

# ACWI ex US Alpha

## Fourth Quarter 2015



The ACWI ex US Alpha strategy is currently closed to new business.

### Key Facts

— Firm-wide assets under management and advice	\$181.3bn
— Clients firm-wide	399
— North American clients' assets	\$78.1bn
— North American clients	230
— ACWI ex US Alpha assets	\$17.3bn
— ACWI ex US Alpha clients	51

Client count comprises segregated and North American pooled clients

### Process

The aim of the Alpha Process is to produce good long-term performance by combining the specialized local knowledge of our investment teams with the experience of our most senior investors. This combination allows us to produce a committed portfolio, which is sufficiently different from its benchmark to add value over time.

### Fees

#### ACWI ex US Alpha Segregated Fees (US dollars)

0.6% first \$25m

0.5% next \$75m

0.4% next \$300m

0.3% next \$600m

0.25% thereafter

Minimum annual segregated fee: \$400,000

### Product Guidelines

#### Summary

Typical benchmark	MSCI ACWI ex US
Investment Time Horizon	3-5 years
Risk	Benchmark aware
Guideline no. of holdings	70-110
Typical annual portfolio turnover	c.25%
Emerging Markets limits are not accepted	

#### Top Ten Holdings

Holdings	Portfolio %	MSCI ACWI ex US Index %
1 TSMC	3.4	0.6
2 Naspers	2.9	0.3
3 Nestlé	2.8	1.4
4 Ryanair	2.5	0.0
5 Samsung Electronics	2.3	0.8
6 Svenska Handelsbanken	2.1	0.1
7 Japan Exchange Group	2.0	0.1
8 ARM	1.9	0.1
9 Inditex	1.9	0.2
10 Deutsche Boerse	1.8	0.1

Representative portfolio. It should not be assumed that recommendations/ transactions made in the future will be profitable or will equal performance of the securities mentioned. A full list of holdings is available on request.

### Composite Performance



Annualized periods ended December 31, 2015, US dollars. \*Not annualized. \*\*Please see fee scale above. The ACWI ex US Alpha strategy is more concentrated than the MSCI ACWI ex US Index. Inception date: June 30, 2002.

## ACWI ex US Alpha Portfolio Construction Group

Gerald Smith†

Chairman, Portfolio Construction Group

— 28 yrs' experience\*

Angus Franklin†

ACWI ex US Alpha Investment Manager

— 21 yrs' experience\*

Donald Farquharson

Japan Investment Manager

— 27 yrs' experience

Andrew Strathdee

UK Equity Investment Manager

— 20 yrs' experience\*

Jonathan Bates†

ACWI ex US Alpha Investment Manager

— 22 yrs' experience\*

Andrew Stobart

Emerging Markets Investment Manager

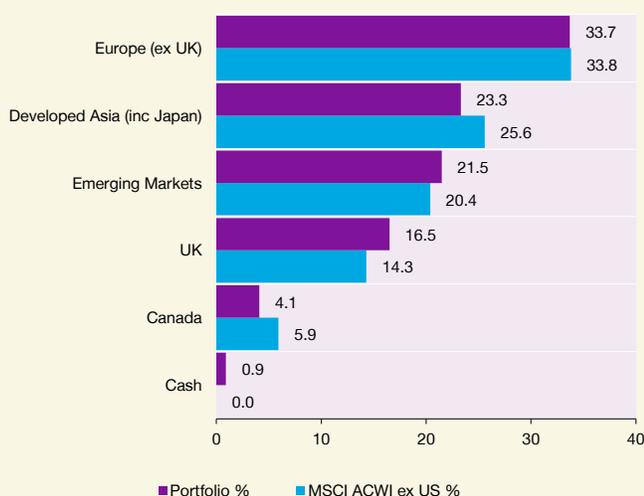
— 24 yrs' experience\*

+3 Institutional Client Service Representatives

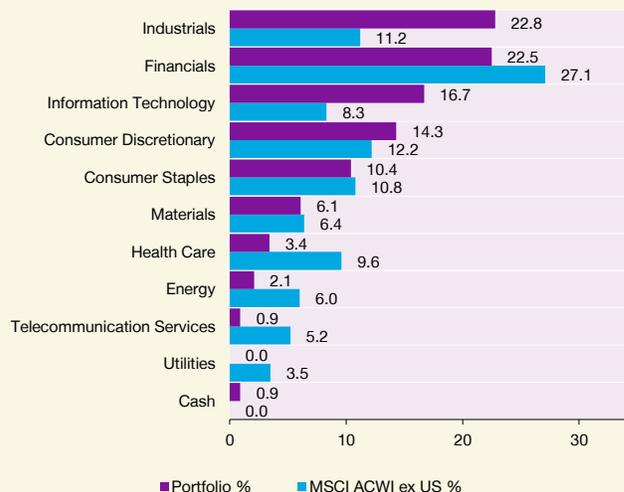
†Partner \*All with Baillie Gifford.

The ACWI ex US Alpha Portfolio Construction Group takes full responsibility for portfolio construction and stock selection. There is a greater emphasis on managing exposure at the overall portfolio level and consequently the portfolios will tend to be more concentrated.

### Regional Allocation



### Sector Weights (excludes cash)



Based on a representative portfolio. Totals may not sum due to rounding.

## Regulatory Information

This bulletin is solely for the use of professional investors and should not be relied upon by any other person. It is not intended for use by retail clients. It does not constitute an offer to anyone or a solicitation to anyone. Nothing in the document should be construed as advice and it is therefore not a recommendation to buy or sell shares.

Baillie Gifford Overseas Limited is wholly owned by Baillie Gifford & Co. Baillie Gifford Overseas Limited provides investment management and advisory services to non-UK clients. Both are authorized and regulated by the Financial Conduct Authority. Baillie Gifford Overseas Limited is registered with the SEC in the United States of America.

Baillie Gifford International LLC is wholly owned by Baillie Gifford Overseas Limited; it was formed in Delaware in 2005. It is the legal entity through which Baillie Gifford Overseas Limited provides client service and marketing functions in America, as well as some marketing functions in Canada.

Past performance is not a guide to future performance. All investment strategies have the potential for profit and loss. Changes in investment strategies, contributions or withdrawals may materially alter the performance, strategy and results of your portfolio. All performance data is on a dividend and income reinvested basis. Net of fees returns are calculated by deducting the highest management fee for the strategy.

Historical performance results for investment indexes and or categories, generally do not reflect the deduction of transaction costs and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. This performance reflects the performance of clients of the advisor and other entities within the Baillie Gifford Group.

Where stated, all information is based on a representative portfolio. New client portfolios may not mirror the representative portfolio exactly.

This bulletin 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. All amounts are in US dollars, as of December 31, 2015, unless otherwise stated.

## Contact

Bill Pacula

Tel: (212) 319 4637  
 Fax: (212) 319 4639  
 email: william.pacula@bailliegifford.com

Larysa Bemko

Tel: (212) 319 4638  
 Fax: (212) 319 4639  
 email: larysa.bemko@bailliegifford.com

**Baillie Gifford International LLC**  
**780 Third Avenue, 47th Floor, New York, NY 10017**  
**Website: www.bailliegifford.com**