kingsoft Cloud | -1.0 |
| Finetex ENE | -0.9 |

Source: Baillie Gifford & Co, MSCI. Relative to MSCI AC Asia ex Japan Index, as at 31 December 2022. Baillie Gifford Pacific Fund. The stocks highlighted (NIO and AIA Group) were not held during the period shown.

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