Annual Report and
Financial Statements

31 December 2024

The Scottish American Investment Company P.L.C. (SAINTS)

Income again and again

Managed by

Baillie Gifford™

Investor disclosure document

The UK Alternative Investment Fund Managers Regulations requires certain information to be made available to investors prior to their investment in the Company. The Company's Investor Disclosure Document is available for viewing at **saints-it.com**.

Notes

None of the views expressed in this document should be construed as advice to buy or sell a particular investment.

Investment trusts are UK public listed companies and as such comply with the requirements of the Financial Conduct Authority ('FCA'). They are not authorised or regulated by the FCA.

SAINTS currently conducts its affairs, and intends to continue to conduct its affairs, so that the Company's ordinary shares can qualify to be considered as a mainstream investment product and can be recommended by Independent Financial Advisers to ordinary retail investors in accordance with the rules of the FCA in relation to non-mainstream investment products.

This document is important and requires your immediate attention.

If you reside in the UK and you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately. If you are outside the UK, you should consult an appropriately authorised financial adviser.

If you have sold or otherwise transferred all of your ordinary shares in The Scottish American Investment Company P.L.C., please forward this document, together with any accompanying documents, but not your personalised Form of Proxy, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was or is being effected for delivery to the purchaser or transferee.

Baillie Gifford™

Contents

SAINTS aims to deliver real dividend growth by increasing capital and growing income.

Financial highlights

Year to 31 December 2024

Dividend

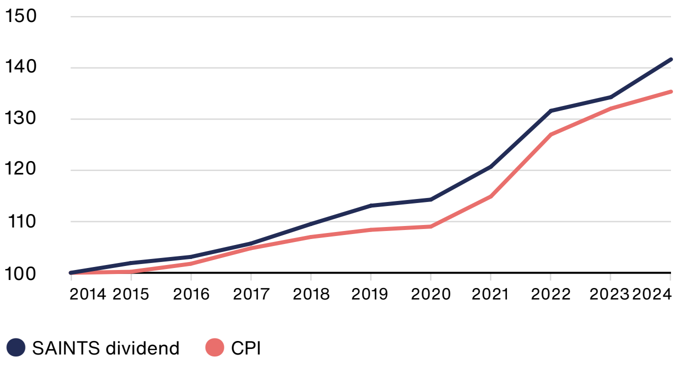
14.875p

Yield

3.0%

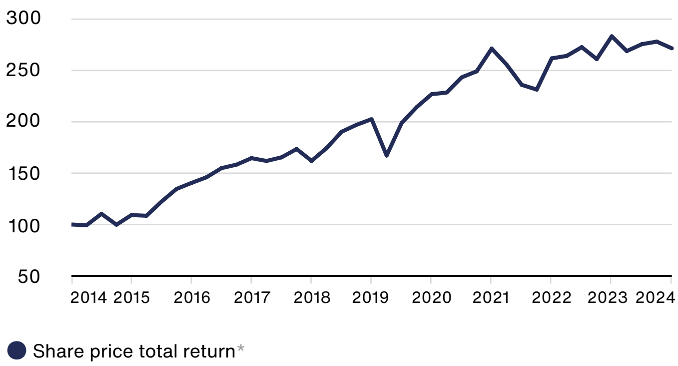
Dividend versus inflation

(figures rebased to 100 at 31 December 2014)



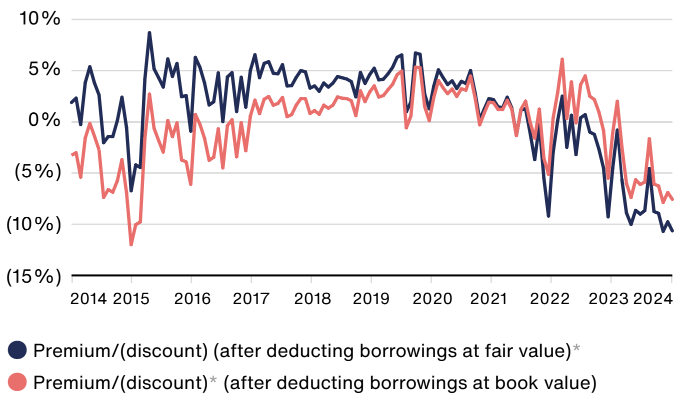
Share price total return*

(figures rebased to 100 at 31 December 2014)



Premium/(discount)*

(figures plotted at month end dates)



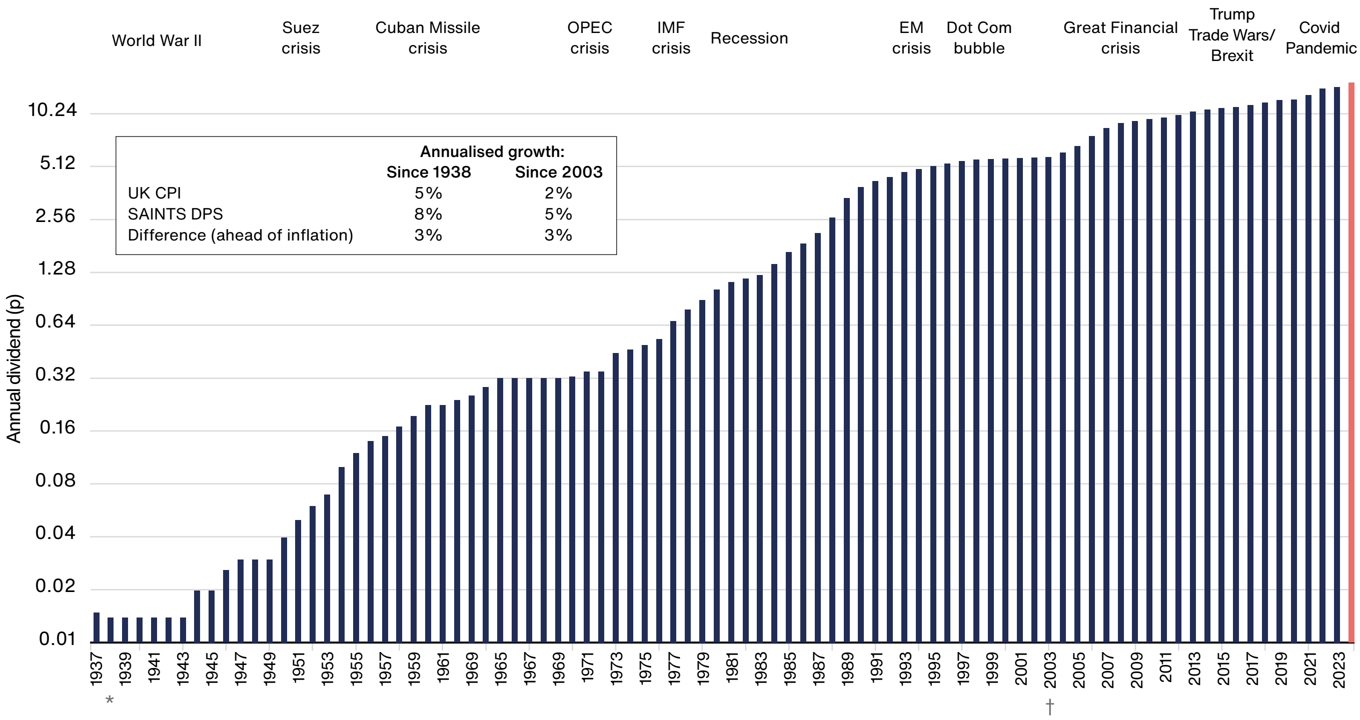
Source: LSEG/Baillie Gifford and relevant underlying index providers. See disclaimer on page 116.

* Alternative performance measure – see glossary of terms and alternative performance measures on pages 122 to 124.

Past performance is not a guide to future performance.

Long-term dividend growth

Net dividend paid per share



SAINTS dividend (pence)
2024 dividend (14.875p)

* 1938: SAINTS last dividend reduction (US dollar repatriation for WW2).

† 2003: Baillie Gifford appointed, with effect from the 1st of January 2004.

Source: The Scottish American Investment Company P.L.C. Annual Reports, Baillie Gifford. Dividends are shown net of withholding taxes since 1973, when Advanced Corporation Tax was first introduced in the UK. Dividends from 1965-1973 are shown net of the 45% Corporation Tax introduced in the Financial Act of 1965. Dividends prior to 1965 are shown as if the Corporation Tax had existed before 1965, on a comparable basis. Inflation data sourced from the Office for National Statistics.

Strategic report

This strategic report, which includes pages 5 to 53 and incorporates the Chairman's statement, has been prepared in accordance with the Companies Act 2006.

Chairman's statement

Lord Macpherson of Earl's Court

Chairman

Appointed to the Board in 2016 and as Chairman in 2022

SAINTS' objective is to deliver real dividend growth by increasing capital and growing income. The Board is recommending a final dividend which will bring the total dividends for the year to 14.875p per share, an increase of 5.5% over the previous year. The Company continues to meet its objective of growing dividends ahead of inflation over the long term, and the recommended dividend will also extend the Company's record of raising its dividend to fifty one consecutive years.

However, despite encouraging income growth and SAINTS' Net Asset Value reaching record levels during 2024, total returns have not kept up with the market and a growing discount has compounded the underperformance of the share price. The Board takes the widening of the discount seriously and embarked on a programme of share buy backs in 2024.

The Board notes the increased focus on the role of investment trusts and their boards. It is entirely appropriate for shareholders to focus on both long term performance and the relationship between share prices and NAV, which can present both a risk and an opportunity. Independent directors are there to act in the best interests of all shareholders, independent of the preferences of incumbent or potential managers, and to consider whether their trust's investment objectives remain relevant and are being met. All of SAINTS' Directors are independent.

It is the Board's belief that in the case of SAINTS the demand for an income which grows ahead of inflation remains at the core of its shareholders' requirements, and it considers that SAINTS is well placed reliably to deliver on this objective in the future as it has done in the past. The Board regularly reviews and continues to have confidence in the Company's underlying investment strategy and in its managers, whilst maintaining a sharp focus on the operational performance of the Company's holdings and on the robustness and suitability of the managers' investment process. The Board also recognises the importance of Baillie Gifford's scale, resources and stability as a partnership, and the close alignment of the Company's and Baillie Gifford's focus on the long term.

Overview

2024 has seen further remarkable progress from investment markets, led by a small number of very large companies in the US, which have dominated both earnings growth and market performance. Markets have also been supported by a generally benign economic backdrop, with the prospect of continuing economic growth, in the US in particular, and moderating interest rates.

When the biggest companies in the world index perform strongly and are concentrated in the technology sector, and when the most cyclical companies also perform well, life is challenging for portfolios with a focus on high quality and predictably cash generative businesses. Last year's pattern of performance is unusual, despite the fact that it is a continuation of a phase which began in 2023. And, as last year, the companies which have dominated the market are a handful of very large and generally low yielding technology companies in the US.

This is not a backdrop which has favoured the total return performance of your Company. SAINTS' emphasis on steady earnings growth and dependability has led to continued strong operational performance and helped revenues to grow ahead of inflation, but NAV performance, though positive, has been disappointing relative to the market. There are two principal reasons that SAINTS' NAV performance has lagged. First, our emphasis on income, and on dependability and reliability, has led us to avoid many AI related stocks and also many cyclical stocks and sectors which have performed well this year as markets have become more optimistic. In contrast, the market has come to the view that, amidst the uncertainty and strategic ambiguity of the new U.S. Presidency, those technology companies which are currently delivering strong growth are the place to be invested. Secondly, SAINTS also invests in asset classes other than equities, principally property and bonds, which bring advantages in terms of diversification and income resilience but have not kept up with equities in a period of high interest rates. However, there are signs that the domestic property market has turned the corner with capital values rising in the second half of the year.

In this context, it is worth emphasising that the Board remains committed to delivering a dividend which increases ahead of inflation over time, and which is supported by revenues and revenue growth. The nature of the Manager's approach to investing in equities flows from this, as does SAINTS' investments in other asset classes including property. The Board remains confident in this approach, and we also believe that the property allocation in particular is well fitted to supporting SAINTS' objectives. Our investment in property remains modest at just over 9 per cent of our asset value but, because of the higher yield available and the nature of many of the leases, provides substantial support to SAINTS' current dividend, as well as an element of income growth. In particular, the high proportion of properties which have fixed rent increases or rent increases which are contractually linked to inflation, together with the quality of the tenants and an average lease length of over fifteen years, provide considerable comfort. We understand that some shareholders would prefer to have an all equity portfolio, but believe that others appreciate the helpful impact on SAINTS' revenues, the lack of exchange rate risk and the good long term record of our property managers, OLIM.

Against a backdrop of widening of discounts across the investment trust sector, SAINTS' share price has not kept pace with its NAV over the year. To help support SAINTS' share price, the Board has selectively bought back shares at levels which have also enhanced NAV. Factors affecting the discount and demand for the Company's shares are likely to have included both performance and the availability of alternative investments such as gilts with higher yields or trusts with higher, manufactured dividends. The Board is confident that the advantages of SAINTS' approach will again come to the fore in other market environments when falling capital values are likely to lead either to a reduction in manufactured dividends based on net asset value or a need to sell more assets at lower prices to maintain or grow distributions. SAINTS has traded at a premium for most of the last decade, during which time it issued many more shares than it has so far bought back, and the Board remains confident that the discount is cyclical rather than structural.

Ultimately though, it is the underlying growth and the growth prospects of SAINTS' holdings which will be of most importance in returning SAINTS' shares to the premium at which they have typically stood in recent years. And here the Managers' Review (on pages 15 to 23) tells a positive story. The Managers will continue to focus on the encouraging operational progress of SAINTS' holdings, and to emphasise dependability and reliability as well as growth potential. This approach has stood the test of time, and both the Board and the managers remain confident that it will enable SAINTS to continue to deliver on its objectives in the future.

Given the long-term nature of the Company's objectives, it is worth emphasising both SAINTS' successful record of raising its dividend ahead of inflation over the long term, and the strong total returns it has delivered. In particular, the Board and the Managers are pleased that 2024 marked the fifty first successive year of dividend growth for SAINTS' shareholders.

Dividend and Inflation

The Board recommends a final dividend of 4.175p which will take the full year dividend to 14.875p per share, 5.5% higher than the 2023 dividend of 14.10p. This year's increase is 3% ahead of the annual rate of inflation of 2.5% as measured by CPI over 2024.

It remains the Company's objective to deliver real dividend growth over the long term. Since 1938, when SAINTS last reduced its dividend, the Company has delivered dividends that have not only been resilient through thick and thin, but have also grown by more than 3% a year ahead of inflation. And since the end of 2003, when the Board of SAINTS appointed Baillie Gifford as managers, the Company has continued this track record of resilient dividend growth: over this period the growth in SAINTS' dividend has also beaten inflation by 3% a year.

Revenues

Earnings per share grew to 14.50p over the year, an increase of some 7.6% over the year, and investment income has risen to £32.4m. Operational performance of the holdings has been generally encouraging, and currency movements have also been helpful.

Equity income has risen by some 11%, helped by generally strong growth in ordinary dividends, a more normal level of special dividends (following a drop in special dividends last year) and an increased allocation to infrastructure equities.

Property income has risen significantly, reflecting the welcome addition of the M23 Pease Pottage motorway service area to the portfolio (which was mentioned in my statement last year but which was not completed until after the 2023 year end), as well as other transactions and further rental increases. Bond income, on the other hand has fallen, as the bulk of SAINTS' bonds were sold to fund the additions to property.

Both managers (Baillie Gifford and, for the Company's property investments, OLIM) continue to focus on supporting the dependability and the future growth of the Company's dividend in line with its objective.

Total Return Performance

SAINTS' NAV return was positive over the year, and the net asset value total return (capital and income with borrowings at fair) was 6.1%. However, for the reasons summarised above, SAINTS' returns fell short of those from global equities (as measured by the total of return of the FTSE All-World Index in sterling terms) which returned 19.8% over 2024. In addition, as also mentioned above, SAINTS' share price return has, in common with investment trusts generally, been affected by a broadening of discounts, and the share price return was -4.2%. SAINTS' performance over the year is discussed in more detail in the Managers' review on pages 19 and 20.

The Managers and your Board have a long-term perspective and we would therefore encourage shareholders to assess your Company's performance over the long term. Over the last ten years SAINTS has delivered a NAV return of 8.6% per annum, which is strong in absolute terms.

In addition, SAINTS' NAV total return remains well ahead of its sector's return of 4.7% per annum over ten years and, despite the recent broadening of the discount, SAINTS' share price total return also remains ahead of the sector over ten years.

However, due to recent underperformance, SAINTS' NAV return is now behind that of the market as measured by the Company's benchmark which has returned 9.6% pa over the last ten years. Furthermore, the broadening of the discount has meant that SAINTS' share price total return is further behind at 7.2% pa. Whilst these figures are disappointing in relative terms, it is worth bearing two things in mind. Firstly, SAINTS has an income approach, both in terms of its primary objective and the way its assets are deployed to meet that objective. And secondly, we are viewing these figures after a highly unusual period in markets. Over the last ten years, we believe that SAINTS' equities have performed well given SAINTS' income approach, and SAINTS' other principal allocation to property has also performed creditably.

The principal contributors to and detractors from performance and the changes to the equity, property and bond investments are explained in more detail in the Managers' review on pages 15 to 23.

Borrowings

In recent years SAINTS' long term borrowings have been refinanced and modestly increased at advantageous interest rates. The cost of these borrowings is just under 3% per annum.

The book value of the total borrowings is £94.7m which, at the year end, was equivalent to approximately 9.9% of shareholders' funds. The estimated market or fair value of the borrowings was £62.1m, a decrease from the previous year's value of £68.2m.

Environmental, Social and Governance (ESG)

The Board of SAINTS recognises the importance of considering Environmental, Social and Governance (ESG) factors when making investments, and in acting as a responsible steward of capital. We consider that Board oversight of such matters is an important part of our responsibility to shareholders, and SAINTS' ESG Policy is available to view on the Company's website (**saints-it.com**).

The Board has been strongly supportive of Baillie Gifford's approach and of their constructive engagement with the companies you own, and with potential holdings, in relation to important challenges including climate change. The Board is also supportive of OLIM's approach in relation to property, and in particular of its consideration of environmental factors including climate change in assessing the suitability of SAINTS' investments. I would encourage shareholders to read SAINTS' annual Stewardship Report which can also be accessed on the Company's website (**saints-it.com**).

Issuance and buybacks

Over the year the Company has bought back 1,665,185 shares (representing 0.93% of the shares in issue at the start of the year) at a cost of some £8.5m. All buybacks have taken place at a significant discount to the Company's NAV, and so each buyback has increased the NAV per share of the Company. The Board is monitoring closely evidence of the effect which buybacks have on the share price and discount. No shares were issued during the year.

The Board and the Managers

In April 2023, it was announced that Bronwyn Curtis would not be seeking re-election to the Board in 2024, and Ms Curtis stood down at the conclusion of last year's AGM. At the Board's request, Dame Mariot Leslie took over as the Senior Independent Director following Bronwyn's retirement.

The Board, assisted by external consultants, conducted a recruitment exercise during 2023, following which Padmesh Shukla joined the Board in February 2024 and his appointment was ratified by shareholders at the AGM in April 2024. Padmesh is the Chief Investment Officer of the Transport For London ('TFL') Pension Fund, and has over 25 years of investment experience, including 12 years in his current role at TFL. He was formerly head of Climate Change Financing at the London Development Agency, and prior to that he had worked at the World Bank, as a Researcher at Harvard and in real estate. He is currently a member of the Church of England Pensions Investment Committee.

I have indicated that I do not intend to stand for re-election as a Director at the AGM in 2026. It is the Board's intention to recruit a new Director over the course of 2025, with a view to that Director becoming the chairperson of SAINTS at the conclusion of the AGM in April 2026.

As previously announced, Toby Ross stepped back from his role as joint manager of SAINTS in February with the thanks of the Board. The Board looks forward to continuing to work with James Dow as manager and Ross Mathison as deputy manager.

Outlook

Despite, and indeed partly because of, the very strong performance of equity markets the risks to investors are clearly apparent. With the election of President Trump, the markets are already assuming fewer interest rate cuts and bond yields have risen. Governments, in particular in the UK and EU, will be under pressure to consolidate further the public finances. And protectionism will almost certainly increase.

The Board recognises the risks these developments pose for a company like SAINTS which is focused on delivering income from global equities. But we take considerable comfort from the fact that global refers primarily to having the global opportunity set which SAINTS has enjoyed for well over a century, rather than being a one way bet on global trade. Opportunities will continue to arise, not least as the benefits of technological progress spread beyond the Tech giants. In particular, the Board and your managers remain alert to both opportunities and risks arising from the accelerated adoption of Artificial Intelligence, many of which will be in the broader economy and market. And if higher interest rates force governments to tackle the proliferation of government debt, to reduce regulation and to promote economic growth, that may well be good for performance over the long term. In this environment, having an actively managed portfolio which invests only in those stocks which are believed to provide a lasting opportunity, and which seeks to avoid those which are overvalued or under threat remains doubly important.

As a Board, we believe a long-term approach based on investing globally for sustainable growth is the best route to achieving SAINTS' aim of growing the dividend ahead of inflation over time. As we look ahead, we also take considerable comfort from the nature of SAINTS' investments, and from the managers' emphasis on quality, on dependability and on growth far out into the future. We are encouraged that, as is outlined further in the Managers' review on pages 15 to 23, Baillie Gifford have continued to find new and attractive opportunities, and we also believe that both the quality and duration of SAINTS' property portfolio have been enhanced over the past year.

SAINTS has been working for individual investors for 150 years. It is built to help shareholders' income keep pace with inflation, as well as providing capital growth. And it is built for resilience.

AGM

The AGM will be held at 11.30am on Tuesday 8 April 2025 at Baillie Gifford's offices at Calton Square, 1 Greenside Row, Edinburgh. The meeting will be followed by a presentation from the managers. Shareholders are cordially invited to attend the meeting and presentation, and this year those who are unable to attend in person will be able to view proceedings by remote video link. Details of joining the AGM remotely can be obtained by contacting the Company's Managers at **enquiries@bailliegifford.com** who will be able to provide you with details and instructions for doing so. Please note you will not be able to vote and you will not be counted as part of the quorum but you will have the opportunity to watch the managers' presentation.

I would remind shareholders that they are able to submit proxy voting forms before the applicable deadline and also to direct any questions or comments for the Board in advance of the meeting through the Company's Managers, either by emailing **enquiries@bailliegifford.com** or calling 0800 917 2113 (Baillie Gifford may record your call).

The Board welcomes recent moves by platforms to facilitate shareholder participation and encourages shareholders to cast their votes. The Association of Investment Companies' guidance on how to vote through various investment platforms can be found on its website at: **How to vote your shares | The AIC**.

Finally, my fellow Directors and I send you all our very best wishes for the year ahead.

Lord Macpherson of Earl's Court
Chairman
12 February 2025

For a definition of terms see glossary of terms and alternative performance measures on pages 122 to 124.
Source: LSEG/Baillie Gifford and relevant underlying index providers. See disclaimer on page 116.
Past performance is not a guide to future performance.

Investment approach

SAINTS' aim is to provide its shareholders with a dependable source of income, together with growth in income and capital that exceeds inflation over time. To achieve these goals, our strategy is to allocate the majority of the Company's assets to a portfolio of carefully selected global equities. History tells us that equities offer investors the best opportunity to enjoy inflation-beating growth in income and capital over the long term.

Within the equity portfolio, we focus solely on companies whose income and growth potential is aligned with SAINTS' goals. Our starting point for any equity investment is a company's long term potential for earnings and cash flow growth above inflation. We believe share prices and dividends over the long term follow company earnings and cash flows. By investing only in companies whose earnings and cash flows are likely to grow ahead of inflation, we expect the shares held in the equity portfolio to deliver the growth in income and capital that we seek for SAINTS' shareholders.

Besides the potential for profit growth, we seek dividend dependability at any company in which we invest. By 'dependability' we mean the resilience of a company's dividend through business and economic cycles. We focus on companies whose dividends are likely to prove dependable over long periods of time, regardless of the prevailing market conditions or economic cycle. These resilient dividends help underpin the dependability of SAINTS' own distributions to shareholders.

Companies with the prospect of both dependable dividends and attractive profit growth are not common. However, we make full use of the global equity universe available to the Company, which consists of several thousand stocks. This allows us to construct a diversified portfolio of investments which meet our requirements. Typically the portfolio consists of around 50–80 companies. We believe this range strikes the right balance between diversification and focus.

SAINTS' portfolio is very different from conventional equity market indices. The income stream from such indices is often dominated by the dividends from a small number of companies, often in cyclical and capital-intensive industries. The result is that as a source of income they are unreliable. Our approach is consciously different, to ensure stability of the income we generate for the Company's shareholders.

We are also only interested in truly sustainable income streams, which ultimately come from companies that are managed in a responsible way. Our approach therefore gives careful consideration to environmental, social and governance factors; and we seek to engage constructively with the companies in which we invest in order to help promote their continued long term success. Shareholders can read more about our efforts here in our Annual Stewardship Report, available on the Company's website **saints-it.com**.

To identify the businesses we are looking for, we employ a disciplined research process that focuses on the dependability of a company's dividend and the growth potential of its earnings and cash flow. The opportunities for growth vary widely, but they can be broadly described as falling into one of four categories described on page 12. We have also used this categorisation to illustrate the portfolio, as at 31 December 2024 on page 13.

Each block in the illustration represents an individual holding, and the height of each block indicates the size of the holding in the equity portfolio. The colour of each block represents the type of growth by which we categorise the company. The column in which a block appears indicates the stock's dividend yield, shown across the horizontal axis.

Borrowed funds

Although the equity portfolio accounts for the majority of the Company's investments, we also invest in portfolios of property, infrastructure equities and bonds. As an investment company, SAINTS benefits from the ability to use borrowings, up to a prudent amount. By investing these borrowings in the property, infrastructure equity and bond portfolios, we enhance the Company's ability to meet its investment objective.

SAINTS' borrowings currently take the form of long term secured privately placed loan notes. The borrowed money is invested with the intention of beating the cost of these borrowings. Our asset allocation decisions aim to strike a balance between income contribution, income dependability and growth at the whole portfolio level.

A directly-held portfolio of UK commercial property, managed by OLIM Property Limited, has been a favoured investment for the borrowed funds for many years. The allocation to this property portfolio has varied over time, but the continuing attraction is OLIM Property Limited's focus on strong covenants and lease terms that typically include fixed or inflation-linked rent increases. Properties are selected for the portfolio on the basis of their income dependability and growth characteristics, much as in the equity portfolio.

Similarly, SAINTS' global portfolio of infrastructure equities offer the prospect of dependable real income and capital growth over time. We hold fixed income investments where we view the income as being resistant, and where the level of income significantly exceeds the cost of borrowing.

Summary

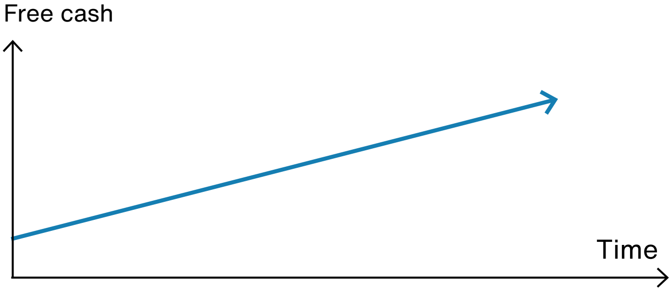
Aim: To provide shareholders with a dependable source of income, together with growth in income and capital that exceeds inflation over time.

- This aim is underpinned for the long term by investment in a portfolio of equities selected for their real income and capital growth potential.
- Equity investments are complemented through the opportunistic investment of borrowed funds:
    - A high-yielding directly-held UK property portfolio offering a dependable and growing rental income stream;
    - A global portfolio of infrastructure equities to provide real growth in income and capital;
    - Fixed income investments to enhance resources.
- A robust dividend in even the most challenging of investment environments:
    - Underlying investments are selected for dependability of income alongside growth;
    - The Board and management team are committed to delivering real dividend growth sustainably into the future;
    - Significant revenue reserves to support the smooth progression of dividends.

Outcome: An investment for the long term which can generate a dependable income stream, with significant growth potential in both capital and income.

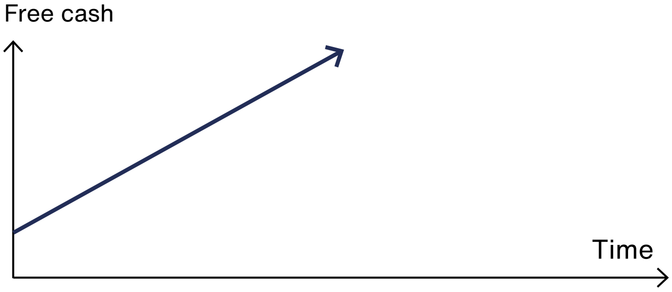
Drivers of earnings and cashflow growth

Compounding machines



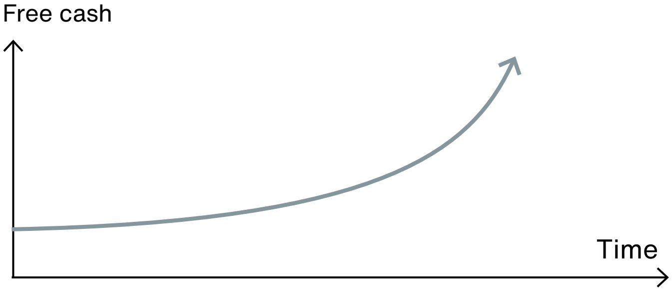
Characteristics
Enduring competitive positions
Strong balance sheets
Proven management
Expected outcome
Consistent above-average cash flow and dividend growth

Exceptional revenue opportunity



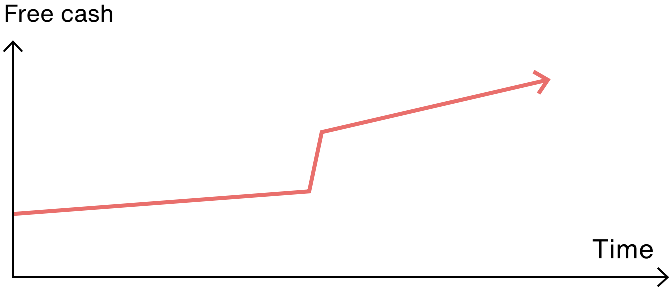
Characteristics
Market leaders
Pricing power
Strong volume growth
Expected outcome
Exceptional growth in earnings and cash flow

Management acceleration



Characteristics
Margins below potential
Catalyst for change identified
Strong management and clear strategy
Expected outcome
Exceptional cash flow and dividend growth

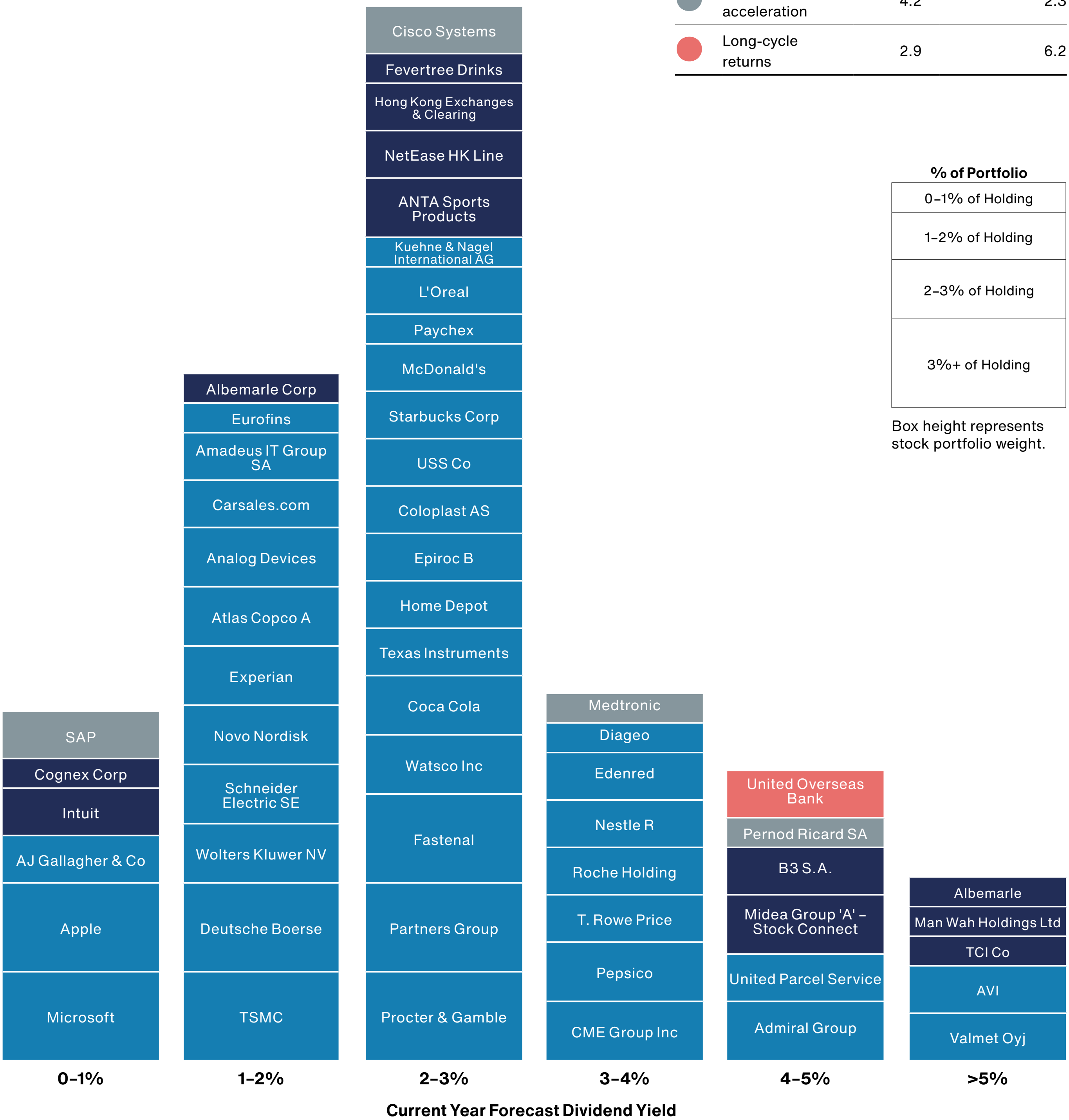
Long-cycle returns



Characteristics
Strategic development
Change in capital requirements
Shift of cash allocation priorities
Expected outcome
Consistent above-average cash flow and dividend growth

What will drive growth in earnings and cash flow available for dividends?

	Global equities %	Weighted Average Yield %
Compounding machines	80.7	2.2
Exceptional revenue opportunity	12.2	3.1
Management acceleration	4.2	2.3
Long-cycle returns	2.9	6.2



Source: IBES, Bloomberg, Baillie Gifford & Co. Holding sizes and forecast yields are as at 31 December 2024. Totals may not sum due to rounding.

Yields are based on market consensus and Baillie Gifford estimates of ordinary dividends, on a 12 month forward basis, net of withholding taxes. Excludes cash, weights have been rebalanced to 100%.

The following holdings are classified as infrastructure equity investments, and therefore are not included in the chart: Assura, BBGI, Exelon, Greencoat UK Wind, Jiangsu Expressway, Terna.

Portfolio managers

James Dow

Investment Manager

Appointed 2016

James is head of Global Income Growth and manager of the Scottish American Investment Company P.L.C., as well as a member of the Portfolio Construction Group for the Sustainable Income Strategy. He joined Baillie Gifford in 2004 and became a partner in the firm in 2023. Prior to this he was an investment manager in our US Equities Team. Before joining the firm, he spent three years at The Scotsman, where he was economics editor. James is a CFA Charterholder. He graduated MA (Hons) in Economics and Philosophy from the University of St Andrews in 2000 and MSc in Development Studies from the London School of Economics in 2001.

Ross Mathison

Deputy Manager

Appointed 2023

Ross joined Baillie Gifford in 2019 as an investment manager in the Global Income Growth Team and became deputy manager of The Scottish American Investment Company P.L.C. in August 2023. Previously, he spent a year at Aviva Investors and prior to that nine years at Standard Life Investments as an investment manager, first in the European Equity Team and latterly in the Global Equity Team. Ross is a CFA Charterholder and graduated MA (Hons) in Business and Finance from Heriot-Watt University in 2008. He also sits on the board of directors at Aberlour, a Scottish children's charity.

Managers' review

How to summarise SAINTS' performance in 2024? In a word: "mixed".

On the positive side of the ledger, growth in earnings across the Company's portfolio was strong. The backbone is our investment in equities, where dividend growth was robust. Income from the property, infrastructure and bond portfolios was also solid. Together, these investments drove growth in the Company's earnings per share, lifting it 7.6% above the prior year. This strong result underpinned another inflation-beating increase in SAINTS' dividend to shareholders.

We are proud of the fact that since 1938, when the Company last reduced its dividend, and indeed since the end of 2003, when Baillie Gifford was appointed by the Board as managers, SAINTS' portfolio has delivered dividend growth to shareholders that, on average, has beaten UK inflation by 3% per year. With the Consumer Price Index (CPI) ending 2024 at a rate of 2.5%, and SAINTS' dividend growing by 5.5%, the Company once again delivered real growth in income. Meanwhile the net asset value (NAV) of the Company rose to a new high.

On the negative side of the ledger, the NAV growth of the Company lagged global equity markets, as measured by the FTSE All-World, by some way. Worse, the share price did not follow the NAV, as the discount widened over the course of 2024, finishing the year at 10.6%.

In our commentary below, we examine each of these highs and lows in more detail. By shedding light on the good and the bad, our hope is that shareholders will understand why we say we remain confident, despite a "mixed" year, that SAINTS' portfolio will keep delivering on the Company's core proposition: an income that grows faster than inflation, with resilience across cycles, and real capital growth over the long-term.

Below, we start by examining the underlying health of income growth in the portfolio. Then we explain the relative performance versus wider markets. We reflect briefly on the discount. And conclude with why we, as managers, have personally been buying more shares in SAINTS.

Equity portfolio

Let's start by looking at the underlying health of the investments in SAINTS' equity portfolio.

Each year we analyse the financial results reported by every one of SAINTS' holdings. We clean up these numbers for any distortions (such as one-off gains in profit that should not be considered part of a company's ongoing earnings) and we stack these results against the figures from prior years. This gives us an over-arching picture of how each company in the portfolio is performing, and where the strengths and weaknesses lie.

Our 'north-star' is 10% compounding: we are looking for companies which can deliver 10% annual growth in earnings and dividends, and keep doing so for long periods of time. Inevitably not all the companies in which we invest will meet our expectations, so in practice we expect this approach to deliver a result that is a little lower: perhaps 6-9% growth. But over time this level of growth would deliver excellent results to SAINTS' shareholders: for context, equity markets worldwide have achieved around 5% earnings growth over the past three decades. Meanwhile inflation in the UK has averaged around 3%. A portfolio that delivers anywhere close to 10% should handily beat both.

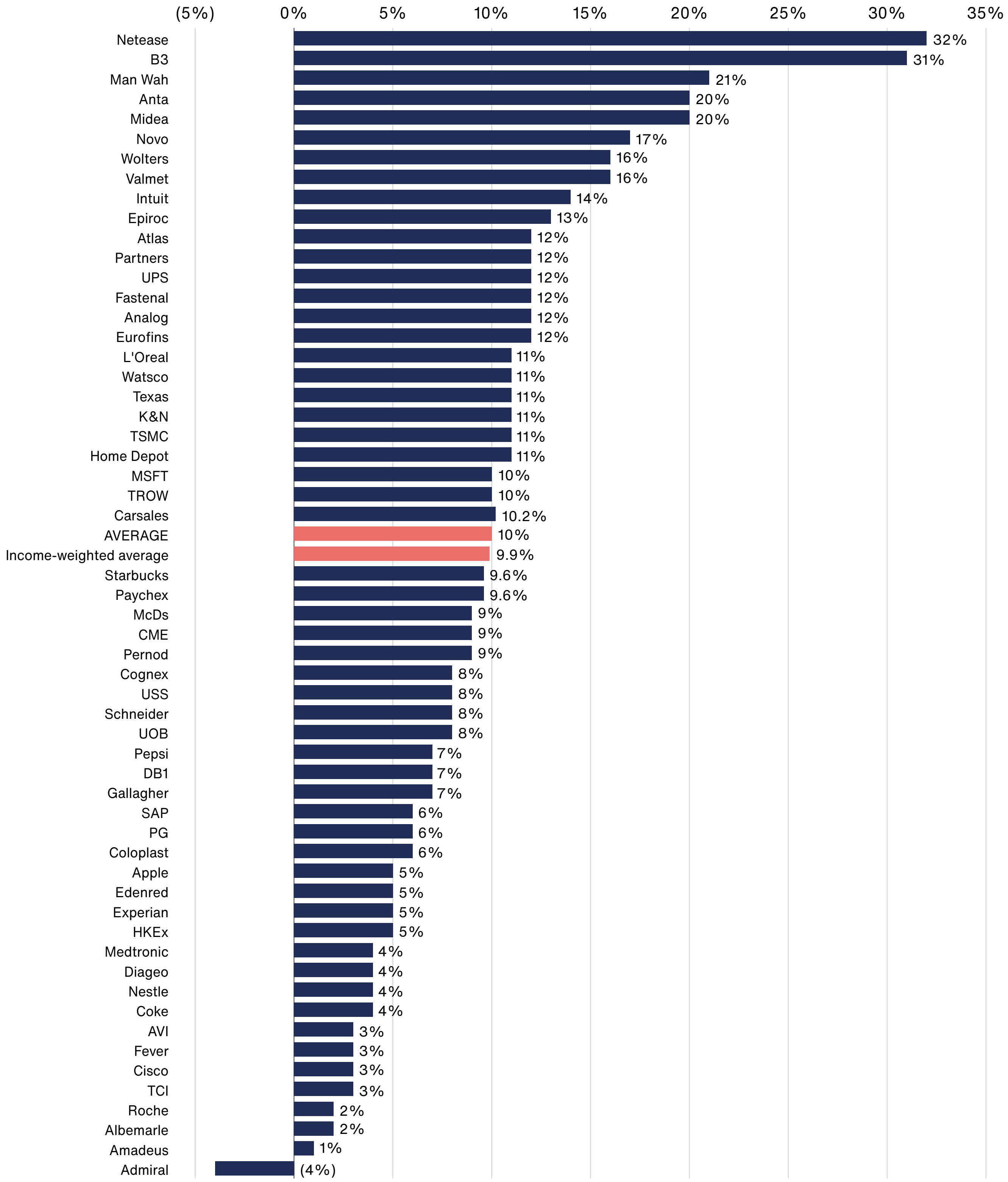
The accompanying chart on page 16 shows the dividend growth of every company in the equity portfolio. We have taken each company's latest announced dividend rate, and combined these with the figures from prior years to calculate a five-year compound growth rate. Growth in our equity income in 2024 was 10%, but we prefer to look at the five-year rate of dividend growth because individual years taken on their own, for example the pandemic year of 2020, can be misleading of the underlying picture. A five-year view provides a clearer picture of the long-term health of the investments.

For a definition of terms see glossary of terms and alternative performance measures on pages 122 to 124.

Source: LSEG/Baillie Gifford and relevant underlying index providers. See disclaimer on page 116.

Past performance is not a guide to future performance.

Portfolio holdings: average annual Dividend per share growth in the five years to 2024



Source: Baillie Gifford

The main conclusion we draw from this chart is that SAINTS' equity portfolio is in good fettle. The current holdings have, on average, delivered 10% annual dividend growth over the past five years. This is true both on an income-weighted and equal-weighted basis, and provides an encouraging illustration of the growth characteristics of the portfolio.

To be clear, the current portfolio is not exactly the same as the portfolio five years ago: although 70% of it was held, 30% of it is new in the past five years. During that time we have exited some slower growing holdings, which we mistakenly hoped would do better, and invested in more promising ones. But the north-star remains 10%, with the expectation that even if we keep getting a few wrong, we should still deliver inflation-beating income growth to SAINTS' shareholders. We'll pick up on this later when we unpack the 2024 result, which was 7.6% total earnings per share growth.

Looking at the individual holdings, there is clearly a range of results around the average. In the strongest cases, some of SAINTS' investments have delivered dividend growth well north of 10%. Examples include video game publisher Netease (over 30% average dividend growth per year) and pharmaceutical maker Novo Nordisk (17% growth per year). In weaker cases, we have seen dividend growth from some holdings nearer to the mid-single-digits than 10%, such as Coca-Cola (4%) and Nestle (4%).

It is noticeable that several of the fastest growing dividends in the portfolio have come from our investments in Chinese companies: such as Anta Sports, Midea, Man Wah, and the aforementioned Netease. Whereas at the lower end of the chart we find a number of businesses that manufacture consumer staples: firms like Procter & Gamble and Nestle.

The slower growing dividends are always a prompt for us to consider whether we can achieve faster growth from other companies. But to an extent the range in dividend growth reflects a conscious tradeoff. Alongside growth, we look for rock-solid dividend resilience. SAINTS has not cut its dividend for many decades, and that resilience starts with each underlying investment.

Companies at the lower end of the chart typically have ultra-resilient dividends. For example, we are highly confident that Coca-Cola will continue raising its dividend every year, even if the growth rate is only modestly above inflation. By comparison, the fastest dividend growers in the portfolio, such as Netease, tend to have more dividend volatility from year to year. Often these companies have payout-ratio based dividend policies, rather than progressive, meaning their dividend can go up and down in any given year depending on the strength of earnings. If we judge this volatility to be uncorrelated with the rest of the portfolio, we can tolerate this (within reason) in return for exceptional long-term growth.

Bear in mind that all of these dividend growth rates are in each company's reporting currency. We view this as a positive over the long-term, given that Sterling has a long track record of depreciation against overseas currencies, lifting the growth rate in Sterling a little higher.

Of course, a company's past performance is no guarantee that it will perform well in the future. As managers it is our responsibility to prod every investment regularly, and evaluate whether the prospects of each company remain promising. Occasionally we will analyse a holding and foresee its future taking a decided turn for the worse. Such was the case last year with Kering, the luxury goods maker, where dividend growth had averaged 14% per year for the prior five years, and we had more than doubled shareholders money since our initial investment, but which we removed from the portfolio after a review of its prospects led us to conclude that the next five years were likely to be considerably weaker (more on this in the Transactions section below).

So, the portfolio of names listed in the chart should not be regarded as static. We are constantly testing every holding, and typically we will upgrade 4 or 5 names in any given year in pursuit of stronger long-term growth. Looking forward from here, the results compiled in this chart are very encouraging. They show the portfolio is in good health. On average, the dividends of the current portfolio are growing by 10% a year. This puts SAINTS in a strong position to deliver on its objectives for shareholders.

Property, infrastructure and bonds

Regular readers will know that SAINTS takes full advantage of one of the benefits of being an investment trust: the ability to borrow prudently at attractive rates, and invest the proceeds for returns that beat the cost of borrowing. The Company's long-term borrowings total £95m, with a fixed cost that averages a whisker below 3%. We invest this nominal liability predominantly in real assets, with yields above 3% and an expectation their income will grow over time. This generates additional income and returns for shareholders, beyond the equity portfolio.

Against a challenging backdrop of rising interest rates, the property portfolio had a good year, with a total return of over 8%. More details of the investments are provided on pages 34 to 35 of the Annual Report but the highlights include long leases (the weighted average unexpired lease length is 16 years) and strong links to inflation. In total 72% of the rental income is linked to RPI or CPI, with another 16% on fixed increases, and another 12% with upward-only rent reviews. The property portfolio is managed by a specialist manager, OLIM, who have a long and impressive track record of investing on behalf of SAINTS. They have astutely avoided the weak parts of the property market in the past few years, such as offices, and focused intently on inflation-linked leases with good tenants that include the likes of ALDI, Tesco and Premier Inn. The portfolio remains fully let. The manager anticipates that average annual rental growth over the next five years will average 3-4%.

The infrastructure portfolio also continues to deliver solid income growth. Again, these are investments in real assets. They are also liquid assets, because we have chosen to invest in infrastructure through equities: for example, the equity of the Italian electrical grid operator Terna, and the equity of the tollroad operator Jiangsu Expressway, which controls many of the major roads around Shanghai. In the short-term, these equities will go up and down with the stock market, but in the long-term (which is of far more concern to SAINTS) we expect their returns to be driven primarily by the returns from their underlying infrastructure assets. In 2024, we saw share prices of several of these investments fall, as stock markets re-priced the future path of interest rates around the world. But their income growth remained solid, with Terna raising its dividend by 6.6% and the largest holding, Greencoat UK Wind, raising its dividend by double-digits.

The bond portfolio is a very small part of SAINTS' assets, representing less than 1% of the total. It is invested opportunistically in government bonds where we see attractive yields and low default risk. The largest investment is an inflation-linked sovereign bond issued by Brazil, paying an attractive yield of around 7%, where in our view there is very low risk of default.

SAINTS borrows prudently. Just as we stress-test every dividend in the equity portfolio, so we stress-test the Company's ability to service its debt. The £95m of borrowings represents gearing of less than 10% (on a debt to total assets basis). We remain confident the portfolio of assets which is funded out of these borrowings should beat the cost of the borrowing, and as such is a good use of the investment trust structure.

Revenue and dividend growth

As the property manager found attractive opportunities for investment in 2024, we funded these new purchases from sales of bonds, which had higher yields. In the long-term we believe this shift from bonds into property will strengthen SAINTS' dividend growth, but in the short-term it reduced the amount of income earned in 2024. This is why the growth in equity income, at 10%, was reduced a little to growth in total income of 7.6%. In some years, the Board chooses to grow the dividend to shareholders a little slower or faster than the Company's income, depending on what is most appropriate for the long-term. This year, the Board has chosen to grow the dividend by 5.5%.

We are very conscious that in the past few years, SAINTS' dividend growth has not been strong in every year. A variety of factors have combined to produce this result, including moderate dividend growth from some companies during the Pandemic period, changes made to the equity and property portfolios in pursuit of better long-term growth, and a rising UK corporate tax rate. If we take the past three years, SAINTS' dividend has grown by 9%, 2%, and 5.5% respectively, meaning an average growth rate of 5.5% over the period.

Looking forward, we will keep our sights set on 10% in the equity portfolio, and, even allowing for some investments which fall below our expectations, we hope this will still deliver equity income growth in the high-single-digit range. The non-equity investments are more likely to grow in line with inflation, say 3%. But this should still produce overall income and dividend growth well ahead of inflation. If UK CPI averages, say, 3%, we would hope that SAINTS could deliver dividend growth of 6%, extending the Company's long-track record of beating inflation by 3%. Thanks to the wonder of compounding, were this result to be achieved, a shareholder could expect, in nominal terms, to see their income rise by more than 30% over a five year period.

There are multiple ways to achieve income from equities. Some income managers do it by selling capital, others by focusing on yield. Our firm belief is that, over the long-term, income that is backed by natural dividend growth, the SAINTS' approach, is a compelling way to deliver a resilient, progressive income that grows. This approach has been tested over many decades, and we hope this gives reassurance to shareholders, particularly at a time when the world is looking increasingly volatile.

Relative performance

While the income growth from SAINTS' portfolio was robust last year, the *relative* NAV performance of the portfolio was weak. The return delivered by the equity portfolio was 6.1%, and SAINTS' overall NAV total return (borrowings at fair value) was 6.1% after fees. Last year the US stock market rocketed to record highs, with the S&P500 (a broad-based index of US-listed companies) rising by around 25%. This is heady stuff, one of the best years ever recorded for US equities. SAINTS' benchmark is a global one, the FTSE All-World, but it is dominated by the US market: the US accounts for almost 70% of the index.

SAINTS has a lower proportion of its assets invested in the US. Within the equity portfolio, for example, we have about 43% of capital invested in US companies. This is still a large proportion, being by some margin our single largest geography. But it is considerably lower than the index. This is not by accident, but a deliberate choice, rooted in a number of reasons which relate to the dependable achievement of SAINTS' investment objectives.

The starting point is that we expect SAINTS' dividend growth in the long-term to be driven by the earnings growth of its underlying investments. We therefore seek companies with strong prospects for earnings growth, regardless of the country where they are listed. There are approximately 6,000 companies available to us globally, of which circa. 2,000 are US-listed. If opportunities were spread evenly throughout the world then, all else being equal, one might expect about a third of the portfolio to be listed in the US.

Secondly, US companies typically have lower dividend payout ratios than elsewhere: the payout ratio across the S&P500 has typically averaged 30-40% of earnings, whereas in countries such as the UK and Germany this figure has been 40-50%. In addition, US stocks have also been priced more richly, meaning higher price-to-earnings (PE) multiples. The combination of a lower payout ratio with a higher PE means that investors receive drastically less income per pound invested in US companies. Towards the end of 2024, the S&P500 yielded only 1.28%. For comparison a European market like Germany's DAX yielded 2.87%: more than double the income.

Finally, US corporate dividends bring a concentration of risk: both regulatory risk (for example rates of withholding tax) and the currency risk of US dollars against Sterling.

Putting together all of the above, we believe it would be unwise and perhaps even irresponsible for SAINTS to invest an index-like 70% of capital solely in the US market. The result would be significantly lower income, with significantly higher risks, while missing out on many good companies which fit better with SAINTS' objectives elsewhere in the world. The flipside of all this though is that in years like 2024, when the US market is rocketing, and other markets such as Europe and Asia are rising less strongly, the NAV performance of SAINTS will inevitably lag its benchmark.

This was one part of SAINTS' under-performance of the FTSE All-World in 2024. But there was a second major factor. This was the specific type of investments that SAINTS owns. Share prices of many of SAINTS' investments, companies such as Watsco, Analog Devices and Procter & Gamble, lagged the wider US market. These resilient long-term compounders, which we favour for SAINTS' income and capital growth objectives, were deeply out of favour within the US stock market last year. The best-performing US stocks were cyclicals such as banks, which benefited from a reversal of expectations from a "hard" to a "soft" landing in the US economy, and so-called "Big Tech" stocks, where investors poured capital into names such as Nvidia, the AI chipmaker.

These types of company are usually a poor fit for SAINTS' objectives. They tend to be highly cyclical dividend payers, if they pay a dividend at all. For example, at Nvidia, as we noted in this year's interim report, there is a significant risk of a sharp downcycle in earnings if customers find ways to pursue gains in AI through optimisation, rather than ever-more hardware. This cyclicality and the lack of a meaningful dividend makes Nvidia unsuitable as an investment for SAINTS, and recent newsflow has done nothing to alter our view on its suitability.

Or to take another example of the type of US company which fared well last year, we can observe the rise of Tesla, the carmaker. Again, this is both a cyclical company and a member of the "Magnificent Seven" technology stocks, and its share price appreciated rapidly last year. But again, it is a volatile, capital-intensive business model, and it does not pay a dividend.

Shares in these kinds of company fared well in 2024, while the likes of Procter & Gamble, with its 134 years of consecutive dividends, and highly resilient earnings growth, under-performed the wider US market.

Our intention is to continue focusing squarely on SAINTS' objectives for the long-term. There are many great US companies that we can invest in, names which are a strong fit with our goal of inflation-beating income growth with resilience. Indeed, there are 20 such US names already in the equity portfolio, including the likes of Microsoft and Apple (both top ten positions) as well as lesser known names such as Fastenal the industrial distribution company, and Cognex the factory automation company.

We continue to scour the US market for new ideas, last year completing several research trips across the States that yielded exciting new holdings such as CME Group (more on this in the Transactions section). We do not plan to chase short-term momentum in the stock market, and we will continue to avoid deeply cyclical companies with high technology risk or low dividend payout ratios. We do not plan to allow SAINTS' country and currency risk at the portfolio level to come anywhere close to the benchmark's 70% US exposure.

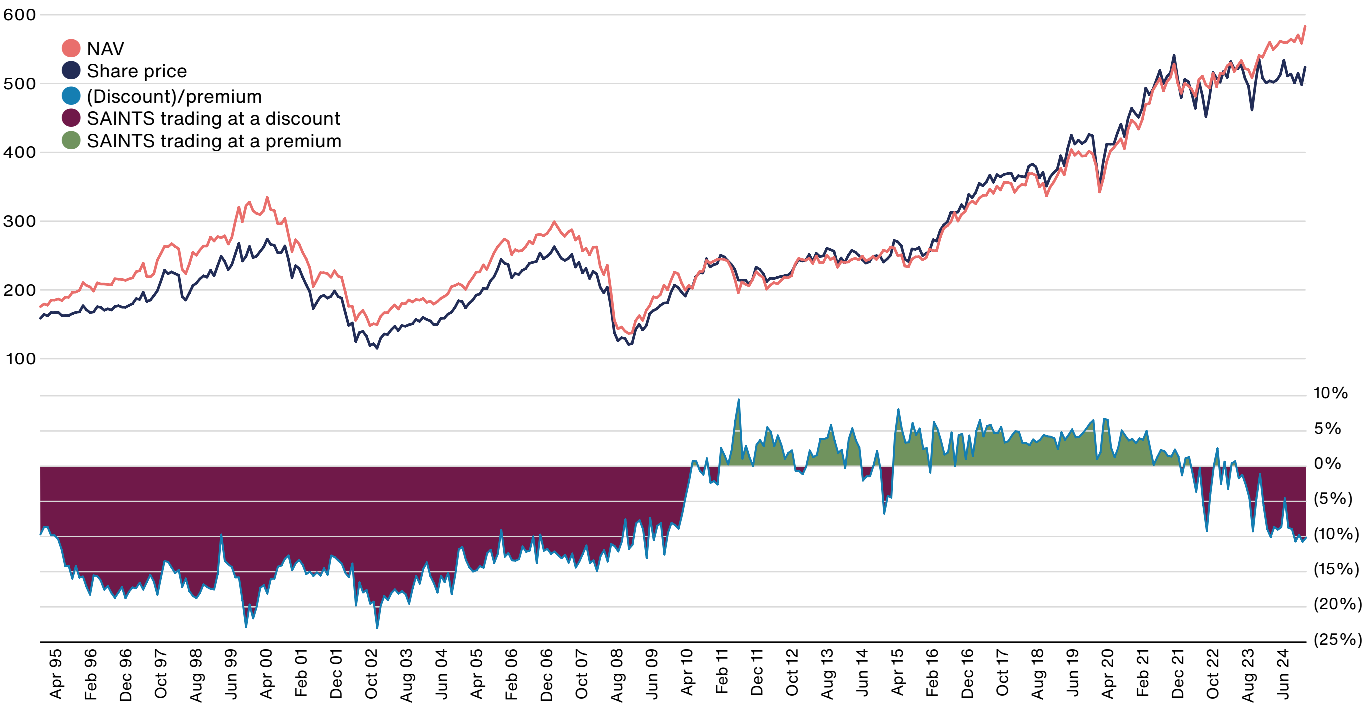
Finally, we should acknowledge that some of SAINTS' holdings have disappointed for stock specific reasons. This is typically the case in an actively managed portfolio, as our analysis is not always correct, active management includes an assessment of outcomes which we believe are probable but know are not certain, and progress is not always smooth. This year for example the share price of B3, the Brazilian Stock exchange, has been adversely affected by sentiment towards Brazil, and Novo Nordisk has seen mixed results from some trials for its weight loss treatments. In both cases we continue to have confidence in the long-term prospects for growth. In other cases, as illustrated in the transactions section below, we have sold the shares where we believe that long term prospects have deteriorated.

SAINTS' style and structural-bias has been painful in terms of relative NAV performance over the past year in particular, and this in turn has adversely affected SAINTS' long-term numbers. But we neither aim to, nor expect to, outperform the market in every annual period, although interestingly SAINTS has outperformed in eight of the last ten calendar years. Looking forward we are encouraged by the operational (as opposed to share price) performance of your holdings, and remain convinced that a balanced portfolio of 10% compounders, split roughly evenly between the US, Europe and the rest of the world, is the most surefire way to achieve SAINTS' objectives.

Discount to NAV

Over the course of 2024, the gap between SAINTS' share price and its NAV per share widened. From a starting point of 0.8%, the discount ended the year at 10.6%. The accompanying chart puts this discount in some historical perspective. It shows the gap between SAINTS' share price and NAV over the past 30 years. During that time there have been three noticeable periods where the shares have traded at a discount to NAV: the late 1990s to early 2000s; a brief dip around 2014-15; and a more recent period starting in 2022.

NAV (cum fair) and Share Price (pence/share)



Source: Morningstar/LSEG and relevant underlying index providers. See disclaimer on page 116.

Just as the Board of SAINTS, which is highly engaged and active, takes great interest in the existence of a discount in the share price, so we as managers of the Company pay great attention to it too. A discount hovering around 10% effectively means that sellers are prepared to dispose of their shares for only 90 pence in the pound, or flipped another way, buyers are only prepared to buy shares at 90 pence in the pound. Whenever a discount appears, the question it begs is always the same: is it signalling something fundamentally wrong with the company, or is it a symptom of some wider malaise in the stock market?

If the former, we as managers need to swallow our pride and think hard about what the problem might be… and whether it can be fixed.

When SAINTS traded at a discount in the late 1990s, we can see with the benefit of hindsight that the root cause was a loss of confidence in the portfolio of investments at that time. The Company responded by buying back shares aggressively, but this had the knock-on effect of raising the gearing of the balance sheet, which in turn made the shares less attractive and pushed the discount ever-wider. This ultimately led the Board to replace the manager at the end of 2003. Over the subsequent eight years the portfolio was improved, and trust in the Company's portfolio restored, leading the discount to close.

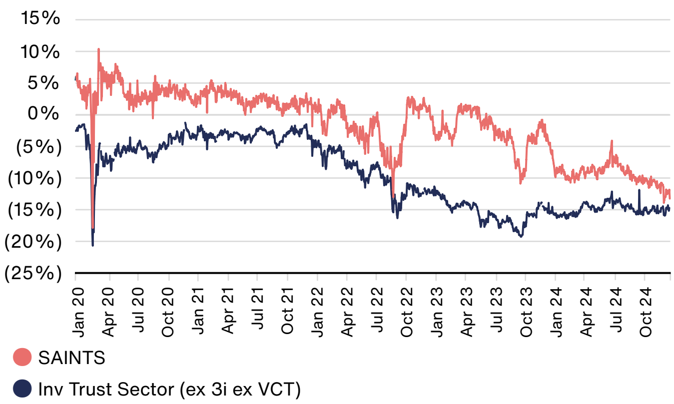
In 2014/15, the discount was more a function of a sector malaise. At the time, expectations for UK interest rates were rising markedly. This had a knock-on impact on the perceived attractiveness of equities in the short-term. That impact was felt across the investment trust sector, and SAINTS was no different to many others in the Global Equity Income sector, as its shares moved from a premium to a discount. Sentiment to the sector later improved and SAINTS, again like the wider sector, moved back to a premium.

In 2024, we do not yet have the benefit of hindsight. What we can observe is that SAINTS is not alone in trading on a discount. Far from it: the vast majority of investment trusts are currently trading at a discount, as the chart below shows. This suggests a market-wide malaise rather than something SAINTS-specific. For example, it may be that investment trust buyers, who are often quite sophisticated investors, are simply passing verdict on the current level of market valuations of trust portfolios. Perhaps buyers are sceptical that interest rates will fall quite as rapidly as current valuations may imply and are demanding a margin of safety to invest in trusts. Another way of looking at this is to say that with UK gilt yields sitting at levels between 4 and 5%, the risk-reward of buying shares in an investment trust is not, for some, sufficiently compelling at the moment.

Our personal view, speaking both as managers and as shareholders in the Company, starts with the observation that the underlying portfolio is robust (as outlined in the first section of this report). The valuation of the assets appears to us relatively reasonable, particularly given that the average SAINTS' equity holding is not trading at anything like the valuation multiples we currently observe in some parts of the wider stock market. The portfolio is also highly liquid, and marked-to-market daily, as it consists mostly of listed equities. Only the property portfolio could be considered less liquid, but this represents only 9% of total assets, and it is independently valued every six months. Meanwhile the gearing of the Company remains low, and the less liquid assets are broadly funded by attractively priced long term debt.

So, our view is that it is likely that SAINTS' discount is to a large extent a reflection of sentiment in the wider investment trust sector, rather than something Company-specific. It can also be argued that trusts which focus on income are particularly vulnerable to higher gilt yields. History suggests this is likely to pass with time, perhaps if inflation moderates or gilt yields fall. In the meantime, we as managers believe that SAINTS' discount represents an unusual opportunity to invest at a price below NAV. We have been adding to our own holdings over the past several months.

Premium/(discount)* to NAV (FV)



Source: Winterflood

* Alternative performance measure – see glossary of terms and alternative performance measures on pages 122 to 124.

Transactions

We continually seek ways to upgrade SAINTS' investments: this is central to the job of active managers on behalf of shareholders. In 2024 we carried out a number of transactions which we believe strengthened the prospects of the Company in the years ahead.

In the equity portfolio, we divested from Sonic Healthcare, the lab testing company, after a number of years of pedestrian dividend growth (for instance: just 2% in 2024). We re-assessed its future prospects and concluded that, although the resilience of the dividend remained high, there were various structural headwinds in its markets (notably a lack of pricing power) that made an acceleration in its earnings and dividends unlikely. At Dolby Laboratories, another divestment, it was a similar story: several years of lacklustre earnings growth which we believe are most likely caused by structural headwinds, particularly in pricing. Both companies have been investments for about a decade, and the returns from both have been fine, and their dividends have been extremely resilient. But we believe we can do better for shareholders elsewhere.

At Kering, the luxury goods company, SAINTS has enjoyed several years of strong earnings and dividends growth since we invested in 2016. But lately the company seems to have gone off-track, losing key talent and pursuing a new strategy which, based on our experience, has a low probability of working: moving away from what is authentic to its brands while at the same time pushing up prices. Typically, this results in old customers leaving faster than new ones arrive, and we strongly suspect there will be a number of painful years ahead (and most likely a reduction in the dividend).

At Hargreaves Lansdown, the investment platform, our hand was forced by a bid from a private equity buyer which was backed by other shareholders. At pharmaceutical maker GlaxoSmithKline, another divestment in 2024, the decision was solely ours. Our investment case had been predicated on better commercial management of the company's portfolio, and a rebuilt pipeline under visionary new leaders appointed to the R&D team. The first part of the investment case worked, and the shares rose during our ownership, but the second part failed to come to fruition. We decided to move on in favour of higher conviction growth investments elsewhere.

We made three new purchases during the year. The first was Epiroc, a leader in drilling equipment used in mines and construction. This company is unusually well-managed: it comes from the same stable of firms that produced our successful investment in Atlas Copco, the Swedish engineering powerhouse. At Epiroc we see many of the same qualities, and we expect many years of solid profit and dividend growth. This should be underpinned by the company's constant innovation, combined with several supportive trends we see in its end-markets: such as increasing use of automated drilling for safety reasons, and increasing use of software to deliver better analysis of how to drill. The company aims to pay a resilient dividend across cycles.

CME Group was another attractive new investment during the year. This company is dominant in the exchange of derivatives in US markets: most notably interest rate futures, but also a long list of energy, metal and agricultural commodities encompassing everything from oil to copper to corn. It does not take positions on these commodities, rather it operates the pre-eminent marketplace in the US where buyers can find sellers, through its matching platform, Globex. In the years ahead we expect growth in CME's revenues to be driven by ever-rising trading volumes, as its customers, such as banks, try to manage ever-more complex financial risks. It is constantly innovating new products, and there is good potential for it to grow its customer bases internationally. The margins and cashflow from the business are strong, which it pays out in an attractive level of dividends. Last year the shares were weak, as some investors worried about the impact of falling interest rates, and a new competitor launching in the US. But our analysis suggests the rate worry is misplaced, and the new player is unlikely to have significant success, and we took this as an opportunity to invest.

Paychex was a third new investment. This is a payroll processing company serving thousands of small businesses in the US. Every time employees get paid, companies need to navigate a labyrinth of state and federal rules to ensure the correct deductions, taxes, and so on are made. This is the core of Paychex software, saving employers dozens of hours of time for the cost of a few dollars a month. An attraction is the additional products that can be sold on the back of this software: such as health insurance, recruitment tools, and a host of other tasks connected to managing people. We foresee Paychex selling every more products to ever more businesses in the years ahead, growing its earnings and its dividend, which have a tremendous track record of compounding.

Within the property portfolio, there were new purchases of a motorway service station south of London, and an industrial warehouse in the south of England. Both are exactly the sort of long-leased, inflation-linked property which the manager seeks. In the bond portfolio there were divestments to fund these property investments. In the infrastructure portfolio there were no major transactions.

Conclusion

To go back to the start: SAINTS' performance in 2024 was mixed. The highlights were the strong growth in earnings delivered by the Company's investments, driven by an equity portfolio that is in fine form, with its dividends growing on average by 10%. Income from property and the other asset classes was also robust. This underpinned another inflation-beating increase in SAINTS' dividend to shareholders: the 51st consecutive increase. The NAV of the Company also rose to a new high.

As we have also examined, the relative performance of the NAV lagged global equity markets last year. This was due primarily to the more balanced approach that SAINTS takes to investing, and in particular our focus on companies with resilient earnings and income growth. These were not the type of companies that saw the strongest rises in share prices in 2024. The discount between the NAV and SAINTS' share price widened last year, which we believe is symptomatic of the wider investment trust sector.

We look forward with great optimism to the years ahead. We will stay true to SAINTS' objective of delivering a resilient income that grows ahead of inflation, while also aiming to grow capital value. Our analysis of the investment portfolio suggests it is well-placed for this task. We continue to find exciting new ideas around the world, the likes of Epiroc, CME and Paychex: names that make SAINTS' prospects ever-stronger. We remain resolutely aligned with shareholders, investing alongside them as owners of SAINTS' shares.

James Dow
Ross Mathison
Baillie Gifford & Co
12 February 2025

Performance attribution

For the year to 31 December 2024

Portfolio breakdown	Average allocation SAINTS %	Average allocation benchmark * %	Total return † SAINTS %	Total return benchmark *† %
Global equities	95.1	99.9	6.1	19.8
Infrastructure equities‡	3.1	0.1	(2.8)	
Bonds	1.7		(4.1)	
Direct property	9.4		8.3	
Cash at bank	0.5		–	
Borrowings at book value	(9.8)		3.0	
Portfolio total return (borrowings at book value)			**5.9**	
Other items#			(0.3)	
Fund total return (borrowings at book value)			**5.6**	
Adjustment for change in fair value of borrowings			0.5	
Fund total return (borrowings at fair value)			**6.1**	

* The Company's benchmark is the FTSE All-World Index (in sterling terms).

† Alternative performance measure – see glossary of terms and alternative performance measures on pages 122 to 124.

Includes Baillie Gifford and OLIM Property Limited management fees.

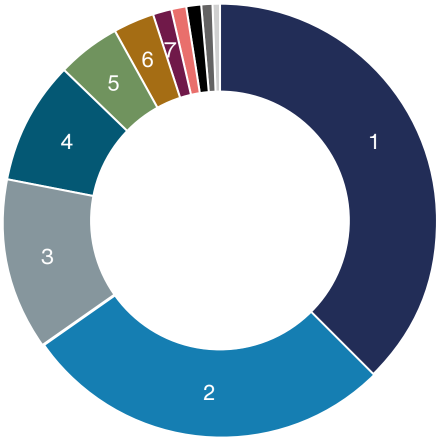
‡ The allocation reflects the six infrastructure equity holdings set out the list of investments on page 31.

Source: Baillie Gifford/LSEG and relevant underlying index providers. See disclaimer on page 116.

Past performance is not a guide to future performance.

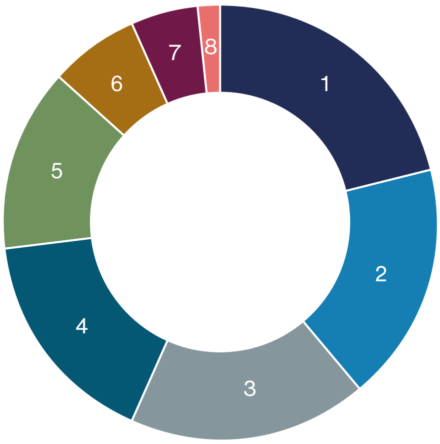
Distribution of portfolio

Geographical at 31 December 2024



		Geographical	2024 %	2023 %
●	1	Equities: North America	37.7	35.3
●	2	Equities: Europe (ex UK)	27.8	29.0
●	3	Equities: Asia	12.8	9.8
●	4	Direct Property	9.1	6.4
●	5	Equities: United Kingdom	4.8	6.0
●	6	Infrastructure Equities	2.9	2.8
●	7	Equities: Australasia	1.5	4.0
●	8	Equities: South America	1.1	1.5
●	9	Bonds	1.1	3.7
●	10	Equities: Africa and Middle East	0.9	0.7
●	11	Net Liquid Assets	0.3	0.8

Global Equities* by Sector at 31 December 2024



		Sector	2024 %	2023 %
●	1	Technology	21.2	21.2
●	2	Industrials	17.8	19.1
●	3	Financials	17.8	15.1
●	4	Consumer Discretionary	16.5	13.0
●	5	Consumer Staples	13.4	13.3
●	6	Healthcare	6.8	12.4
●	7	Basic Materials	5.0	4.6
●	8	Telecommunications	1.5	1.3

* The global equities sector analysis does not include infrastructure equities.

Review of investments

A review of the Company's ten largest equity investments as at 31 December 2024.

© Kumar Sriskandan/Alamy Stock.

Microsoft

The software behemoth whose products span cloud computing, devices, Office 365, gaming and now generative AI. Microsoft's incredible ability to find new innovative avenues for growth have led it to compound capital appreciation and income at high rates for many years, something we believe will continue for many more to come.

Sector	Technology
Valuation at 31 December 2024	£41,555,000
% of total assets*	4.0%
Valuation at 31 December 2023	£37,315,000
% of total assets*	3.6%
Net purchases/(sales) in year to 31 December 2024	£452,000

© Bloomberg/Getty Images.

Fastenal

The largest distributor of fasteners for construction and industrial applications in North America. It is very close to its customers, delivering a tailored, flexible service, something which has been enhanced by the roll-out of its on-site vending machines. Over time, the company can take market share from smaller, independent peers and continue to compound growth at a reasonable rate.

Sector	Basic Materials
Valuation at 31 December 2024	£35,809,000
% of total assets*	3.4%
Valuation at 31 December 2023	£31,673,000
% of total assets*	3.1%
Net purchases/(sales) in year to 31 December 2024	Nil

* For a definition of terms see glossary of terms and alternative performance measures on pages 122 to 124.

© Shutterstock/Anna Hoychuk.

Apple

Apple's introduction of the iPhone in 2008 marked a paradigm shift in consumer internet. Since then, its products and operating system have become central to many peoples' lives. With its innovative culture, we think this will continue into the future.

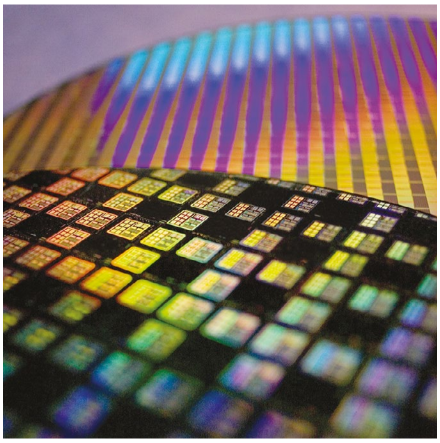
Sector	Technology
Valuation at 31 December 2024	£35,132,000
% of total assets*	3.4%
Valuation at 31 December 2023	£25,128,000
% of total assets*	2.4%
Net purchases/(sales) in year to 31 December 2024	£2,310,000

© Procter and Gamble.

Procter & Gamble

Procter & Gamble is behind many of the branded consumer goods we use every day. Whether that's the Oral-B toothpaste we might use to brush our teeth in the morning, the Gillette razors for shaving or Fairy for washing up. The strength and defensibility of these brands has enabled the company to continue to grow durably despite being over 180 years old.

Sector	Consumer Staples
Valuation at 31 December 2024	£32,529,000
% of total assets*	3.1%
Valuation at 31 December 2023	£25,916,000
% of total assets*	2.5%
Net purchases/(sales) in year to 31 December 2024	£2,380,000



© Taiwan Semiconductor Manufacturing Co., Ltd.

Taiwan Semiconductor Manufacturing

TSMC is one of the world's most important companies. It is a pure-play semiconductor manufacturer with most of the world's semiconductor designers, such as Nvidia, being TSMC's customers. The demand for semiconductors has almost sky-rocketed over the past decade and we expect that demand to increase for many years to come, particularly given the advent of generative AI in the public consciousness.

Sector	Technology
Valuation at 31 December 2024	£32,491,000
% of total assets*	3.1%
Valuation at 31 December 2023	£27,554,000
% of total assets*	2.7%
Net purchases/(sales) in year to 31 December 2024	(£9,148,000)

* For a definition of terms see glossary of terms and alternative performance measures on pages 122 to 124.

Partners Group

A Swiss private markets investment group. Its scale, reputation and culture has triple sided advantages, attracting flows from blue-chip clients, making it an investor of choice for companies and an employer of choice for top talent. It is well positioned to benefit from the growth of private assets in investors' portfolios.

Sector	Financials
Valuation at 31 December 2024	£30,639,000
% of total assets*	2.9%
Valuation at 31 December 2023	£28,093,000
% of total assets*	2.7%
Net purchases/(sales) in year to 31 December 2024	£3,564,000

Deutsche Boerse

Deutsche Börse, a cornerstone of European financial markets, operates critical infrastructure including trading platforms, clearing houses, and custodian services. Its recent expansion into investment management software and ESG analytics through ISS opens new opportunities. With a decade of steady earnings growth behind it, Deutsche Börse is well-positioned to capitalise on rising demand for financial products and increased regulation.

Sector	Financials
Valuation at 31 December 2024	£28,293,000
% of total assets*	2.7%
Valuation at 31 December 2023	£22,716,000
% of total assets*	2.2%
Net purchases/(sales) in year to 31 December 2024	£2,289,000

Schneider Electric

A global leader in energy management and industrial automation, Schneider Electric, is uniquely positioned to facilitate and benefit from the energy transition. Its comprehensive solutions range from building automation to data center power supply, enabling clients to reduce energy consumption. With strong financial performance, innovative products, and a focus on sustainability, Schneider Electric is poised to capitalise on growing demand for efficient, low-carbon technologies.

Sector	Industrials
Valuation at 31 December 2024	£25,490,000
% of total assets*	2.4%
Valuation at 31 December 2023	£22,822,000
% of total assets*	2.2%
Net purchases/(sales) in year to 31 December 2024	(£1,417,000)

* For a definition of terms see glossary of terms and alternative performance measures on pages 122 to 124.

© Novo Nordisk.

Novo Nordisk

The Danish pharmaceutical company which has come to dominate the diabetes care market and is now one of the leading companies taking on obesity. We think this is a special company whose focus on internal development has put it in the position to reap the rewards of its game changing development of semaglutide.

Sector	Healthcare
Valuation at 31 December 2024	£24,342,000
% of total assets*	2.3%
Valuation at 31 December 2023	£41,383,000
% of total assets*	4.0%
Net purchases/(sales) in year to 31 December 2024	(£3,471,000)

© Atlas Copco.

Atlas Copco

Atlas Copco is one of the world's best engineering companies. It has leading market shares in air compressors and vacuum pumps which have wide industrial uses and come with very profitable aftermarket businesses. Its decentralised organisation and innovative corporate culture set the standard for others to try and copy. Capital allocation is excellent, and we are strongly aligned with its long-term anchor shareholder, Investor AB.

Sector	Industrials
Valuation at 31 December 2024	£23,810,000
% of total assets*	2.3%
Valuation at 31 December 2023	£25,916,000
% of total assets*	2.5%
Net purchases/(sales) in year to 31 December 2024	£707,000

* For a definition of terms see glossary of terms and alternative performance measures on pages 122 to 124.

List of investments

As at 31 December 2024

Name	Business	2024 Value £'000	2024 % of total assets
Global equities			
Microsoft	Computer software	41,555	4.0
Fastenal	Distribution and sales of industrial supplies	35,809	3.4
Apple	Consumer technology	35,132	3.4
Procter & Gamble	Household product manufacturer	32,529	3.1
Taiwan Semiconductor Manufacturing	Semiconductor manufacturer	32,491	3.1
Partners Group	Asset management	30,639	2.9
Deutsche Boerse	Securities exchange owner/operator	28,293	2.7
Schneider Electric	Electrical power products	25,490	2.4
Novo Nordisk	Pharmaceutical company	24,342	2.3
Atlas Copco	Engineering	23,810	2.3
Watsco	Distributes air conditioning, heating and refrigeration equipment	23,471	2.3
Wolters Kluwer	Information services and solutions provider	23,314	2.2
Coca Cola	Beverage company	22,349	2.1
Anta Sports	Sportswear manufacturer and retailer	21,205	2.0
Pepsico	Snack and beverage company	21,037	2.0
CME	Derivatives exchange operator	20,732	2.0
Analog Devices	Integrated circuits	19,420	1.9
Midea Group	Appliance manufacturer	19,366	1.9
Experian	Credit scoring and marketing services	18,949	1.8
Admiral	Car insurance	18,799	1.8
McDonald's	Fast food restaurants	17,858	1.7
Roche	Pharmaceuticals and diagnostics	17,456	1.7
Carsales.com	Online marketplace for classified car advertisements	16,136	1.5
United Parcel Service	Courier services	15,575	1.5
United Overseas Bank	Commercial banking	15,448	1.5
L'Oréal	Cosmetics	15,003	1.4
Epiroc	Mining and infrastructure equipment provider	14,713	1.4
SAP	Business software developer	14,095	1.4
Cisco Systems	Data networking equipment	13,718	1.3
Arthur J Gallagher	Insurance broker	13,470	1.3
USS	Second-hand car auctioneer	13,013	1.2
Home Depot	Home improvement retailer	12,847	1.2
Nestlé	Food producer	12,771	1.2
T. Rowe Price	Fund manager	11,808	1.1

Name	Business	2024 Value £'000	2024 % of total assets
B3 S.A.	Securities exchange owner/operator	11,386	1.1
Intuit	Software	11,059	1.1
Texas Instruments	Semiconductor supplier	10,976	1.0
Coloplast	Manufacturer of medical products	10,687	1.0
NetEase	Online gaming company	10,487	1.0
Hong Kong Exchanges and Clearing	Securities exchange owner/operator	10,357	1.0
Amadeus IT Group	Technology provider for the travel industry	10,279	1.0
Starbucks	Coffee retailer	10,144	1.0
Edenred	Voucher programme outsourcer	9,898	0.9
AVI	Staple foods manufacturer	9,698	0.9
Albemarle	Producer of speciality and fine chemicals	9,658	0.9
Valmet	Manufacturer of pulp and paper machinery	9,487	0.9
Diageo	International drinks company	9,056	0.9
Kuehne + Nagel	Worldwide freight forwarder	8,801	0.8
Man Wah	Sofa designer and manufacturer	7,362	0.7
Pernod Ricard	Global spirits manufacturer	6,218	0.6
Cognex	Industrial automation	6,042	0.6
Eurofins	Laboratory testing provider	5,410	0.5
Paychex	HR, payroll and benefits outsourcer	5,088	0.5
Medtronic	Medical devices company	4,485	0.4
TCI	Producer of health-food products	4,323	0.4
Fevertree Drinks	Producer of premium mixer drinks	3,701	0.4
Total global equities		**907,245**	**86.6**
Infrastructure equities			
Greencoat UK Wind	UK wind farms	10,869	1.0
Terna	Electricity grid operator	6,203	0.6
BBGI Global Infrastructure	PFI/PPP fund	5,219	0.5
Jiangsu Expressway	Tollroad operator	3,897	0.4
Assura	Primary healthcare property group	3,020	0.3
Exelon	Grid and utility operator	834	0.1
Total Infrastructure equities		**30,042**	**2.9**
Direct Property	See table on page 34	**95,450**	**9.1**

Name	Business	2024 Value £'000	2024 % of total assets
Bonds			
Euro denominated	Ivory Coast 6.625% 2048	1,462	0.1
US dollar denominated	Dominican Republic 5.875% 30/01/2060	1,366	0.1
US dollar denominated	Mexico 5.75% 12/10/2110	1,409	0.2
Brazilian real denominated	Brazil CPI Linked 15/05/2045	2,145	0.2
Dominican peso denominated	Dominican Republic 9.75% 06/06/2026	720	0.1
Indonesian rupiah denominated	Indonesia 9% 15/03/2029	1,993	0.2
Indonesian rupiah denominated	Indonesia 7.375% 15/05/2048	1,963	0.2
Total Bonds		**11,058**	**1.1**
Total Investments		**1,043,795**	**99.7**
Net Liquid Assets		**3,640**	**0.3**
Total Assets (before deduction of borrowings)		**1,047,435**	**100.0**

Hoover Dam, Arizona/Nevada, USA. © Adam Mustafa/Getty Images.

Property portfolio

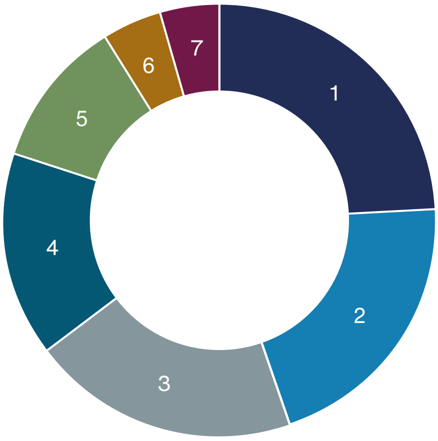
Location	Type	Tenant	2024 EPC # Rating	2024 Value £'000	2024 % of total assets	2023 Value £'000
Biggleswade*	Warehouse	Sherwin-Williams UK Limited		–	–	5,700
Crawley†	Motorway Services RPI-linked annual increase (uncapped till May 2025, then collar 2% cap 4%)	Moto Hospitality Limited	B	19,700	1.9	–
Denbigh	Supermarket Fixed-increases 5-yearly (2.5% compounded)	Aldi Stores Limited	B	4,800	0.5	4,800
Earley	Public House 5-yearly open market review	Spirit Pub Company (Managed) Limited (Greene King plc)	C	2,500	0.2	2,600
Gosport	Supermarket RPI-linked collar 1% cap 2.75%	Aldi Stores Limited	A	5,550	0.5	5,550
Holyhead	Hotel CPI-linked with 4% cap	Premier Inn Hotels Limited	A	6,500	0.6	6,550
New Romney	Holiday Village RPI-linked collar 3% cap 7% p.a. + turnover-related top up 5-yearly	Park Resorts Limited	C	19,250	1.8	19,250
Otford	Public House 5-yearly open market review	Spirit Pub Company (Managed) Limited (Greene King plc)	C	1,700	0.2	1,700
Ringwood	Hotel CPI-linked with 4% cap	Premier Inn Hotels Limited	B	8,350	0.8	8,650
Southend-on-Sea	Warehouse Fixed increases 5-yearly (2.5% compounded)	Booker Limited	C	8,500	0.8	7,900
Taunton	Bowling Alley RPI-linked until 2024, then 5-yearly open market	Mitchells & Butlers Retail (No.2) Limited (sublet to Hollywood Bowl Group plc)	A	3,900	0.4	3,650
Witney†	Industrial RPI-linked collar 2% cap 4%	James Donaldson Group Limited	A	14,700	1.4	–
				95,450	**9.1**	**66,350**

* Sold during the year.

† Purchased during the year.

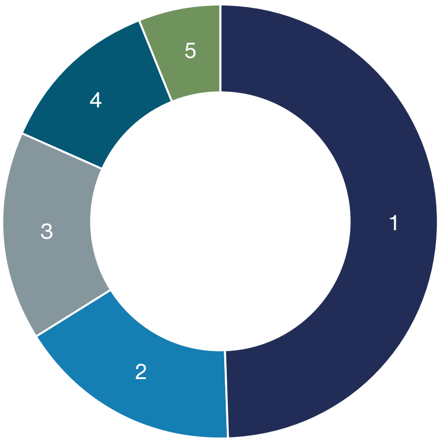
See glossary of terms and alternative performance measures on pages 122 to 124.

Property portfolio by sector:



		Sector	2024 %	2023 %
●	1	Industrial	24.2	20.3
●	2	Roadside	20.8	–
●	3	Caravan Park	19.8	29.6
●	4	Hotels	15.4	21.9
●	5	Shops	11.0	15.6
●	6	Pubs	4.4	6.3
●	7	Bowling Alley	4.4	6.3

Property portfolio income by review pattern:



		Review pattern	2024 %	2023 %
●	1	Retail price index (annual)	49.7	28.5
●	2	Consumer price index (five yearly)	16.5	18.1
●	3	Fixed increases (five yearly)	15.5	22.1
●	4	Open market (five yearly)	12.3	26.6
●	5	Retail price index (five yearly)	6.0	4.7

Property performance and key features:

	2024	2023
Return on SAINTS property portfolio (%)	8.3	(1.8)
Return on MSCI UK Quarterly Property Index (%)*	5.2	(1.4)
Weighted average unexpired lease term (years)	16.0	12.7
Weighted average unexpired lease term (breaks included) (years)	15.0	11.3

One year summary*

The following information illustrates how SAINTS has performed over the year to 31 December 2024.

	Notes ¶	31 December 2024	31 December 2023	% change
Total assets (before deduction of borrowings)†		£1,047.4m	£1,029.9m	
Borrowings (book value)	12	£94.7m	£94.7m	
Shareholders' funds	14	£952.7m	£935.2m	
Net asset value per ordinary share (borrowings at fair value)†		557.8p	539.4p	3.4
Net asset value per ordinary share (borrowings at book value)		539.3p	524.5p	2.8
Share price‡		498.5p	535.0p	(6.8)
Benchmark#				17.5
(Discount)/premium – (borrowings at fair value)†		(10.6%)	(0.8%)	
(Discount)/premium – (borrowings at book value)†		(7.6%)	2.0%	
Revenue earnings per ordinary share	7	14.50p	13.48p	7.6
Dividends paid and payable in respect of the year	8	14.875p	14.10p	5.5
Ongoing charges†		0.58%	0.58%	
Active share†		86%	87%	

Year to 31 December	2024	2023
Total returns (%)†‡		
Net asset value (borrowings at fair value)	6.1	11.8
Net asset value (borrowings at book value)	5.6	12.5
Share price	(4.2)	8.2
Benchmark#	19.8	15.7

* For a definition of terms see glossary of terms and alternative performance measures on pages 122 to 124.

† Alternative performance measure – see glossary of terms and alternative performance measures on pages 122 to 124.

The Company's benchmark is the FTSE All-World Index (in sterling terms).

‡ Source: LSEG/Baillie Gifford and relevant underlying data providers. See disclaimer on page 116.

¶ See notes to the financial statements on pages 92 to 107.

Past performance is not a guide to future performance.

Year to 31 December	2024	2024	2023	2023
Year's high and low	**High**	**Low**	**High**	**Low**
Net asset value (borrowings at fair value)†	575.0p	528.5p	542.4p	495.7p
Net asset value (borrowings at book value)	558.0p	511.5p	527.5p	479.2p
Share price	535.0p	485.5p	542.0p	452.0p
Premium/(discount) – borrowings at fair value†	(0.8%)	(12.4%)	6.0%	(7.2%)
Premium/(discount) – borrowings at book value†	2.0%	(9.4%)	2.5%	(10.9%)

Year to 31 December	2024	2023
Net return per ordinary share		
Revenue	14.50p	13.48p
Capital	14.62p	45.63p
Total	**29.12p**	**59.11p**

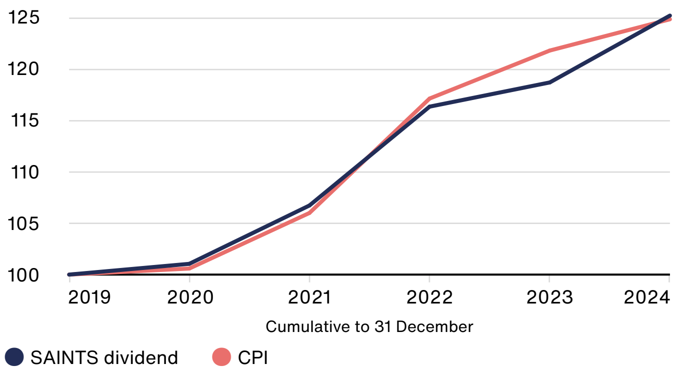
† Alternative performance measure – see glossary of terms and alternative performance measures on pages 122 to 124.
Past performance is not a guide to future performance.

Five year summary

The following charts provide a comparison of SAINTS' dividends to inflation, dividend growth and performance relative to the benchmark* index over the five year period to 31 December 2024.

Dividend versus Inflation

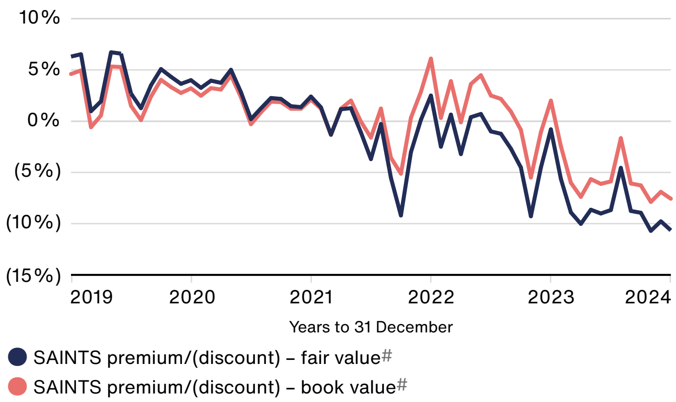
(figures rebased to 100 at 31 December 2019)



Source: LSEG and relevant underlying index providers†.

Premium/(discount)# to net asset value

(plotted on a monthly basis)



Source: LSEG/Baillie Gifford and relevant underlying index providers†.

The premium/(discount) is the difference between SAINTS' quoted share price and its underlying net asset value.

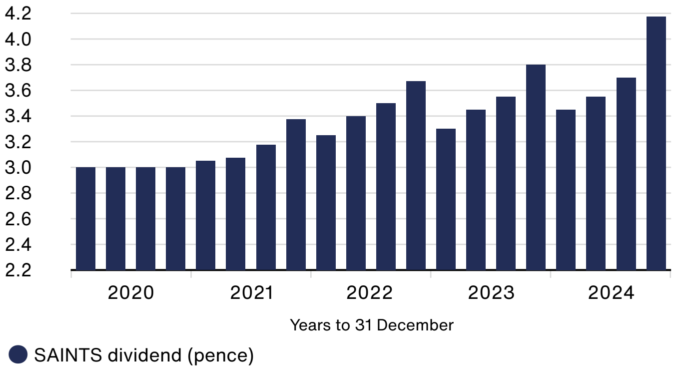
* The Company's benchmark is the FTSE All-World Index (in sterling terms).

† See disclaimer on page 116.

\# Alternative performance measure – see glossary of terms and alternative performance measures on pages 122 to 124.

Past performance is not a guide to future performance.

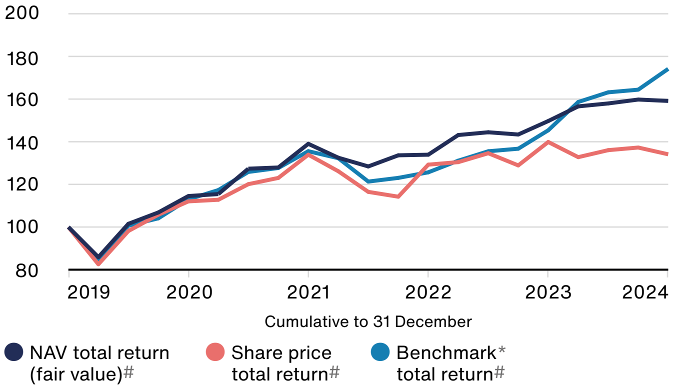
Five year quarterly dividends paid (pence)



Source: LSEG/Baillie Gifford and relevant underlying index providers†.

Five year total return# performance

(figures rebased to 100 at 31 December 2019)



Source: LSEG/Baillie Gifford and relevant underlying index providers†.

* The Company's benchmark is the FTSE All-World Index (in sterling terms).

† See disclaimer on page 116.

Alternative performance measure – see glossary of terms and alternative performance measures on pages 122 to 124.

Past performance is not a guide to future performance.

Ten year record*

Revenue / Gearing ratios

Year to 31 December	Gross revenue £'000	Available for ordinary shareholders £'000	Earnings per ordinary share * p	Dividend per ordinary share (net) p	Ongoing charges † %	Equity gearing † %	Potential gearing † %
2014	18,782	13,940	10.51	10.50	0.90	1	25
2015	18,626	13,913	10.47	10.70	0.93	2	24
2016	18,630	13,939	10.46	10.825	0.87	0	19
2017	20,484	15,213	11.33	11.10	0.80	(6)	17
2018	21,743	16,230	11.75	11.50	0.76	(6)	17
2019	22,950	17,096	11.87	11.875	0.77	(3)	14
2020	23,568	17,519	11.41	12.00	0.70	(7)	11
2021	27,980	21,820	12.79	12.675	0.62	(4)	10
2022	30,043	24,346	13.82	13.82	0.59	(2)	11
2023	30,078	23,960	13.48	14.10	0.58	(2)	10
2024	**32,387**	**25,822**	**14.50**	**14.875**	**0.58**	**(2)**	**10**

Capital

At 31 December	Total assets £'000	Debenture stocks and loans £'000	Shareholders' funds £'000	Net asset value per share (nominal/par) p	Net asset value per share (book) p	Net asset value per share (fair) † p	Share price p	Premium/ (discount) † (book) %	Premium/ (discount) (fair) † %
2014	429,167	85,361	343,806	263.2	259.1	243.7	249.6	(3.7)	2.4
2015	433,209	84,756	348,453	265.2	261.7	247.5	261.5	(0.1)	5.7
2016	515,622	84,112	431,510	326.6	323.5	309.2	324.0	0.2	4.8
2017	581,366	83,428	497,938	368.7	366.2	355.6	368.0	0.5	3.5
2018	566,154	82,701	483,453	345.0	343.0	336.4	351.0	2.3	4.3
2019	682,418	81,930	600,488	408.4	407.1	400.9	426.0	4.6	6.3
2020	812,270	81,108	731,162	450.4	449.7	446.1	464.0	3.2	4.0
2021	1,025,346	95,161	930,185	529.8	529.7	528.4	541.0	2.1	2.4
2022	941,388	94,714	846,674	478.9	479.0	495.5	508.0	6.1	2.5
2023	1,029,912	94,728	935,184	524.3	524.5	539.4	535.0	2.0	(0.8)
2024	**1,047,435**	**94,742**	**952,693**	**539.2**	**539.3**	**557.8**	**498.5**	**(7.6)**	**(10.6)**

For a definition of terms see glossary of terms and alternative performance measures on pages 122 to 124.

* The calculation of earnings per ordinary share is based on the revenue column of the return on ordinary activities after taxation in the Income statement and the weighted average number of ordinary shares in issue.

† Alternative performance measure – see glossary of terms and alternative performance measures on pages 122 to 124.

Past performance is not a guide to future performance.

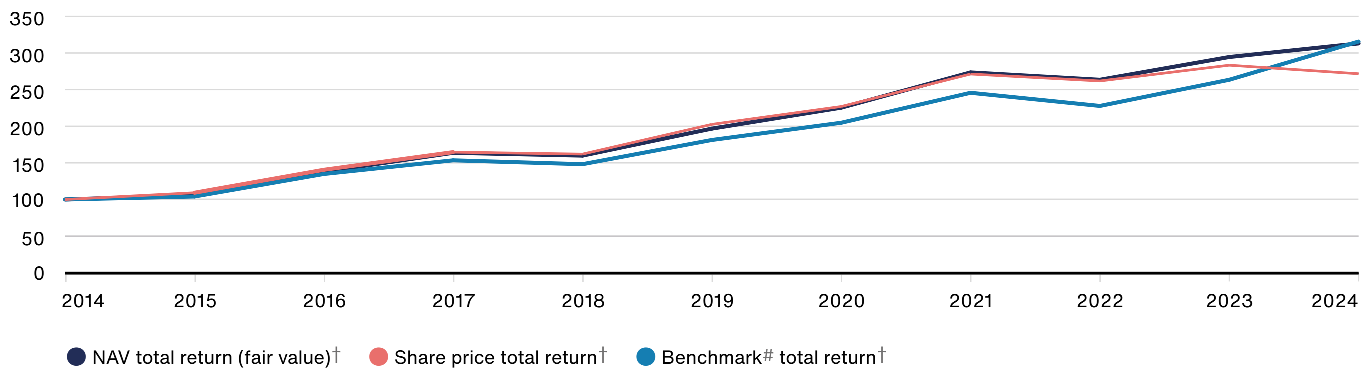
Cumulative performance (taking 2014 as 100)

At 31 December	Net asset value per share (fair) †	Net asset value (fair) total return †	Share price	Share price total return †	Benchmark #	Benchmark # total return †	Earnings per ordinary share *	Dividends per ordinary share (net)	Consumer price index
2014	100	100	100	100	100	100	100	100	100
2015	102	106	105	109	102	104	100	102	100
2016	127	138	130	141	128	135	100	103	102
2017	146	164	147	165	142	153	108	106	105
2018	138	160	141	162	134	148	112	110	107
2019	165	197	171	203	160	181	113	113	108
2020	183	225	186	227	177	205	109	114	109
2021	217	273	217	271	208	246	122	121	115
2022	203	263	204	262	189	228	131	132	127
2023	221	295	214	283	213	263	128	134	132
2024	**229**	**313**	**200**	**272**	**251**	**316**	**138**	**142**	**136**

Compound annual returns

5 year	6.8%	9.7%	3.2%	6.0%	9.4%	11.7%	4.1%	4.6%	4.6%
10 year	8.6%	12.1%	7.2%	10.5%	9.6%	12.2%	3.3%	3.5%	3.0%

Ten year total return† performance



For a definition of terms see glossary of terms and alternative performance measures on pages 122 to 124.

The Company's benchmark is the FTSE All-World Index (in sterling terms).

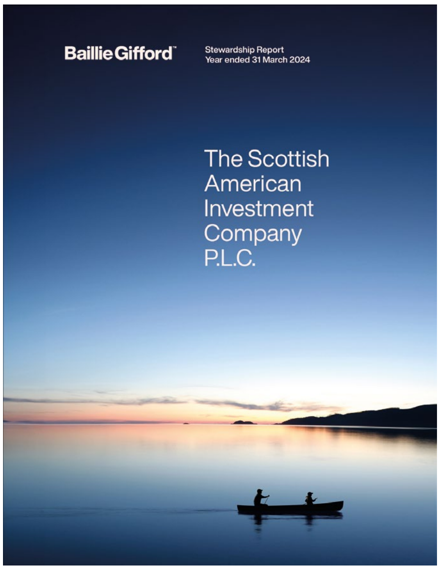
* The calculation of earnings per ordinary share is based on the revenue column of the return on ordinary activities after taxation in the Income statement and the weighted average number of ordinary shares in issue.

† Alternative performance measure – see glossary of terms and alternative performance measures on pages 122 to 124.

Past performance is not a guide to future performance.

Environmental, social and governance

The Company publishes an annual stewardship report which includes examples of engagement on environmental, social and governance ('ESG') matters, as well as setting out the Managers' approach to proxy voting. The annual stewardship report is available on the Company's website **saints-it.com**.



Business review

Business model

Business and status

The Company is an investment company within the meaning of section 833 of the Companies Act 2006 and carries on business as an investment trust. Investment trusts are UK public listed companies and their shares are traded on the London Stock Exchange. They invest in a portfolio of assets in order to spread risk. The Company has a fixed share capital although, subject to shareholder approvals sought annually, it may purchase its own shares or issue shares. The price of the Company's shares is determined, like other listed shares, by supply and demand.

The Company has been approved as an investment trust by HM Revenue & Customs subject to the Company continuing to meet the eligibility conditions. The Directors are of the opinion that the Company has continued to conduct its affairs so as to enable it to comply with the ongoing requirements of section 1158 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011.

The Company is an Alternative Investment Fund for the purposes of the UK Alternative Investment Fund Managers Regulations.

Objective and policy

SAINTS' objective is to deliver real dividend growth by increasing capital and growing income.

SAINTS' policy is to invest mainly in equity markets, but other investments may be held from time to time including bonds, property and other asset classes.

The Board believes that a flexible approach to investment is important. As market valuations across and within different asset classes vary over time, the ability to adjust asset allocation and portfolio positioning in response to these variations is important. There are no pre-defined maximum or minimum exposure levels for asset classes, sectors or regions.

The Board also believes that a medium to long term approach is likely to lead to the best investment returns. SAINTS' performance in any one year is likely to differ from that of its benchmark index, sometimes by a significant amount. Financial markets are volatile, particularly over short time periods, but the Manager is encouraged to view such volatility as giving rise to investment opportunities rather than as a risk to be avoided.

In order to achieve real growth in the dividend, the income generated from SAINTS' assets needs to grow over the medium to longer term at a faster rate than inflation. Consequently, the focus of the portfolio is on listed equities. Investments are regularly considered and made in a broad range of other asset types and markets. Derivative and structured instruments may also be used with prior Board approval, either to hedge an existing investment or a currency exposure or to exploit an investment opportunity.

The equity portfolio consists of shares listed both in the UK and in overseas markets. The portfolio is diversified across a range of holdings with little regard paid to the weighting of individual companies in the benchmark index. The number of individual companies will vary over time and the portfolio is managed on a global basis rather than as a series of regional sub-portfolios.

Investments are made in markets other than listed equity markets when prospective returns appear to be superior to those from equity markets or are considered likely to exceed SAINTS' borrowing costs. The list of these other investments will vary from time to time as opportunities are identified but include investment grade bonds, high yield bonds, property, forestry, private equity and other asset types.

As an investment trust, SAINTS is able to borrow money and does so when the Board and Managers have sufficient conviction that the assets funded by borrowed monies will generate a return in excess of the cost of borrowing. Whenever long term borrowings cannot be fully invested in such manner, the borrowed funds are used to purchase a diversified portfolio of similar maturity bonds to the borrowings. This has the effect of hedging out much of the interest rate risk and removing the mismatch between borrowing costs and associated investment returns. Gearing levels are discussed by the Board and Managers at every Board meeting and monitored between meetings. The Board will not take out additional borrowings if this takes the level of effective gearing beyond 130%.

The starting position for investment of shareholders' funds is 100% exposure to equity markets. The allocation to equity markets at any point in time will reflect the Board's and Managers' views on prospective returns from equities and the full range of alternative investment opportunities but, in broad terms, SAINTS will gear up through the use of borrowings if equity markets look undervalued and will hold cash or invest in non-equity assets when equity markets look overvalued.

The exposure to listed equities is set within a range of 75% to 125% of shareholders' funds in normal circumstances. The number of individual equities held will vary over time but, in order to diversify risk, will typically be in a range between 50 and 100.

The Board monitors the aggregate exposure to any one entity across the whole investment portfolio. The maximum exposure at time of investment to any one entity is 15% of total assets. The Board is notified in advance of any transaction that would take an individual equity holding above 5% of shareholders' funds. SAINTS does from time to time invest in other UK listed investment companies. The maximum permitted investment in such companies is 15% of gross assets.

An overview by the Manager is given on pages 15 to 23 and a detailed analysis of the Company's investment portfolio held at the year end is set out on pages 25 to 35.

Board oversight

Baillie Gifford & Co Limited, a wholly owned subsidiary of Baillie Gifford & Co, has been appointed by the Company as its Alternative Investment Fund Manager (AIFM). The investment management function has been delegated to Baillie Gifford & Co and the management of the property portfolio to OLIM Property Limited. When assessing the performance of the Company and the Managers, the Board looks at dividend growth, share price and at net asset value total returns relative to inflation and the benchmark total return. The Board believes it is appropriate to make this assessment over a medium to long term timeframe, a minimum of five years, in accordance with the medium to long term approach taken to investment.

The Board monitors closely the activities of the Managers, the composition of the investment portfolio and the level of gearing.

The Board sets a number of guidelines and places limits and restrictions on the Managers in order to minimise the risk of permanent loss of capital. Within these constraints, the Board encourages the Managers to maximise long term capital and income growth rather than minimise short term volatility in the capital value of the investment portfolio. The main source of both long term return and short term volatility in SAINTS' portfolio is likely to be the investments in listed equities.

The Board also monitors SAINTS' revenue position and receives regular estimates from the Managers of likely income growth. The level of dividend in any one year is set after assessing the income generated by the portfolio in that year, the level of revenue reserves and long term trends in income.

OLIM Property Limited provide the Board with quarterly updates and meet with the Board at least once a year or otherwise when required. Annually, the Board receive a report from Baillie Gifford & Co Limited detailing its review of OLIM's asset allocation policy, business continuity plan and any breaches, errors or complaints recorded.

Discount/premium

The Company annually seeks shareholder authority to buy back its own shares at a discount to net asset value and to hold such shares in treasury as well as to issue new shares and sell treasury shares at a premium to net asset value.

The Company can issue shares at such times as the premium indicates that demand is not being met by natural liquidity in the market.

Buy-back powers have been used in the past in circumstances when large lines of stock cannot be absorbed by the market. The discount or premium, in absolute terms and relative to other similar investment trust companies, and the composition of the share register are discussed at every Board meeting. While there is no discount target, the Board is aware that discount volatility is unwelcome to many shareholders and that share price performance is the measure used by most investors. The Board oversees the Managers' marketing programme which is designed to stimulate demand for the Company's shares, provide effective communication to existing and potential shareholders and maintain the profile of the Company.

During the year to 31 December 2024, the Company issued no ordinary shares at a premium to net asset value (2023 – 1,565,000 shares). 1,665,185 shares were bought back at a cost of £8,529,315 and held in treasury (2023 – no shares were bought back). Between 1 January 2025 and 10 February 2025, the Company bought back 1,825,000 shares into treasury at a cost of £9,419,917. 3,490,185 shares were held in treasury as at 10 February 2025.

Borrowings

As at 31 December 2024, the Company had £95m of long term secured privately placed loan notes as detailed on page 99.

Performance

At each Board meeting, the Directors consider a number of performance measures to assess the Company's success in achieving its objectives.

Key performance indicators

The key performance indicators (KPIs) used to measure the progress and performance of the Company over time are established industry measures and are as follows:

- dividend per share;
- earnings per share;
- the movement in net asset value per ordinary share (after deducting borrowings at fair value) compared to the benchmark;
- the movement in the share price;
- the premium/discount (after deducting borrowings at fair value); and
- ongoing charges.

An explanation of these measures can be found in the glossary of terms and alternative performance measures on pages 122 to 124.

The one, five and ten year records of the KPIs are shown on pages 36 to 41.

In addition to the above, the Board considers peer group comparative performance.

Principal and emerging risks

As explained on pages 68 and 69, there is an ongoing process for identifying, evaluating and managing the risks faced by the Company on a regular basis. The Directors have carried out a robust assessment of the principal and emerging risks facing the Company including those that would threaten its business model, future performance, regulatory compliance, solvency or liquidity. There have been no significant changes to the principal risks during the year. A description of these risks and how they are being managed or mitigated is set out on the following pages. An upwards arrow, dash or downwards arrow has been included to show if the risk level has increased, not changed or decreased since it was reported in last year's Annual Report and Financial Statements.

The Board considers geopolitical concerns including the war in Ukraine, China/US tensions and the conflict in the Middle East and macroeconomic concerns (including inflation and interest rates) to be factors which exacerbate existing areas of risk as categorised and further explained on the following pages.

Financial risk

What is the risk?
The Company's assets consist mainly of listed securities and its principal and emerging risks are therefore market related and include market risk (comprising currency risk, interest rate risk and other price risk), liquidity risk and credit risk. An explanation of those risks and how they are managed is contained in note 18 to the Financial Statements on pages 101 to 106.

How is it managed?
The Board has, in particular, considered the impact of heightened market volatility from macroeconomic factors, including inflation and continued high interest rates, and geopolitical concerns. To mitigate this risk at each Board meeting the Manager provides an investment policy paper which includes a detailed explanation of significant stock selection decisions and the overall rationale for holding the current portfolio. Consideration is given to portfolio movements and the top and bottom contributors to performance. The investment approach is considered in detail at the annual Strategy meeting. The value of the Company's investment portfolio and its income stream would be affected by any currency movements, but the Board believes the nature and diversification of the Company's equity portfolio moderates such risks.

Rating and change

Current assessment of risk
Risk level: High
This risk is considered to have increased. Although macroeconomic risks such as rising interest rates and inflation have reduced, the prospect of market volatility remains from deteriorating geopolitical stability

Investment strategy risk

What is the risk?
Pursuing an investment strategy to fulfil the Company's objective which the market perceives to be unattractive or inappropriate, or the ineffective implementation of an attractive or appropriate strategy, may lead to reduced returns for shareholders and, as a result, a decreased demand for the Company's shares. This may lead to the Company's shares trading at a widening discount to their net asset value.

How is it managed?
To mitigate this risk, the Board regularly reviews and monitors the Company's objective and investment policy and strategy; the investment portfolio and its performance; the level of discount/premium to net asset value at which the shares trade; and movements in the share register and raise any matters of concern with the Managers.

Rating and change

Current assessment of risk
Risk level: High
This risk is considered to be stable as there are signs that the market's appetite for investment risk, and willingness to pay for future growth, is recovering despite ongoing macroeconomic and geopolitical concerns. Lower inflation has improved the achievement of real dividend growth over the shorter term.

Discount risk

What is the risk?
The discount/premium at which the Company's shares trade relative to its net asset value can change. The risk of a widening discount is that it may undermine investor confidence in the Company.

How is it managed?
The Board monitors the level of discount/premium at which the shares trade and the Company has authority to buy back its existing shares when deemed by the Board to be in the best interests of the Company and its shareholders.

Rating and change

Current assessment of risk
Risk level: High
The Company's shares began the year trading at a premium and moved to a discount early in January 2024 where it remained for the rest of the year. The Company's shares traded at an average discount of 6.2% since moving to a discount and it bought back 1,665,185 shares. No shares were issued.

High Risk | Moderate Risk | Low Risk

Increasing Risk | Decreasing Risk | Stable Risk

Climate and governance risk

What is the risk?
Perceived problems on Environmental, Social and Governance ('ESG') matters in an investee company could lead to that company's shares being less attractive to investors, adversely affecting its share price, in addition to potential valuation issues arising from any direct impact of the failure to address the ESG weakness on the operations or management of the investee company (for example in the event of an industrial accident or spillage). Environmental factors are also of significant importance in relation to the property investments as, for example, flood risk or the use of deleterious materials could reduce the attractiveness of a property and potentially its valuation and rental income prospects. Repeated failure by the Investment Manager and Property Manager to identify ESG weaknesses in investee companies or property investments, could lead to the Company's own shares being less attractive to investors, adversely affecting its own share price.

How is it managed?
This is mitigated by the Investment Managers' strong ESG stewardship and engagement policies, and the Board's own ESG policy, which is available to view on the Managers' website: **saints-it.com**, both of which have been adopted by the Company, and which are fully integrated into the investment process as well as the extensive up-front and ongoing due diligence which the Investment Manager undertakes on each investee company. The due diligence conducted by the Investment Manager and Property Manager includes assessment of the risks inherent in climate change (see pages 70 to 71). The Directors have considered the impact of climate change on the Financial Statements of the Company and this is included in note 1 to the Financial Statements on pages 92 to 93.

Rating and change

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Current assessment of risk
Risk level: Moderate
The Investment Manager and Property Manager continued to employ strong ESG stewardship and engagement policies.

Regulatory risk

What is the risk?
Failure to comply with applicable legal and regulatory requirements such as the tax rules for investment companies, the FCA Listing Rules and the Companies Act could lead to suspension of the Company's Stock Exchange listing, financial penalties, a qualified audit report or the Company being subject to tax on capital gains. Changes to the regulatory environment could negatively impact the Company.

How is it managed?
To mitigate this risk, Baillie Gifford's Business Risk, Internal Audit and Compliance departments provide regular reports to the Audit Committee on Baillie Gifford's monitoring programmes. Major regulatory change could impose disproportionate compliance burdens on the Company. In such circumstances representation is made to ensure that the special circumstances of investment trusts are recognised. Shareholder documents and announcements, including the Company's published Interim and Annual Report and Financial Statements, are subject to stringent review processes, and procedures are in place to ensure adherence to the Transparency Directive and the Market Abuse Directive with reference to inside information.

Rating and change

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Current assessment of risk
Risk level: Low
This risk is considered to be unchanged. All control procedures were working effectively and there were no material regulatory changes that have impacted the Company during the year.

High Risk | Moderate Risk | Low Risk

Increasing Risk | Decreasing Risk | Stable Risk

Custody and depositary risk

What is the risk?	How is it managed?	Rating and change	Current assessment of risk
Safe custody of the Company's assets may be compromised through control failures by the Depositary, including breaches of cyber security incidents.	To mitigate this risk, the Board receives six-monthly reports from the Depositary confirming safe custody of the Company's assets held by the Custodian. Cash and portfolio holdings are independently reconciled to the Custodian's records by the Managers. The Custodian's assured internal controls assurance reports are reviewed by Baillie Gifford's Business Risk Department and a summary of the key points is reported to the Audit Committee and any concerns investigated.		Risk level: Low This risk is considered to be unchanged. All control procedures were working effectively.

Operational risk

What is the risk?	How is it managed?	Rating and change	Current assessment of risk
Failure of Baillie Gifford's systems or those of other third party service providers could lead to an inability to provide accurate reporting and monitoring or a misappropriation of assets.	To mitigate this risk, Baillie Gifford has a comprehensive business continuity plan which facilitates continued operation of the business in the event of a service disruption or major disaster. The Audit Committee reviews Baillie Gifford's Report on Internal Controls and reports by other key third party providers are reviewed by Baillie Gifford on behalf of the Board and a summary of the key points is reported to the Audit Committee and any concerns investigated. The other key third party service providers have not experienced significant operational difficulties affecting their respective services to the Company.		Risk level: Low This risk is considerred to be unchanged. All control procedures were working effectively.

Leverage risk

What is the risk?	How is it managed?	Rating and change	Current assessment of risk
The Company may borrow money for investment purposes (sometimes known as 'gearing' or 'leverage'). If the investments fall in value, any borrowings will magnify the extent of this loss. If loan covenants are breached, the Company may have to sell investments to repay borrowings. The Company can also make use of derivative contracts.	To mitigate this risk, all borrowings require the prior approval of the Board and leverage levels are discussed by the Board and Managers at every meeting and covenant levels are monitored regularly. Details of the Company's current borrowings can be found in note 12 on page 99. The majority of the Company's investments are in quoted securities that are readily realisable. Further information on leverage can be found on page 116 and the glossary of terms and alternative performance measures on pages 122 to 124.		Risk level: Low This risk is considered to be unchanged. The Company has long term borrowings in place in form of its loan notes, which have maturity dates in 2036, 2045 and 2049.

High Risk Moderate Risk Low Risk

Increasing Risk Decreasing Risk Stable Risk

Political risk

What is the risk?
Political change in areas in which the Company invests or may invest may have practical consequences for the Company.

How is it managed?
Political developments are closely monitored and considered by the Board and Managers. The Board continues to assess the potential consequences for the Company's future activities including those which may arise from growing protectionism. The Board also remains watchful of broader geopolitical tensions and the associated potential for armed conflict. The Board considers the nature and diversification of the Company's investments provides a good degree of protection against such political risks.

Rating and change

Current assessment of risk
Risk level: High
This risk is considerred to be increasing as governments and consumers around the world continue to assess the impact of heightened geopolitical tensions and conflicts as well as challenging macroeconomic economic conditions.

Cyber security risk

What is the risk?
A cyber attack on Baillie Gifford's network or that of a third party service provider could impact the confidentiality, integrity or availability of data and systems. Emerging technologies, including AI and quantum computing capabilities, may introduce new, and increase existing information security risks that impact operations.

How is it managed?
To mitigate this risk, the Audit Committee reviews Reports on Internal Controls published by Baillie Gifford and other third party service providers. Baillie Gifford's Business Risk Department report to the Audit Committee on the effectiveness of information security controls in place at Baillie Gifford and its business continuity framework. Cyber security due diligence is performed by Baillie Gifford on third party service providers which includes a review of crisis management and business continuity frameworks.

Rating and change

Current assessment of risk
Risk level: Moderate
This risk is considered to be increasing due to recent indications that the continuation of geopolitical tensions and an observed increase in malign cyber activity. Emerging technologies, including AI, could potentially increase information security risks. In addition, service providers operate a hybrid approach of remote and office working, thereby increasing the potential of a cyber security threat.

Emerging risks

As explained on pages 68 and 69, the Board has regular discussions on principal risks and uncertainties, including any risks which are not an immediate threat but could arise in the longer term. The Board considers that the key emerging risks arise from the interconnectedness of global economies and the related exposure of the investment portfolio to external and emerging threats such as escalating geopolitical tensions, cyber security risks including developing AI and quantum computing capabilities, and new coronavirus variants or similar public health threats. This is mitigated by the Board discussing at each Board meeting global economic and geopolitical factors and how these might impact the Company. The Board also considers the Investment Managers' close links to the investee companies and its ability to ask questions on contingency plans. The Investment Manager believes the impact of such events may be to slow growth rather than to invalidate the investment rationale. The Managers monitor certain emerging risks and have established a group to manage the response to any future events that might result in heightened levels of market volatility. Regular exercises are carried out to test the Managers' response to various scenarios.

High Risk | Moderate Risk | Low Risk

Increasing Risk | Decreasing Risk | Stable Risk

Viability statement

In accordance with provision 31 of the UK Corporate Governance Code, the Directors have assessed the prospects of the Company. The Directors have elected to do this over a period of five years, which they continue to believe to be appropriate as it reflects the longer term investment strategy of the Company in terms of both investment horizon and income growth, and to be a period during which, in the absence of any adverse change to the regulatory environment and to the tax treatment afforded to UK investment trusts, they do not expect there to be any significant change to the current principal risks facing SAINTS nor to the controls in place to effectively mitigate those risks. Moreover, the Directors do not envisage any change in strategy or any events which would prevent the Company from operating over a period of five years.

In considering the viability of the Company, the Directors have conducted a robust assessment of each of the principal and emerging risks and uncertainties, including climate change, detailed on pages 45 to 49 and in particular the impact of market risk where a significant fall in global equity markets would adversely impact the value of the investment portfolio. The Directors have also considered the Company's income and expenses and dividend policy having undertaken a review of revenue projections over a five year period and its liquidity in the context of the majority of its investments being listed equities which are readily realisable and so capable of being sold to provide funding if required. Leverage comprising private placement debt totalling £95m: £40m repayable in April 2045, £40m repayable in April 2049 and £15m repayable in June 2036, has also been considered with specific leverage and liquidity stress testing conducted during the year, including consideration of the risk of further market deterioration resulting from increasing geopolitical tensions. The stress testing did not indicate any matters of concern. In addition, all of the key operations required by the Company are outsourced to third party service providers and it is reasonably considered that alternative providers could be engaged at relatively short notice.

Based on the Company's processes for monitoring revenue projections, share price discount/premium, the Managers' compliance with the investment objective, asset allocation, the portfolio risk profile, leverage, counterparty exposure, liquidity risk and financial controls, the Directors have concluded that there is a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the next five years.

Promoting the success of the Company (section 172 statement)

Under section 172 of the Companies Act 2006, the directors of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters and to the extent applicable) to: a) the likely consequences of any decision in the long term, b) the interests of the company's employees, c) the need to foster the company's business relationships with suppliers, customers and others, d) the impact of the company's operations on the community and the environment, e) the desirability of the company maintaining a reputation for high standards of business conduct, and f) the need to act fairly as between members of the company.

In this context, having regard to the Company being an externally-managed investment company with no employees, the Board considers the Company's key stakeholders to be: its shareholders; its externally-appointed Managers (Baillie Gifford and OLIM Property); its portfolio companies; other professional service providers (corporate broker, registrar and depositary); lenders; wider society and the environment.

The Board considers that the interests of the Company's key stakeholders are aligned, in terms of wishing to see the Company deliver sustainable long-term growth, in line with the Company's stated objective and strategy, and meet the highest standards of legal, regulatory, and commercial conduct, with the differences between stakeholders being merely a matter of emphasis on those elements.

The Board's methods for assessing the Company's progress in the context of its stakeholders' interests are set out below.

Stakeholder	Why we engage	How we engage and what we do
Shareholders	Shareholders are, collectively, the Company's owners: providing them with a return for their investment in accordance with the Company's investment policy and objective is the reason for its existence.	The Board places great importance on communication with shareholders. The Annual General Meeting provides the key forum for the Board and Managers to present to shareholders on the Company's performance, future plans and prospects. It also allows shareholders the opportunity to meet with the Board and Managers and raise questions and concerns. The Chair is available to meet with shareholders as appropriate. The Managers meet regularly with shareholders and their representatives, reporting their views back to the Board. Directors also attend certain shareholder presentations, in order to gauge shareholder sentiment first hand. Shareholders may also communicate with members of the Board at any time by writing to them at the Company's registered office or to the Company's broker. These communication opportunities help inform the Board when considering how best to promote the success of the Company for the benefit of all shareholders over the long term.
Baillie Gifford – Managers and Secretaries OLIM – Property Manager	The Company's Board has delegated the management of the Company's portfolio to Baillie Gifford and the management of the Company's property portfolio to OLIM Property. The administration of the Company's operations including fulfilment of regulatory and taxation reporting requirements, to Baillie Gifford. Baillie Gifford is therefore responsible for the substantial activities of the Company and has the most immediate influence on its conduct towards the other stakeholders, subject to the oversight and strategic direction provided by the Board.	The Board seeks to engage with its Managers and Secretaries, and other service providers, in a collaborative and collegiate manner, encouraging open and constructive discussion and debate, while also ensuring that appropriate and regular challenge is brought and evaluation conducted. This approach aims to enhance service levels and strengthen relationships with the Company's providers, with a view to ensuring the interests of the Company's shareholders are best served by keeping cost levels proportionate and competitive, and by maintaining the highest standards of business conduct.
Portfolio companies	As all of the Company's operations are conducted by third party professional providers, it is the companies held in its investment portfolio which have the primary real-world impact in terms of social and environmental change, both positively and negatively, as well as generating, through their commercial success, the investment growth sought by the Company's shareholders. The investee companies have an interest in understanding their shareholders' investment rationale in order to assure themselves that long-term business strategies will be supported.	The Board is cognisant of the need to consider the impact of the Company's investment strategy and policy on wider society and the environment. The Board considers that its oversight of environmental, social and governance ('ESG') matters is an important part of its responsibility to all stakeholders and the Board has published its own ESG policy. The Board's review of the Managers includes an assessment of their ESG approach and its application in making investment decisions. The Board regularly reviews Governance Engagement reports, which document the Managers' interactions with investee companies on ESG matters (see page 42).
Investment platforms	Investment platforms provide an interface with shareholders who invest in the Company indirectly.	The Managers liaise with the various investment platforms on strategies for improving communications with the Company's shareholders who hold their shares via these platforms. An annual timetable of key dates is published on the Company's website, for the ease of reference of such shareholders. Further details on how to vote via an investment platform can be found on pages 109 and 115.

Stakeholder	Why we engage	How we engage and what we do
Brokers	The Company's brokers provide an interface between the Company's Board and its institutional shareholders.	The Company's brokers regularly attend Board meetings, and provide reports to those meetings, in order to keep the Board apprised of shareholder and wider market sentiment regarding the Company. They also arrange forums for shareholders to meet the Chair, or other Directors, outwith the normal general meeting cycle.
Registrars	The Company's registrars provide an interface with those shareholders who hold the Company's shares directly.	The Company Secretaries liaise with the registrars to ensure the frequency and accuracy of communications to shareholders is appropriate, and monitor shareholder correspondence to ensure that the level of service provided by the registrars is acceptable. The Managers' risk function reviews the registrars' internal controls report and reports on the outcome of this review to the Audit Committee.
Depositary and custodian	The depositary and custodian are responsible for the safekeeping of the Company's financial instruments, as set out in more detail on page 60.	The Depositary provides the Audit Committee with a report on its monitoring activities. The Board and Managers seek to engage with the depositary and custodian in a collaborative and collegiate manner, encouraging open and constructive discussion and debate, while also ensuring that appropriate and regular challenge is brought and evaluation conducted. This approach aims to enhance service levels and strengthen relationships with the Company's providers, with a view to ensuring the interests of the Company's shareholders are best served by keeping cost levels proportionate and competitive, and by maintaining the highest standards of business conduct.
Lenders	Lenders such as holders of debt instruments (bonds and private placement loan notes) and banks providing fixed or revolving credit facilities provide the Company's gearing and have an interest in the Company's ongoing financial health and viability.	The Company's legal advisers review all legal agreements in connection with the Company's debt arrangements and advise the Board on the appropriateness of the terms and covenants therein. The Managers and Secretaries ensure that the frequency and accuracy of reporting on, for example, covenant certification, is appropriate and that correspondence from the lenders receives a prompt response.
AIC/industry peers	The Association of Investment Companies ('AIC') and the Company's investment trust industry peers have an interest in the Company's conduct and performance, as adverse market sentiment towards one investment trust can affect attitudes towards the wider industry.	The Company is a member of the AIC, and the Directors and/or the Managers and Secretaries (as appropriate) participate in technical reviews, requests for feedback on proposed legislation or regulatory developments, corporate governance discussions and/or training.
Wider society and the environment	No entity, corporate or otherwise, can exist without having an influence on the society in which it operates or utilising the planet's resources. Through its third-party relationships, as noted above, the Company seeks to be a positive influence and, in circumstances where that is not possible, to mitigate its negative impacts insofar as is possible.	The Board and Managers' interactions with the various stakeholders as noted above form the principal forms of direct engagement with wider society and in respect of the environment (commercial, financial, and in terms of planetary health and resources).

The Board recognises the importance of maintaining the interests of the Company and its stakeholders in aggregate, firmly front of mind in its key decision making and Baillie Gifford & Co Limited, the Company Secretaries are at all times available to the Board to ensure that suitable consideration is given to the range of factors to which the Directors should have regard. In addition to ensuring that the Company's stated investment objective was being pursued, key decisions and actions during the year which required the Directors to have regard to applicable section 172 factors included:

- The Company bought back 1,665,185 of the Company's own shares into treasury at a discount to net asset value, for subsequent reissue, in order to ensure the Company's shareholders found liquidity for their shares when natural market demand was insufficient, and on terms that enhance net asset value for remaining shareholders; and
- as part of the Board's succession planning, Padmesh Shukla was appointed to the Board on 20 February 2024 and elected as a Director by shareholders at the Annual General Meeting held on 4 April 2024. This appointment is consistent with the AIC Corporate Governance Code principle that 'a successful company is led by an effective board, whose role is to promote the long-term sustainable success of a company, generating value for shareholders and contributing to wider society'.

Employees, human rights and community issues

The Board recognises the requirement to provide information about employees, human rights and community issues. As the Company has no employees, all its Directors are non-executive and all its functions are outsourced, there are no disclosures to be made in respect of employees, human rights and community issues. Further information on the Company's approach to environmental, social and governance (ESG) matters are provided on page 70.

Gender representation

As at 31 December 2024, and the date of this report, the Board comprises five Directors, two male and three female. The Company has no employees. The Board's policy on diversity is set out on page 67.

Environmental, social and governance policy

Details of the Company's policy on socially responsible investment can be found under Corporate Governance and Stewardship on page 70.

The Company considers that it does not fall within the scope of the Modern Slavery Act 2015 and it is not, therefore, obliged to make a slavery and human trafficking statement. In any event, the Company considers its supply chains to be of low risk as its suppliers are typically professional advisers. A statement by the Managers under the Act has been published on the Managers' website at **bailliegifford.com**.

Future developments of the Company

The outlook for the Company for the next 12 months is set out in the Chairman's statement on pages 5 to 9 and the Managers' review on pages 15 to 23.

The Strategic report, which includes pages 5 to 53, was approved by the Board on 12 February 2025.

Lord Macpherson of Earl's Court
Chairman

Governance report

This governance report, which includes pages 55 to 79 outlines the Board's approach to the governance of your Company. We believe that good governance builds better outcomes and we are committed to high standards of corporate governance and transparency.

Directors and management

Directors

Lord Nicholas Macpherson of Earl's Court, GCB

Chairman

Appointed 2016

Lord Macpherson of Earl's Court, GCB joined the Board in 2016 and was appointed Chairman on 5 April 2022. He was Permanent Secretary to the Treasury from 2005 to 2016, leading the department through the global economic and financial crisis. He is currently chairman of C Hoare and Co, a Visiting Professor at King's College, London and was a non-executive director of British Land plc.

Karyn Lamont, CA

Director

Appointed 2019

Karyn Lamont, CA joined the Board in 2019 and became Chairman of the Audit Committee in 2020. Karyn is a chartered accountant and former audit partner at PricewaterhouseCoopers. She has over 25 years' experience providing audit and other services to a range of clients across the UK's financial services sector, including a number of investment trusts. Karyn is audit committee chairman of The North American Income Trust plc, The Scottish Building Society and Iomart Group. She was also a director of Ediston Property Investment Company plc.

Dame Mariot Leslie

Director

Appointed 2019

Dame Mariot Leslie joined the Board in 2019. She was a member of the Diplomatic Service from 1977 until her retirement in 2014. In the course of her career she represented the UK overseas in Singapore, Germany, France and Italy, ran the FCO's Policy Planning Staff, and was a member of the British Government's Joint Intelligence Committee. She was the British Ambassador to Norway from 2002 to 2006 and the UK's Permanent Representative to NATO from 2010 to 2014.

Christine Montgomery

Director

Appointed 2022

Christine Montgomery joined the Board in 2022. She has over 30 years of investment management experience, most recently as Head of Global Equities for Australian Super in Melbourne from 2016 to 2019 and previously held senior global equity roles at Fidelity Worldwide Investments, Franklin Templeton Investments and Aegon. Christine is a non-executive director of Dunedin Income and Growth Investment Trust.

Padmesh Shukla

Director

Appointed 20 February 2024

Padmesh Shukla joined the Board in February 2024. He is the Chief Investment Officer of the Transport For London ('TFL') Pension Fund, and has over 25 years of investment experience, including 12 years in his current role at TFL. He was formerly head of Climate Change Financing at the London Development Agency, and prior to that he had worked at the World Bank, as a Researcher at Harvard and in real estate. He is currently a member of the Church of England Pensions Investment Committee.

All Directors are members of the Nomination Committee and all Directors, with the exception of Lord Macpherson of Earl's Court, are members of the Audit Committee. Lord Macpherson stepped down from the Audit Committee in July 2022.

Managers and secretaries

The Company has appointed Baillie Gifford & Co Limited, a wholly owned subsidiary of Baillie Gifford & Co, as its Alternative Investment Fund Manager and Company Secretary. Baillie Gifford & Co Limited has delegated investment management services to Baillie Gifford & Co. Dealing activity and transaction reporting have been further sub-delegated to Baillie Gifford Overseas Limited and Baillie Gifford Asia (Hong Kong) Limited. Baillie Gifford & Co is an investment management firm formed in 1927 out of the legal firm Baillie & Gifford, WS, which had been involved in investment management since 1908.

Baillie Gifford is one of the largest investment trust managers in the UK and currently manages twelve investment trusts. Baillie Gifford also manage a listed investment company, unit trusts and open ended investment companies, together with investment portfolios on behalf of pension funds, charities and other institutional clients, both in the UK and overseas. Funds under the management or advice of Baillie Gifford total around £231 billion as at 10 February 2025. Based in Edinburgh, it is one of the leading privately owned investment management firms in the UK, with 62 partners and a staff of around 1,600.

SAINTS is managed by James Dow and Ross Mathison. They work closely with the other specialist equity, bond and multi-asset class investors at Baillie Gifford (see further information on the portfolio managers on page 14).

Baillie Gifford & Co and Baillie Gifford & Co Limited are both authorised and regulated by the Financial Conduct Authority.

Property manager

The Company, Baillie Gifford & Co Limited and OLIM Property Limited, a specialist property manager, have entered a tripartite agreement to appoint OLIM Property Limited as property manager.

OLIM Property is an FCA regulated property investment manager of UK commercial property portfolios, with individual discretionary mandates for pension funds, investment trusts and Oxford colleges. OLIM Property is owner managed with a dedicated and highly experienced team and has a 38 year record of pioneering commercial property investment expertise and consistent outperformance. The first three client mandates in 1986 were for Value and Income Trust PLC (now known as Value and Indexed Property Income Trust PLC), an Oxford College and a FTSE 100 Company's Pension Fund. Their office is based at 15 Queen Anne's Gate in Central London, adjacent to St James's Park.

Matthew Oakeshott – chairman

Joint founder of OLIM where he managed UK commercial property and equity portfolios from 1986 to 2006 and purely commercial property since then. S.G. Warburg & Co 1976, Director of Warburg Investment Management 1978. Investment Manager of Courtaulds Pension Fund 1981 to 1985. He led a management buyout of OLIM Property in 2012.

Louise Cleary – managing director

Qualified as a Member of the Royal Institution of Chartered Surveyors in 1996. She has over 20 years' experience of commercial property investment at Hermes Real Estate Investment Management, Land Securities and Asda Property Holdings and joined OLIM in 2009 and OLIM Property in 2012.

Sarah Martin – director

Qualified as a Member of the Royal Institution of Chartered Surveyors in 2008. She has over 15 years' experience at the Estates Gazette, JLL/King Sturge and joined OLIM Property in 2019.

Jo West – investment analyst

Qualified as a Member of the Royal Institution of Chartered Surveyors in 1992. She has 20 years of commercial property valuation and investment experience at Donaldsons, Gooch & Wagstaff, CBRE and British Land and joined OLIM Property in 2018.

Directors' report

The Directors present their Report together with the Financial Statements of the Company for the year to 31 December 2024.

Corporate governance

The Corporate Governance Report is set out on pages 64 to 71 and forms part of this Report.

Managers and Company Secretaries

Baillie Gifford & Co Limited, a wholly owned subsidiary of Baillie Gifford & Co, has been appointed as the Company's Alternative Investment Fund Manager ('AIFM') and Company Secretary. Baillie Gifford & Co Limited has delegated investment management services to Baillie Gifford & Co. Dealing activity and transaction reporting have been further sub-delegated to Baillie Gifford Overseas Limited and Baillie Gifford Asia (Hong Kong) Limited. The management of the property portfolio has been delegated to OLIM Property Limited.

The Investment Management Agreement between the AIFM and the Company sets out the matters over which the Managers have authority in accordance with the policies and directions of, and subject to restrictions imposed by, the Board. The Investment Management Agreement is terminable on not less than six months' notice. Compensation fees would only be payable in respect of the notice period if termination were to occur within a shorter notice period. The annual management fee is 0.45% of the first £500 million of total assets and 0.35% of the remaining total assets, total assets being the value of all assets held (excluding the property portfolio) less all liabilities, other than any liability in the form of debt intended for investment purposes, calculated on a quarterly basis. The Board is of the view that calculating the fee with reference to performance would be unlikely to exert a positive influence on performance.

The Property Management Agreement sets out the matters over which OLIM Property Limited has discretion and those matters which require Board approval. The Property Management Agreement is terminable on three months' notice. The annual fee is 0.5% of the value of the property portfolio, subject to a minimum quarterly fee of £6,250.

The Board considers the Company's investment management and secretarial arrangements on a continuing basis and a formal review is conducted annually. The Board considered the following topics amongst others in its review:

- investment process;
- investment performance;
- dividend growth;
- the quality of the personnel assigned to handle the Company's affairs;
- developments at the Managers, including staff turnover;
- the administrative services provided by the Secretaries;
- the property management service provided by OLIM Property Limited;
- share price and discount; and
- charges and fees.

Following the most recent review it is the opinion of the Directors that the continuing appointment of Baillie Gifford & Co Limited as AIFM, the delegation of investment management services to Baillie Gifford & Co, the further sub-delegation of dealing activity and transaction reporting to Baillie Gifford Overseas Limited and Baillie Gifford Asia (Hong Kong) Limited and the delegation of the management of the property portfolio to OLIM Property Limited, on the terms agreed, is in the interests of the Company and shareholders as a whole.

Depositary

In accordance with the Alternative Investment Fund Managers ('AIFM') Regulations, the AIFM must appoint a Depositary to the Company. The Bank of New York Mellon (International) Limited has been appointed as the Company's Depositary. The Depositary's responsibilities include cash monitoring, safe keeping of the Company's financial instruments, verifying ownership and maintaining a record of other assets and monitoring the Company's compliance with investment limits and leverage requirements. The custody function is also undertaken by The Bank of New York Mellon (International) Limited.

Directors

Information about the Directors, including their relevant experience, can be found on pages 55 to 56.

All Directors, will retire at the Annual General Meeting and offer themselves for re-election.

Following formal performance evaluation, the Board concluded that the performance of each of the Directors continues to be effective and each remains committed to the Company. Their contribution to the Board is greatly valued and the Board recommends their re-election to shareholders.

Director indemnification and insurance

The Company has entered into qualifying third party deeds of indemnity in favour of each of its Directors. The deeds, which were in force during the year to 31 December 2024 and up to the date of approval of this Report, cover any liabilities that may arise to a third party, other than the Company, for negligence, default or breach of trust or duty. The Directors are not indemnified in respect of liabilities to the Company, any regulatory or criminal fines, any costs incurred in connection with criminal proceedings in which the Director is convicted or civil proceedings brought by the Company in which judgement is given against him/her. In addition, the indemnity does not apply to any liability to the extent that it is recovered from another person.

The Company maintains Directors' and Officers' Liability Insurance.

Conflicts of interest

Each Director submits a list of potential conflicts of interest to the Nomination Committee on an annual basis. The Committee considers these carefully, taking into account the circumstances surrounding them and makes a recommendation to the Board on whether or not the potential conflicts should be authorised. Board authorisation is for a period of one year. Having considered the lists of potential conflicts there were no situations which gave rise to a direct or indirect interest of a Director which conflicted with the interests of the Company.

Dividends

The Board recommends a final dividend of 4.175p per ordinary share which, together with the interim dividends already paid, makes a total of 14.875p for the year. If approved, the recommended final dividend on the ordinary shares will be paid on 11 April 2025 to shareholders on the register at the close of business on 28 February 2025. The ex-dividend date is 27 February 2025.

The Company's Registrar offers a Dividend Reinvestment Plan (see page 115) and the final date for the receipt of elections for reinvestment of this dividend is 21 March 2025.

Share capital

Capital structure

The Company's capital structure (excluding treasury shares) consists of 176,650,758 ordinary shares of 25p each (2023 – 178,315,943 ordinary shares). There are no restrictions concerning the holding or transfer of the Company's ordinary shares and there are no special rights attaching to any of the shares.

Dividends

The ordinary shares carry a right to receive dividends. Interim dividends are determined by the Directors, whereas the proposed final dividend is subject to shareholder approval.

Capital entitlement

On a winding up, after meeting the liabilities of the Company, the surplus assets will be paid to ordinary shareholders in proportion to their shareholdings.

Voting

Each ordinary shareholder present in person or by proxy is entitled to one vote on a show of hands and, on a poll, to one vote for every share held.

Information on the deadlines for proxy appointments can be found on pages 111 to 113.

Major interests disclosed in the Company's shares

Name	No. of ordinary 25p shares held at 31 December 2024	% of issue
Rathbone Investment Management Ltd	9,116,733	5.2
Brewin Dolphin Limited	6,623,973	3.7

Holdings above are stated as per the most recent notification to a Regulatory Information Service. There have been no changes to the major interests in the Company's shares disclosed between 31 December 2024 and 10 February 2025.

Annual General Meeting

Share issuance authority

Resolution 11 in the Notice of Annual General Meeting seeks to renew the Directors' general authority to issue shares up to an aggregate nominal amount of £14,423,125.00. This amount represents approximately 33% of the Company's total ordinary share capital in issue at 10 February 2025, being the latest practicable date prior to the publication of this document, and meets institutional guidelines. No issue of ordinary shares will be made pursuant to the authorisation in Resolution 11 which would effectively alter the control of the Company without the prior approval of shareholders in general meeting.

Resolution 12, which is proposed as a special resolution, seeks to renew the Directors' authority to issue shares or sell shares held in treasury on a non pre-emptive basis (i.e. without first offering such shares to existing shareholders pro-rata to their existing holdings) for cash up to an aggregate nominal amount of £4,370,643.75 (representing approximately 10% of the issued ordinary share capital of the Company as at 10 February 2025, being the latest practicable date prior to the publication of this document). The authorities sought in Resolutions 11 and 12 will continue until the conclusion of the Annual General Meeting to be held in 2026 or on the expiry of 15 months from the passing of this resolution, if earlier.

Such authorities will only be used to issue shares or sell shares from treasury at, or at a premium to, net asset value and only when the Directors believe that it would be in the best interests of the Company to do so.

See further in this regard under the heading 'authority to issue shares at a discount to net asset value (with borrowings valued at book)' below.

During the year to 31 December 2024, no shares were issued by the Company.

Authority to issue shares at a discount to Net Asset Value (with borrowings valued at book)

As noted above, the Board believes that issuing shares to meet unsatisfied demand in the marketplace is generally in the best interests of the Company. Shareholders are asked on an annual basis to grant the Directors customary share allotment and issuance authorities (see 'share issuance authorities' above). In order to facilitate non pre-emptive share issuance, either of new ordinary shares or of any shares which are held by the Company in treasury. Even where such authorities are in place, however, the Listing Rules prohibit the issue of shares, whether new or from treasury, for cash at a price below the net asset value per share ('NAV') of the shares which are then in issue, unless the new shares are first offered to existing shareholders pro-rata to their existing holdings.

As stated previously, the Board considers NAV (assets less liabilities) on the basis of the Company's borrowings valued at their book value to be the prudent measure when determining the price at which to issue shares. It remains the Directors' firm intention only to issue shares at, or at a premium to, NAV calculated on this measure. In order, though, to guard against a technical breach of the Listing Rules prohibition mentioned above, by virtue of an inadvertent share issuance at a discount to NAV with borrowings at book (due, for example, to challenges in estimating intra-day market movements), the Board is again this year proposing an additional annual resolution which, paradoxically, seeks to authorise the Directors to issue shares at a discount to NAV at book.

Resolution 13 is being proposed, therefore, solely for this technical purpose and specifically in the context of the Directors' continued intention only to issue shares on a basis which protects or enhances shareholder value.

Market purchase of own shares

The Company's buy-back authority was last renewed at the AGM on 4 April 2024 in respect of 26,729,559 shares of 25p each (equivalent to 14.99% of its then issued share capital). During the year to 31 December 2024, 1,665,185 shares were bought back at a cost of £8,529,000 and held in treasury (2023 – no shares were bought back). Between 1 January and 10 February 2025, the Company bought back 1,825,000 shares into treasury at a cost of £9,420,000. 3,490,185 shares were held in treasury as at 10 February 2025.

The principal reasons for share buy-backs are:

i. to enhance the net asset value for continuing shareholders by purchasing shares at a discount to the prevailing net asset value; and

ii. to address any imbalance between the supply of and demand for SAINTS' shares that results in a discount of the quoted market price to the published net asset value per share.

The Company may hold bought back shares in treasury and then:

i. sell such shares (or any of them) for cash (or its equivalent under the Companies Act 2006); or

ii. cancel the shares (or any of them).

Shares will only be re-sold from treasury at a premium to net asset value per ordinary share.

The Directors are seeking shareholders' approval at the Annual General Meeting to renew the authority to make market purchases of up to 26,206,381 ordinary shares in issue (excluding treasury shares) as at 10 February 2025, being the latest practicable date prior to the publication of this document or, if less, the number representing approximately 14.99% of the Company's ordinary shares in issue at the date of passing of the resolution, such authority to expire at the Annual General Meeting of the Company to be held in 2026. Such purchases will only be made through the market for cash at prices below the most recently calculated net asset value per ordinary share, which will result in an increase in value of the remaining ordinary shares. Any such shares purchased shall either be held in treasury or cancelled. In accordance with the Listing Rules of the UK Listing Authority, the maximum price (excluding expenses) that may be paid on the exercise of the authority must not exceed the higher of:

i. 5 per cent above the average closing price on the London Stock Exchange of an ordinary share over the five business days immediately preceding the date of purchase; and

ii. an amount equal to the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share on the trading venue where the purchase is carried out.

The minimum price (exclusive of expenses) that may be paid will be 25p per share. Purchases of shares will be made within guidelines established, from time to time, by the Board. The Company does not have any warrants or options in issue. Your attention is drawn to Resolution 14 in the Notice of Annual General Meeting.

Articles of Association

The Company's Articles of Association may only be amended by special resolution at a general meeting of shareholders.

Financial instruments

The Company's financial instruments comprise its investment portfolio, cash balances, borrowings and debtors and creditors that arise directly from its operations such as sales and purchases awaiting settlement and accrued income. The financial risk management objectives and policies arising from its financial instruments and the exposure of the Company to risk are disclosed in note 18 to the Financial Statements on pages 101 to 106.

Disclosure of information to Auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Independent Auditor

The Auditor, Ernst & Young LLP, is willing to continue in office and in accordance with section 489 and section 491(1) of the Companies Act 2006, resolutions concerning Ernst & Young LLP's reappointment and remuneration will be submitted to the Annual General Meeting.

Post balance sheet events

The sale of the bowling alley at Taunton was agreed on 19 December 2024 for £3,900,000. The sale completed on 31 January 2025. The Directors confirm that there have been no other significant post balance sheet events up to 10 February 2025 that require disclosure in the Financial Statements.

Greenhouse gas emissions and Streamlined energy and carbon reporting ('SECR')

All of the Company's activities are outsourced to third parties. The Company therefore has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013. For the same reasons as set out above, the Company considers itself to be a low energy user under the SECR regulations and therefore is not required to disclose energy and carbon information.

Bribery Act

The Company has a zero tolerance policy towards bribery and is committed to carrying out business fairly, honestly and openly. The Managers also adopt a zero tolerance approach and have policies and procedures in place to prevent bribery.

Criminal Finances Act 2017

The Company has a commitment to zero tolerance towards the criminal facilitation of tax evasion.

Recommendation

The Board unanimously recommends you to vote in favour of the resolutions to be proposed at the Annual General Meeting as, in its opinion, they are in the best interests of the shareholders as a whole.

On behalf of the Board
Lord Macpherson of Earl's Court
Chairman
12 February 2025

Corporate governance report

The Board is committed to achieving and demonstrating high standards of Corporate governance. This statement outlines how the principles of the 2018 UK Corporate Governance Code ('the Code'), which can be found at frc.org.uk, and the relevant principles of the Association of Investment Companies ('AIC') Code of Corporate Governance ('AIC Code') issued in 2019 were applied throughout the financial year. The AIC Code provides a framework of best practice for investment companies and can be found at theaic.co.uk.

Compliance

The Board confirms that the Company has complied throughout the year under review with the relevant provisions of the Code and the recommendations of the AIC Code. The Code includes provisions relating to the role of the chief executive, executive directors' remuneration and the need for an internal audit function. Given that the Company is an externally managed investment trust, the Board considers these provisions are not relevant to the Company (the need for an internal audit function specific to the Company has been addressed on page 73). Details of the Board's view on Directors who have served on the Board for more than nine years can be found under the Independence of Directors and Policy on Chairman's and Directors' tenure sections of this Report on pages 66 and 67.

The FRC has confirmed that AIC member companies who report against the AIC Code will be meeting their obligations in relation to the UK Code (the AIC Code can be found at **theaic.co.uk**).

The Board

The Board has overall responsibility for the Company's affairs. It has a number of matters formally reserved for its approval including strategy, investment policy, currency hedging, gearing, treasury matters, dividend and corporate governance policy. A separate meeting devoted to strategy is held each year. The Board also reviews the Financial Statements, investment transactions, revenue budgets and investment performance of the Company. Full and timely information is provided to the Board to enable the Board to function effectively and to allow Directors to discharge their responsibilities.

Board of Directors

Comprises independent non-executive Directors

Chairman:
Lord Macpherson of Earl's Court

Senior Independent Director:
Mariot Leslie

Audit Committee

Chairman: Karyn Lamont

Purpose
To provide oversight of:
- the financial reporting process;
- the audit process;
- the Company's system of internal controls; and
- compliance with laws and regulations.

Nomination Committee

Chairman: Lord Macpherson of Earl's Court

Purpose
To oversee:
- Board recruitment;
- succession planning; and
- Board appraisals including identifying training needs.

Third-party service providers appointed by the Board

Alternative Investment Fund Managers and Company Secretary:
Baillie Gifford & Co Limited (wholly owned subsidiary of Baillie Gifford & Co)

Dealing activity and transaction reporting:
Baillie Gifford Overseas Limited and Baillie Gifford Asia (Hong Kong) Limited

Property manager:
OLIM Property Limited

Ernst & Young LLP

Auditor

The Bank of New York Mellon (International) Limited

Depositary

Computershare Investor Services PLC

Registrar

Winterflood Investment Trusts

Company Broker

The Board currently comprises five Directors all of whom are non-executive. The Chairman is responsible for organising the business of the Board, ensuring its effectiveness and setting its agenda. The executive responsibility for investment management has been delegated to the Company's Alternative Investment Fund Manager ('AIFM'), Baillie Gifford & Co Limited, and, in the context of a Board comprising entirely non-executive Directors, there is no chief executive officer. The Senior Independent Director is Dame Mariot Leslie.

The Directors believe that the Board has a balance of skills and experience which enables it to provide effective strategic leadership and proper governance of the Company. Information about the Directors, including their relevant experience, can be found on pages 55 and 56.

There is an agreed procedure for Directors to seek independent professional advice if necessary at the Company's expense.

Appointments

The terms and conditions of Directors' appointments are set out in formal letters of appointment which are available for inspection on request.

Under the provisions of the Company's Articles of Association, a Director appointed during the year is required to retire and seek election by shareholders at the next Annual General Meeting. The Board has agreed that all the Directors will retire at each Annual General Meeting and, if appropriate, offer themselves for re-election.

Independence of Directors

All Directors are considered by the Board to be independent of the Managers and free of any business or other relationship which could interfere with the exercise of their independent judgement.

The Directors recognise the importance of succession planning for company boards and review the Board composition annually. The Board is of the view that length of service will not necessarily compromise the independence or contribution of Directors of an investment trust company, where continuity and experience can be a benefit to the Board. The policy on Chairman's and Directors' tenure is on page 67.

Meetings

There is an annual cycle of Board meetings which is designed to address, in a systematic way, overall strategy, review of investment policy, investment performance, marketing, revenue budgets, dividend policy and communication with shareholders. The Board considers that it meets sufficiently regularly to discharge its duties effectively. The following table shows the attendance record for the core Board and Committee meetings held during the year. The Annual General Meeting was attended by all Directors.

Directors' attendance at meetings

	Board	Audit Committee	Nomination Committee
Number of meetings	**5**	**2**	**1**
Lord Macpherson of Earl's Court*	5	2	1
Karyn Lamont	5	2	1
Dame Mariot Leslie	5	2	1
Christine Montgomery	5	2	1
Padmesh Shukla†	4	1	1

* Lord Macpherson of Earl's Court ceased to be a member of the Audit Committee when he became Chairman of the Board on 5 April 2022 but attends by invitation

† Appointed a Director 20 February 2024

Nomination Committee

The Nomination Committee consists of the whole Board due to the ongoing small size of the Board and the Chairman of the Board is Chairman of the Committee. The Committee meets on an annual basis and at such other times as may be required. The Committee has written terms of reference which include reviewing the Board composition, Board appraisal, succession planning, training and identifying and nominating new candidates for appointment to the Board. The Committee also considers whether Directors should be recommended for re-election by shareholders. The Committee is responsible for considering Directors' potential conflicts of interest and for making recommendations to the Board on whether or not any potential conflicts should be authorised.

During 2023, the Committee engaged an external search consultancy, Audeliss, to recruit a new Director to join the Board. Padmesh Shukla was identified as the preferred candidate and it was announced on 29 November 2023 that he would be appointed to the Board on 20 February 2024. The Committee believes that Mr Shukla's knowledge and experience will be of great benefit to the Company. Audeliss, which has no other connection with the Company or any of the Directors, was specifically tasked with identifying candidates with the best range of skills and experience to complement those of the existing Directors, while also considering the promotion of diversity on the Board as an integral part of the recruitment process.

Diversity policy

Appointments to the Board are made on merit and based on objective criteria, including the promotion of diversity of gender, social and ethnic backgrounds, and cognitive and personal strengths. The priority in succession planning and appointing new Directors is to identify candidates with the best range of skills and experience to complement those of the existing Directors, with a view to ensuring that the Board remains well placed to help the Company achieve its investment and governance objectives.

Board diversity

The following disclosures are provided in respect of the FCA Listing Rules targets that: i) 40% of a board should be women; ii) at least one senior role should be held by a woman; and iii) at least one board member should be from a non-white ethnic background, as defined by the Office of National Statistics ('ONS') criteria.

As an externally managed investment company with no chief executive officer (CEO) or chief financial officer (CFO), the roles which qualify as senior under FCA guidance are Chair and Senior Independent Director (SID). The Board also considers Audit Committee Chairman to represent a senior role within this context and this role is performed by a woman.

At 31 December 2024, which shall be used as the reference date for the disclosures, the Board complies in all respects with the FCA listing Rules targets.

Gender	Number	%	Senior roles
Men	2	40	1
Women	3	60	1*
Prefer not to say	–	–	–

* The Board also considers Audit Committee Chairman to be a senior role. The role of Audit Committee Chairman is currently held by a woman.

Ethnic background	Number	%	Senior roles
White	4	80	2*
Asian/Asian British	1	20	0
Prefer not to say	–	–	–

* The Board also considers Audit Committee Chairman to be a senior role. The current Audit Committee Chairman's ethnic background is white.

Policy on Chairman's and Directors' tenure

The Board of SAINTS considers that the tenure of its Chairman and Directors should be driven by how shareholders' interests can best be served and, in particular, in a way which prioritises the effective functioning of the Board. It notes that as well as the effectiveness and independence of the Chairman and Directors, the ongoing balance, experience and diversity of the whole Board are relevant factors. Whilst it recognises the need for regular Board refreshment, the Board also believes that continuity is vitally important. Consequently, the Board firmly believes it is helpful at any given time to have some longer serving members on the Board.

The Committee's terms of reference are available on request from the Company and from the SAINTS' page on the Managers' website: **saints-it.com**.

Performance evaluation

An appraisal of the Chairman, each Director, and a performance evaluation and review of the Board as a whole and its Committees was carried out during the year. The Chairman and each Director completed a performance evaluation questionnaire and each Director had an interview with the Chairman. The appraisal of the Chairman was led by Mariot Leslie. The appraisals and evaluations considered, amongst other criteria, the balance of skills of the Board, training and development requirements, the contribution of individual Directors and the overall effectiveness of the Board and its Committees. Following this process it was concluded that there was a diverse range of skills within the Board, and the performance of each Director, the Chairman, the Board and its Committees continues to be effective and the Directors remain committed to the Company. A review of the Chairman's and other Directors' commitments was carried out and the Nomination Committee is satisfied that they are capable of devoting sufficient time to the Company. There were no significant changes to the Chairman's other commitments during the year.

During the year ended 31 December 2022, the Board appointed Lintstock Ltd, a firm which assists companies with the design and execution of board evaluations, to facilitate the performance evaluation of the Chairman, each Director, the Board as a whole and its Committees. External facilitation will next be considered for Board evaluations in 2025.

Induction and training

New Directors are provided with an induction programme which is tailored to the particular circumstances of the appointee. Briefings were provided during the year on regulatory matters. Directors receive other relevant training as necessary.

Remuneration Committee

As all the Directors are non-executive, there is no requirement for a separate Remuneration Committee. Directors' fees are considered by the Board as a whole within the limits approved by shareholders. The Company's policy on remuneration is set out in the Directors' Remuneration report on page 75.

Management Engagement Committee

The Directors have considered that a separate Management Engagement Committee is not required given the small size of the Board.

Audit Committee

The report of the Audit Committee is set out on pages 72 to 74.

Internal controls and risk management

The Directors acknowledge their responsibility for the Company's risk management and internal controls systems and for reviewing their effectiveness, including with regard to preparation of the Company's Annual Report and Financial Statements. These systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board confirms that there is a continuing process for identifying, evaluating and managing the significant risks faced by the Company in accordance with the FRC guidance 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting'.

The practical measures to be taken in relation to the design, implementation and maintenance of control policies and procedures to safeguard the Company's assets and to manage its affairs properly, including the maintenance of effective operational and compliance controls have been delegated to the Managers and Secretaries.

The Board oversees the functions delegated to the Managers and Secretaries and the controls managed by the AIFM in accordance with the UK Alternative Investment Fund Managers Regulations (as detailed below). Baillie Gifford & Co's Internal Audit and Compliance Departments and the AIFM's permanent risk function provide the Audit Committee with regular reports on their monitoring programmes. The reporting procedures for these departments are defined and formalised within a service level agreement. Baillie Gifford & Co conducts an annual review of its system of internal controls which is documented within an internal controls report which complies with ISAE 3402 –

Assurance Reports on Internal Controls of Service Organisations made available to Third Parties. This report is independently reviewed by Baillie Gifford & Co's Auditor and a copy is submitted to the Audit Committee.

A report identifying the material risks faced by the Company and the key controls employed to manage these risks is reviewed by the Audit Committee.

These procedures ensure that consideration is given regularly to the nature and extent of risks facing the Company and that they are being actively monitored. Where changes in risk have been identified during the year they also provide a mechanism to assess whether further action is required to manage these risks.

The Directors confirm that they have reviewed the effectiveness of the Company's risk management and internal controls systems which accord with the FRC 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting', and they have procedures in place to review their effectiveness on a regular basis. No significant weaknesses were identified in the year under review and up to the date of this Report.

The Board confirms that these procedures have been in place throughout the Company's financial year and continue to be in place up to the date of approval of this report.

To comply with the UK Alternative Investment Fund Managers Regulations, The Bank of New York Mellon (International) Limited act as the Company's Depositary and Baillie Gifford & Co Limited as its AIFM.

The Depositary's responsibilities include cash monitoring, safe keeping of the Company's financial instruments, verifying ownership and maintaining a record of other assets and monitoring the Company's compliance with investment limits and leverage requirements. The Depositary is liable for the loss of financial instruments held in custody. The Depositary will ensure that any delegate segregates the assets of the Company. The Company's Depositary also acts as the Company's Custodian. The Custodian prepares reports on its key controls and safeguards which are independently reviewed by its appointed auditors, KPMG LLP. The reports are reviewed by Baillie Gifford's Business Risk Department and a summary of the key points is reported to the Audit Committee and any concerns are investigated.

The Depositary provides the Audit Committee with a report on its monitoring activities.

The AIFM has established a permanent risk management function to ensure that effective risk management policies and procedures are in place and to monitor compliance with risk limits. The AIFM has a risk management policy which covers the risks associated with the management of the portfolio, and the adequacy and effectiveness of this policy is reviewed and approved at least annually. This review includes the risk management processes and systems and limits for each risk area.

The risk limits, which are set by the AIFM and approved by the Board, take into account the objectives, strategy and risk profile of the portfolio. These limits including leverage (see page 116) are monitored and the sensitivity of the portfolio to key risks is undertaken periodically as appropriate to ascertain the impact of changes in key variables in the portfolio. Exceptions from limits monitoring and stress testing undertaken by Baillie Gifford's Business Risk Department are escalated to the AIFM and reported to the Board along with any remedial measures being taken.

Going concern

In accordance with The Financial Reporting Council's guidance on going concern and liquidity risk, the Directors have undertaken a rigorous review of the Company's ability to continue as a going concern. The Company's principal and emerging risks are market related and include market risk, liquidity risk and credit risk. An explanation of these risks and how they are managed is contained on pages 45 to 49 and in note 18 to the Financial Statements. The Board has, in particular, considered recent heightened geopolitical tensions and conflicts and macroeconomic concerns, including increased inflation and interest rates, alongside specific leverage and liquidity stress testing, but does not believe the Company's going concern status is affected. The Company's assets, the majority of which are investments in quoted securities which are readily realisable, exceed its liabilities significantly. All borrowings require the prior approval of the Board. Gearing levels and compliance with borrowing covenants are reviewed by the Board on a regular basis. The Company has no short term borrowings. The Company has continued to comply with the investment trust status requirements of section 1158 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) Regulations 2011.

Accordingly, the Financial Statements have been prepared on the going concern basis as it is the Directors' opinion, having assessed the principal and emerging risks and other matters, as set out in the viability statement on page 50 and revenue estimates prepared to 28 February 2026, that the Company will continue in operational existence for the assessed period to 28 February 2026, which is at least 12 months from the date of approval of these Financial Statements.

Relations with shareholders

The Board places great importance on communication with shareholders. The Managers meet regularly with shareholders and their representatives and report shareholders' views to the Board. The Chairman is available to meet with shareholders as appropriate. Shareholders wishing to communicate with any members of the Board may do so by writing to them at the Company's registered office or through the Company's broker, Winterflood (see contact details on page 125).

The Company's Annual General Meeting provides a forum for communication with all shareholders. The level of proxies lodged for each resolution is announced at the meeting and published at **saints-it.com** subsequent to the meeting. The notice period for the Annual General Meeting is at least twenty working days. Shareholders and potential investors may obtain up-to-date information on the Company at **saints-it.com**.

Corporate governance and stewardship

The Company has given discretionary voting powers to Baillie Gifford & Co. The Managers vote against resolutions they consider may damage shareholders' rights or economic interests and report their actions to the Board.

The Company believes that it is in the shareholders' interests to consider environmental, social and governance ('ESG') factors when selecting and retaining investments and have asked the Managers to take these issues into account as long as the investment objectives are not compromised. The Managers do not exclude companies from their investment universe purely on the grounds of ESG factors but adopt a positive engagement approach whereby matters are discussed with management with the aim of improving the relevant policies and management systems and enabling the Managers to consider how ESG factors could impact long term investment returns. The Managers' statement of compliance with the UK Stewardship Code can be found on the Managers' website at **bailliegifford.com**. The Managers' policy has been reviewed and endorsed by the Board.

Baillie Gifford & Co, the Managers, has considered the Sustainable Finance Disclosures Regulation ('SFDR') and further details can be found on page 117.

The Managers, Baillie Gifford & Co, are signatories to the United Nations Principles for Responsible Investment and are also members of the International Corporate Governance Network.

Climate change

The Board recognises that climate change poses a serious threat to our environment, our society and to economies and companies around the globe. Addressing the underlying causes is likely to result in companies that are high emitters of carbon facing greater societal and regulatory scrutiny and higher costs to account for the true environmental impact of their activities. The Manager has engaged an external provider to map the carbon footprint of the equity portfolio using the information to prioritise engagement and understand what higher emitting companies are doing to manage climate risk better. The Managers utilise data sourced from a third party provider (MSCI via the Factset platform) to map the carbon footprint of The Scottish American Investment Company's equity portfolio which is estimated to be 74.2% lower than the Company's benchmark (FTSE All-World Index) and is based on 98.3% of the value of the Company's equity portfolio which reports on carbon emissions and other carbon related characteristics. Carbon intensity measures the carbon efficiency of the portfolio per unit of output and assesses the portfolio's exposure to carbon-intensive companies.

In evaluating property investments, OLIM, the property manager, reviews environmental and flood risk reports, surveys of sustainable transport links, energy performance certificates and proactively encourages green initiatives such as installing electric vehicle charging points, solar panels or other upgrades to improve energy performance ratings. The provision of property valuations is carried out by Savills, an external valuer, and environmental and flooding risk considerations are taken into account when arriving at the property valuations.

Baillie Gifford's Task Force on Climate-Related Financial Disclosures ('TCFD') Climate Report is available on the Managers' website at **bailliegifford.com**. A Company specific TCFD climate report is also available on the Company's page of the Managers' website at **saints-it.com**.

The Managers, Baillie Gifford & Co, are signatories to the Carbon Disclosure Project.

On behalf of the Board
Lord Macpherson of Earl's Court
12 February 2025

Audit Committee report

The Audit Committee consists of all independent Directors for the year to 31 December 2024 with the exception of the Chairman of the Board, Lord Macpherson of Earl's Court, who stepped down from the Audit Committee in July 2022. The members of the Committee consider that they have the requisite financial skills and experience to fulfil the responsibilities of the Committee. Ms Lamont, the Chairman of the Committee, is a Chartered Accountant. The Committee's authority and duties are clearly defined within its written terms of reference which are available at saints-it.com. The terms of reference are reviewed annually.

The Committee's effectiveness is reviewed on an annual basis as part of the Board's performance evaluation process.

At least once a year the Committee meets with the external Auditor without any representative of the Manager being present.

Main activities of the Committee

Ernst & Young LLP, the external Auditor, attended the Interim Accounts meeting in July 2024 and the Final Accounts meeting in February 2025. Baillie Gifford & Co's Internal Audit and Compliance Departments and the AIFM's permanent risk function provided reports on their monitoring programmes for these meetings.

The matters considered, monitored and reviewed by the Committee during the course of the year included the following:

- The preliminary results announcement and the Annual and Interim Reports;
- The Company's accounting policies and practices;
- The regulatory changes impacting the Company;
- The fairness, balance and understandability of the Annual Report and Financial Statements and whether it provided the information necessary for shareholders to assess the Company's performance, business model and strategy;
- The effectiveness of the Company's internal control environment;
- Re-appoinment, remuneration and engagement letter of the external Auditor;
- Whether the audit services contract should be put out to tender;
- The policy on the engagement of the external Auditor to supply non-audit services;
- The independence, objectivity and effectiveness of the external Auditor;

- The need for the Company to have its own internal audit function;
- Internal controls reports received from the Managers and other service providers; and
- The arrangements in place within Baillie Gifford & Co whereby their staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters.

Internal audit

The Committee continues to believe that the compliance and internal controls systems and the internal audit function in place within the Investment Managers provide sufficient assurance that a sound system of internal control which safeguards shareholders' investment and the Company's assets is maintained. An internal audit function, specific to the Company is therefore considered unnecessary.

Financial reporting

The Committee considers that the most significant issue likely to affect the Financial Statements is the valuation of the property investments which represent 9.1% of total assets. Other key issues are the existence and legal title of the property as well as the valuation, existence and legal title of the equity and bond investments which represent 90.6% of total assets.

The majority of the investments are in quoted securities and market prices are readily available from independent external pricing sources. The Committee reviewed the Managers' Report on Internal Controls which details the controls in place regarding recording and pricing of investments, the reconciliation of investment holdings to third party data and the accurate recording of investment income.

The properties are valued on an open market basis by Savills. The Committee approve the valuation report provided by Savills and review the property valuations twice a year.

The Committee considered the factors, including heightened geopolitical tensions, that might affect the Company's viability over a period of five years and its ability to continue as a going concern for at least twelve months from the date of signing of the Financial Statements, together with the reports from the Managers on the cash position and cash flow projections of the Company, the liquidity of the investment portfolio, compliance with debt covenants and the Company's ability to meet its obligations as they fall due. The Committee also reviewed the viability statement on page 50 and the statement on going concern on page 69 including the impact of increasing geopolitical tensions. Following this assessment, the Committee recommended to the Board the appropriateness of the going concern basis in preparing the Financial Statements and confirmed the accuracy of the viability statement and statement on going concern.

The Managers and Auditor confirmed to the Committee that they were not aware of any material misstatements in the context of the Financial Statements as a whole and that the Financial Statements are in accordance with applicable law and accounting standards.

FRC Review

The Financial Reporting Council ('FRC') reviewed the Company's Annual Report and Financial Statements for the year to 31 December 2023. There were no significant issues identified based on the review. The FRC notes that its review does not provide assurance that the Annual Report and Financial Statements are correct in all material respects and that its role is not to verify the information provided but to consider compliance with reporting requirements.

Internal controls and risk management

The Committee reviewed the effectiveness of the Company's risk management and internal controls systems as described on pages 68 and 69. No significant weaknesses were identified in the year under review.

External Auditor

To fulfil its responsibility regarding the independence of the external Auditor, the Committee reviewed:

- The audit plan for the current year;
- A report from the Auditor describing their arrangements to manage auditor independence and received confirmation of their independence; and
- The proposed audit fee and the extent of non-audit services provided by the external Auditor. For the year to 31 December 2024 the audit fee was £83,250 and there were no non-audit fees.

To assess the effectiveness of the external Auditor, the Committee reviewed and considered:

- The Auditor's fulfilment of the agreed audit plan;
- Feedback from the Secretaries on the performance of the audit team;
- The Audit Quality Inspection Report from the FRC; and
- Detailed discussion with audit personnel to challenge audit processes and deliverables.

To fulfil its responsibility for the oversight of the external audit process, the Committee considered and reviewed:

- The Auditor's engagement letter;
- The Auditor's proposed audit strategy;
- The audit fee; and
- A report from the Auditor on the conclusion of the audit.

The audit partner responsible for the audit will be rotated at least every five years in accordance with professional and regulatory standards in order to protect independence and objectivity and to provide fresh challenge to the business. 2024 will be the third year Ms Caroline Mercer, the current partner, has held this role and she will continue as audit partner until the conclusion of the 2026 audit.

Ernst & Young LLP has confirmed that it believes that it is independent within the meaning of regulatory and professional requirements and that the objectivity of the audit partner and staff is not impaired.

Having carried out the review described above, the Committee is satisfied that the Auditor remains independent and effective for the purposes of this year's audit.

There are no contractual obligations restricting the Committee's choice of external Auditor.

Accountability and audit

The respective responsibilities of the Directors and the Auditor in connection with the Financial Statements are set out on pages 78 to 87.

On behalf of the Board
Karyn Lamont
Audit Committee Chairman
12 February 2025

Directors' remuneration report

This report has been prepared in accordance with the requirements of the Companies Act 2006.

Statement by the Chairman

The Directors' Remuneration Policy is subject to shareholder approval every three years or sooner if an alteration to the policy is proposed. As the Remuneration Policy was last approved by shareholders at the Annual General Meeting in April 2023, shareholders' approval of the policy will be sought at the Annual General Meeting to be held in 2026.

The Board reviewed the level of fees during the year and concluded that there would be no need to change the fees. The fees were last increased with effect from 1 January 2023.

Directors' remuneration policy

The Board is composed wholly of non-executive Directors, none of whom has a service contract with the Company. There is no separate remuneration committee and the Board as a whole considers changes to Directors' fees from time to time.

The Board's policy is that the remuneration of Directors should be set at a reasonable level that is commensurate with the duties and responsibilities of the role and consistent with the requirement to attract and retain Directors of the appropriate quality and experience. The Board believes that the fees paid to the Directors should reflect the experience of the Board as a whole, be fair and should take account of the level of fees paid by comparable investment trusts. Baillie Gifford & Co Limited, the Company Secretaries, provides comparative information when the Board considers the level of Directors' fees. Any views expressed by shareholders on the fees being paid to Directors will be taken into consideration by the Board when reviewing the Board's policy on remuneration. Non-executive Directors are not eligible for any other remuneration or benefits apart from the reimbursement of allowable expenses. There are no performance conditions relating to Directors' fees and there are no long term incentive schemes or pension schemes. No compensation is payable on loss of office.

Limits on Directors' remuneration

The fees for the Directors are payable monthly in arrears and are determined within the limits set out in the Company's Articles of Association. The aggregate limit of Directors' fees is currently set at £250,000 per annum. Any change to this limit requires shareholder approval.

The basic and additional fees payable to Directors in respect of the year ended 31 December 2024 and the fees payable in respect of the year ending 31 December 2025 are set out in the table below. The fees payable to the Directors in the subsequent financial periods will be determined following an annual review of the Directors' fees.

	Expected fees for the year ending 31 December 2025 £	Fees for the year ended 31 December 2024 £
Non-executive Director fee	28,000	28,000
Additional fee for Chairman	18,000	18,000
Additional fee for Chairman of the Audit Committee	6,000	6,000

Annual report on remuneration

An ordinary resolution for the approval of this report will be put to the members at the forthcoming Annual General Meeting.

The law requires the Company's Auditor to audit certain of the disclosures provided in this report. Where disclosures have been audited, they are indicated as such. The Auditor's opinion is included in their report on pages 81 to 87.

Directors' remuneration for the year (audited)

The Directors who served during the year received the following remuneration in the form of fees and taxable benefits. This represents the entire remuneration paid to the Directors.

Name	2024 Fees £	2024 Taxable benefits* £	2024 Total £	2023 Fees £	2023 Taxable benefits* £	2023 Total £
Lord Macpherson of Earl's Court (Chairman)	46,000	1,659	**47,659**	46,000	2,418	**48,418**
Bronwyn Curtis (retired 4 April 2024)	7,424	1,514	**8,938**	28,000	3,268	**31,268**
Karyn Lamont	34,000	120	**34,120**	34,000	–	**34,000**
Dame Mariot Leslie	28,000	574	**28,574**	28,000	1,017	**29,017**
Christine Montgomery	28,000	1,681	**29,681**	28,000	273	**28,273**
Padmesh Shukla (appointed 20 February 2024)	24,195	963	**25,158**	–	–	**–**
	167,619	**6,511**	**174,130**	**164,000**	**6,976**	**170,976**

* Comprises travel and subsistence expenses incurred by Directors in the course of travel to attend Board and Committee meetings.

Annual percentage change in Directors' remuneration

This represents the annual percentage change in the entire remuneration paid to the Directors.

Name	% from 2023 to 2024	% from 2022 to 2023	% from 2021 to 2022	% from 2020 to 2021	% from 2019 to 2020
Lord Macpherson of Earl's Court (Chairman)	(1.6)	22.1	56.1	(0.7)	8.7
Bronwyn Curtis (retired 4 April 2024)	(71.4)	12.8	8.7	(1.4)	7.8
Karyn Lamont	0.4	13.3	–	8.3	70.2
Dame Mariot Leslie	(1.5)	16.1	–	–	13.6
Christine Montgomery	5.0	51.3	n/a	n/a	n/a
Padmesh Shukla (appointed 20 February 2024)	n/a	n/a	n/a	n/a	n/a
Peter Moon (retired 5 April 2022)	n/a	n/a	(70.8)	0.2	3.8

The Directors at the year end, and their interests in the Company at 31 December are shown in the following table. There have been no changes intimated in the Directors' interests up to 10 February 2025.

Directors' interests (audited)

Name	Nature of interest	Ordinary 25p shares held at 31 December 2024	Ordinary 25p shares held at 31 December 2023
Lord Macpherson of Earl's Court (Chairman)	Beneficial	125,000	112,000
Karyn Lamont	Beneficial	2,000	2,000
Dame Mariot Leslie	Beneficial	10,000	10,000
Christine Montgomery	Beneficial	15,000	15,000
Padmesh Shukla (appointed 20 February 2024)	Beneficial	2,001	–

Under the Articles of Association, each Director is required to hold at least 2,000 shares in the Company.

Statement of voting at Annual General Meeting

At the last Annual General Meeting, of the proxy votes received in respect of the Directors' Remuneration Report, 98.8% were in favour, 0.7% were against and votes withheld were 0.5%. At the last Annual General Meeting at which the Directors' Remuneration Policy was considered (April 2023), 96.9% were in favour, 2.5% against and votes withheld were 0.6%.

Relative importance of spend on pay

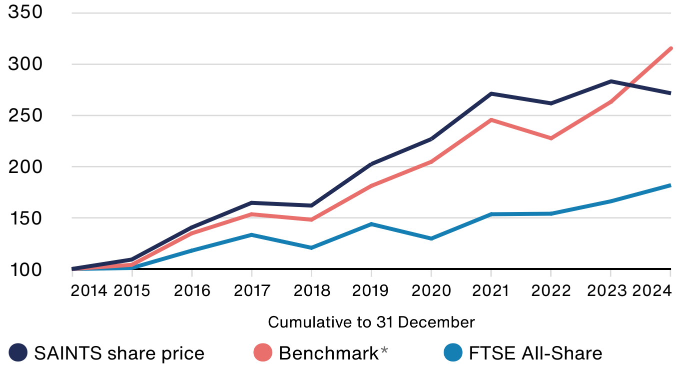
The table below shows the actual expenditure during the year in relation to Directors' remuneration and distributions to shareholders.

	2024 £'000	2023 £'000	Change %
Directors' remuneration	174	171	1.8
Dividends paid to shareholders	25,834	24,830	4.0

Company performance

The following graph compares the total return (assuming all dividends are reinvested) to ordinary shareholders compared to the total shareholder return on a notional investment made up of shares in the component parts of the FTSE All-Share Index. This index was chosen for comparison purposes, as it is a widely used measure of performance for UK listed companies. It also shows the total returns of the FTSE All-World Index (in sterling terms), which is the Company's benchmark.

Performance graph



Source: LSEG and relevant underlying index providers. See disclaimer on page 116.

All figures are total returns (see glossary of terms and alternative performance measures on pages 122 to 124).

* The Company's benchmark is the FTSE All-World Index (in sterling terms).

Past performance is not a guide to future performance.

Approval

The Directors' Remuneration Report on pages 75 to 77 was approved by the Board of Directors and signed on its behalf on 12 February 2025.

Lord Macpherson of Earl's Court
Chairman

Statement of Directors' responsibilities

in respect of the Annual Report and the Financial Statements

The Directors are responsible for preparing the Annual Report, and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law they are required to prepare the Financial Statements in accordance with United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its profit or loss for that year. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- assess the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. Under applicable law and regulations, the Directors are also responsible for preparing a Strategic report, Directors' report, Directors' remuneration report and Corporate governance statement that complies with that law and those regulations.

The Directors have delegated responsibility to the Managers for the maintenance and integrity of the Company's page on the Managers' website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Responsibility statement of the Directors in respect of the annual financial report

We confirm that to the best of our knowledge:

- the Financial Statements, which have been prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- the Strategic Report includes a fair review of the development and performance of the business and the position of the issuer, together with a description of the principal risks and uncertainties that the issuer and business faces; and
- the Annual Report and Financial Statements taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

On behalf of the Board
Lord Macpherson of Earl's Court
12 February 2025

Notes

The following notes relate to financial statements published on a website and are not included in the printed version of the Annual Report and Financial Statements:

- The maintenance and integrity of the Baillie Gifford & Co website is the responsibility of Baillie Gifford & Co; the work carried out by the auditor does not involve consideration of these matters and accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Financial report

The Financial Statements for the year to 31 December 2024 are set out on pages 81 to 107 have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Independent auditor's report

to the members of Scottish American Investment Company P.L.C.

Opinion

We have audited the financial statements of The Scottish American Investment Company P.L.C. (the Company) for the year ended 31 December 2024 which comprise of the Income statement, Balance sheet, Statement of changes in equity, Cash flow statement and the related notes 1 to 22, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting the audit.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included

- Confirmation of our understanding of the Company's going concern assessment process and engaged with the Directors and the Company Secretary to determine if all key factors that we have become aware of during our audit were considered in their assessment.
- Inspection of the Directors' assessment of going concern, including the revenue forecast, for the period to 28 February 2026 which is at least twelve months from the date the financial statements are authorised for issue. In preparing the revenue forecast, the Company has concluded that it is able to continue to meet its ongoing costs as they fall due.
- Review of the factors and assumptions, including the impact of the current economic environment, as applied to the revenue forecast and the liquidity assessment of the investments. We considered the appropriateness of the methods used to calculate the revenue forecast and the liquidity assessment and determined, through testing of the methodology and calculations, that the methods, inputs and assumptions utilised were appropriate to be able to make an assessment for the Company.

- Assessment of the risk of breaching the debt covenants as a result of a reduction in the value of the Company's portfolio. We calculated the Company's compliance with debt covenants and we performed reverse stress testing in order to identify what factors would lead to the Company breaching the financial covenants.
- Consideration of the mitigating factors included in the covenant calculations that are within the control of the Company. We reviewed the Company's assessment of the liquidity of investments held and evaluated the Company's ability to sell those investments in order to cover working capital requirements should revenue decline significantly.
- Review of the Company's going concern disclosures included in the annual report in order to assess that the disclosures were appropriate and in conformity with the reporting standards.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period to to 28 February 2026, which is at least 12 months from when the financial statements are authorised for issue.

In relation to the Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Overview of our audit approach

Key audit matters	• The risk of incomplete or inaccurate revenue recognition including the recognition of special dividends as revenue or capital items in the Income statement • Incorrect valuation or ownership of the investment portfolio
Materiality	• Overall materiality of £9.5m which represents 1% of shareholders' funds.

An overview of the scope of our audit

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the Company and effectiveness of controls, the potential impact of climate change and changes in the business environment when assessing the level of work to be performed. All audit work was performed directly by the audit engagement team with input from our valuation specialists in auditing the investment property valuations.

Climate change

There has been increasing interest from stakeholders as to how climate change will impact companies. The Company has determined that the most significant future impacts from climate change on its operations maybe from Environmental, Social and Governance matters in investee companies and environmental factors such as flood risk potentially impacting the attractiveness and valuation of investment property. This could lead to the Company's own shares being less attractive to investors, adversely affecting its own share price. This is explained on pages 45 to 49 in the principal and emerging risks section, which form part of the "Other information," rather than the audited financial statements. Our procedures on these disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated.

Our audit effort in considering climate change was focused on the adequacy of the Company's disclosures in the financial statements as set out in note 1 and concluded that there was no further impact of climate change to be taken into account other than investment property valuations as the quoted investments are valued based on market pricing as required by FRS102. Investment properties are valued by an independent valuer in accordance with RICS Valuation Standards. The valuation standards require sustainability, including physical risks such as flooding, to be assessed for fair value implications. Our audit procedures over property valuations are set out in the Key audit matters section of this audit report. We also challenged the Directors' considerations of climate change in their assessment of viability and associated disclosures.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	**Our response to the risk**	**Key observations communicated to the Audit Committee**
Incomplete or inaccurate revenue recognition including the recognition of special dividends as revenue or capital items in the Income statement *Refer to the Audit Committee Report (pages 72 to 74); and Accounting policies (pages 92 and 93);* The total revenue for the year to 31 December 2024 was £32.4m (2023: £30.1m), being £25.6m dividend income (2023: £23m), £1.1m bond income (2023: £2.4m), £5.5m rental income (2023: £4.5m) and £0.2m (2023: £0.2m) other income. Included in dividend income were Special Dividends of £1.03m, all of which were classified as revenue in nature. There is a risk of incomplete or inaccurate recognition of revenue through the failure to recognise proper income entitlements or to apply an appropriate accounting treatment. The Directors may be required to exercise judgment in determining whether income receivable in the form of special dividends should be classified as 'revenue' or 'capital' in the Income Statement.	**We performed the following procedures:** We have obtained an understanding of Baillie Gifford's processes and controls surrounding the recognition and classification of special dividends by reviewing the internal control reports and by performing our walkthrough procedures to evaluate the design and implementation of controls. For all interest and dividends received and accrued, we recalculated the income by multiplying the investment holdings at the coupon or ex-dividend date, traced from the accounting records, by the coupon rate or dividend per share, which was agreed to an independent data vendor. We agreed a sample of income received to bank statements and, where applicable, we also agreed the exchange rates to an external source. For 100% dividends accrued at the year end, we reviewed the investee company announcements to assess whether the dividend obligation arose prior to 31 December 2024. To test completeness of recorded income, we tested that interest and dividends had been recorded for all investments with reference to announcements obtained from an independent data vendor. For rental income, we verified 100% of rental rates to lease agreements, recalculated 100% of the rental amount and agreed rental receipts to bank statements. Where applicable, we recalculated amounts recorded as prepayments in advance. We have calculated the rent free receivables and have agreed these to the receivables reconciliation. We tested that all of the expected rent receipts had been recorded with reference to executed lease agreements of property held within the period to ensure completeness. For all investments held during the year, we reviewed the type of dividends received with reference to an external data vendor to identify those which are special. The Company received five special dividends with none above our testing threshold so we tested a sample of two special dividends (CME Group, 27 December 2024 and AVI, 16 October 2024). The classification of revenue by the Manager for those dividends is in agreement with our view. The remaining special dividends were below our revenue testing threshold in aggregate.	The results of our procedures identified no material misstatement in relation to the risk of incomplete or inaccurate revenue recognition including the recognition of special dividends between revenue and capital items in the Income statement

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Incorrect valuation or ownership of the investment portfolio *Refer to the Audit Committee Report (pages 72 to 74); and Accounting policies (pages 92 and 93);* The valuation of the investment portfolio at 31 December 2024 was £1,043.8m (2023: £1,021.9m) consisting of quoted investments with an aggregate value of £948.3m (2023: £955.5m), and investment property with an aggregate value of £95.5m (2023: £66.4m). The valuation of the assets held in the investment portfolio is the key driver of the Company's net asset value and total return. Incorrect investment pricing, or a failure to maintain proper legal title to the investments held by the Company could have a significant impact on the portfolio valuation and the return generated for shareholders. The fair value of quoted investments is determined by reference to bid value or the last traded price depending on the convention of the exchange on which the investment is quoted. Investments in property are held at fair value. Fair value of the property investments is estimated by an independent professional valuer (Savills) on an open market basis. The valuation of the property investments, and the resultant impact on the unrealised gains/(losses), is the area requiring the most significant judgment and estimation in the preparation of the financial statements.	**We performed the following procedures:** We obtained an understanding of Baillie Gifford's and OLIM's processes and controls surrounding legal title, investment pricing and unrealised gains and losses by performing our walkthrough procedures to evaluate the design and implementation of controls. **Listed equity and bond portfolio procedures ('the quoted investments')** For all quoted investments in the portfolio, we have compared the market prices and exchange rates applied to an independent pricing vendor and recalculated the investment valuations as at the year end. We have inspected the stale pricing reports produced by Baillie Gifford to identify prices that have not changed within one business day and verified whether the quoted price is a fair value through review of trading activity. **Investment Property procedures** We agreed the value of all the properties in the investment portfolio held at the year end to the open market valuations included in the valuation report provided by Savills. We agreed a sample of inputs used by Savills in the valuations to source data. We reviewed and challenged the valuation movements on investment properties with reference to the applicable regional and sectoral real estate index. • We engaged our property valuation specialist team to undertake a review of the valuations for a sample of properties including the calculation of a reasonable range. This review included the following procedures: • Reviewed and challenged the assumptions used by Savills in undertaking their valuation and an assessment of the valuation methodology adopted • Undertook discussions with Savills which included an overview of the properties characteristics including the covenant strength of the tenants, occupancy and rent cover. • Recalculated the unrealised gains/(losses) on all investment properties as at the year end using the book-cost reconciliation and reviewed the fair value hierarchy disclosure. For all purchases and sales of property investments we obtained supporting documents from OLIM Property Limited ('the Investment Property Manager') and have agreed these to the purchase cost or sales proceeds per the accounting records and to the bank statements. We compared the sale price to the last valuation produced by Savills and challenged Savills with any that had material differences. We have tested the ownership by comparing the Company's investment holdings at 31 December 2024 to an independent confirmation received directly from the Company's Custodian or solicitor, testing any reconciling items to supporting documentation.	The results of our procedures identified no material misstatement in relation to the risk of incorrect valuation or ownership of the investment portfolio.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Company to be £9.5m (2023: £9.4m), which is 1% (2023: 1%) of shareholders' fund. We believe that shareholders' funds provides us with a materiality aligned to the key measure of the Company's performance.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgement was that performance materiality was 75% (2023: 75%) of our planning materiality, namely £7.2m (2023: £7.0m). We have set performance materiality at this percentage due to our past experience of the audit that indicates a lower risk of misstatements, both corrected and uncorrected.

Given the importance of the distinction between revenue and capital for investment trusts, we have applied a separate testing threshold for the revenue column of the Income Statement of £1.46m (2023: £1.35m), being our reporting threshold.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £0.47m (2023: £0.47m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and Directors' reports have been prepared in accordance with applicable legal requirements;

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Corporate Governance Statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 69;
- Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 50;
- Director's statement on whether it has a reasonable expectation that the group will be able to continue in operation and meets its liabilities set out on page 69;
- Directors' statement on fair, balanced and understandable set out on page 79;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 45 to 49;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 68 and 69; and;
- The section describing the work of the audit committee set out on pages to 72 to 74.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on pages 78 and 79, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are United Kingdom Generally Accepted Accounting Practice, the Companies Act 2006, the Association of Investment

Companies Code of Corporate Governance, The Association of Investment Companies Statement of Recommended Practice, the Listing Rules, the UK Corporate Governance Code, Section 1158 of the Corporation Tax Act 2010 and The Companies (Miscellaneous Reporting) Regulations 2018.

- We understood how the Company is complying with those frameworks through discussions with the Audit Committee and Company Secretary and review of Audit Committee meeting papers and board minutes.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. We identified fraud risks with respect to the incomplete or inaccurate classification of special dividends as revenue or capital items in the Income statement and the incorrect valuation of investment properties and the resulting impact on unrealised gains and losses. Further discussion of our approach is set out in the section on key audit matters above.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the Directors by the Manager with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the Company

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at **https://frc.org.uk/auditorsresponsibilities**. This description forms part of our auditor's report.

Other matters we are required to address

- Following the recommendation from the audit committee, we were appointed by the Company on 1 April 2022 to audit the financial statements for the year ending 31 December 2022 and subsequent financial periods.
- The period of total uninterrupted engagement including previous renewals and reappointments is 3 years, covering the years ending 31 December 2022 to 31 December 2024.
- The audit opinion is consistent with the additional report to the audit committee.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Caroline Mercer (Senior statutory auditor)
for and on behalf of Ernst & Young LLP,
Statutory Auditor
Edinburgh
12 February 2025

Income statement

For the year ended 31 December 2024 (with comparatives as at 31 December 2023)

	Notes	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000
Gains on investments – securities	9	–	28,654	**28,654**	–	91,351	**91,351**
Gains/(losses) on investments – property	9	–	1,887	**1,887**	–	(6,054)	**(6,054)**
Currency (losses)/gains	14	–	(26)	**(26)**	–	32	**32**
Income	2	32,387	–	**32,387**	30,078	–	**30,078**
Management fees	3	(1,091)	(3,271)	**(4,362)**	(1,031)	(3,094)	**(4,125)**
Other administrative expenses	4	(1,349)	–	**(1,349)**	(1,268)	–	**(1,268)**
Net return before finance costs and taxation		**29,947**	**27,244**	**57,191**	**27,779**	**82,235**	**110,014**
Finance costs of borrowings	5	(711)	(2,134)	**(2,845)**	(711)	(2,134)	**(2,845)**
Net return on ordinary activities before taxation		**29,236**	**25,110**	**54,346**	**27,068**	**80,101**	**107,169**
Tax on ordinary activities	6	(3,414)	940	**(2,474)**	(3,108)	977	**(2,131)**
Net return on ordinary activities after taxation		**25,822**	**26,050**	**51,872**	**23,960**	**81,078**	**105,038**
Net return per ordinary share	**7**	**14.50p**	**14.62p**	**29.12p**	**13.48p**	**45.63p**	**59.11p**

A final dividend for the year of 4.175p is proposed (2023 – 3.80p), making a total dividend for the year of 14.875p (2023 – 14.10p). More information on dividend distributions can be found in note 8 on page 96.

The total column of the Income statement represents the profit and loss account of the Company. The supplementary revenue and capital columns are prepared under guidance published by the Association of Investment Companies.

All revenue and capital items in this statement derive from continuing operations.

A Statement of comprehensive income is not required as there is no other comprehensive income.

The accompanying notes on pages 92 to 107 are an integral part of the Financial Statements.

Balance sheet

As at 31 December 2024 (with comparatives as at 31 December 2023)

	Notes	2024 £'000	2024 £'000	2023 £'000	2023 £'000
Non-current assets					
Investments – securities	9	948,345		955,460	
Investments – property	9	95,450		66,350	
			1,043,795		1,021,810
Current assets					
Debtors	10	4,474		3,549	
Cash and cash equivalents	18	2,818		7,340	
		7,292		10,889	
Creditors					
Amounts falling due within one year	11	(3,652)		(2,787)	
Net current assets			3,640		8,102
Total assets less current liabilities			**1,047,435**		**1,029,912**
Creditors					
Amounts falling due after more than one year	12		(94,742)		(94,728)
Net assets			**952,693**		**935,184**
Capital and reserves					
Share capital	13		44,579		44,579
Share premium account	14		186,100		186,100
Capital redemption reserve	14		22,781		22,781
Capital reserve	14		682,413		664,892
Revenue reserve	14		16,820		16,832
Shareholders' funds			**952,693**		**935,184**
Net asset value per ordinary share*	**15**		**539.3p**		**524.5p**

The Financial Statements of The Scottish American Investment Company P.L.C. (company registration number SC000489) were approved and authorised for issue by the Board and were signed on 12 February 2025.

Lord Macpherson of Earl's Court
Chairman

The accompanying notes on pages 92 to 107 are an integral part of the Financial Statements.

* See glossary of terms and alternative performance measures on pages 122 to 124.

Statement of changes in equity

For the year ended 31 December 2024

	Notes	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Shareholders' funds £'000
Shareholders' funds at 1 January 2024		44,579	186,100	22,781	664,892	16,832	**935,184**
Shares bought back into treasury	13	–	–	–	(8,529)	–	**(8,529)**
Net return on ordinary activities after taxation	7	–	–	–	26,050	25,822	**51,872**
Dividends paid in the year	8	–	–	–	–	(25,834)	**(25,834)**
Shareholders' funds at 31 December 2024		**44,579**	**186,100**	**22,781**	**682,413**	**16,820**	**952,693**

For the year ended 31 December 2023

	Notes	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Shareholders' funds £'000
Shareholders' funds at 1 January 2023		44,188	178,189	22,781	583,814	17,702	**846,674**
Shares issued	13	391	7,911	–	–	–	**8,302**
Net return on ordinary activities after taxation	7	–	–	–	81,078	23,960	**105,038**
Dividends paid in the year	8	–	–	–	–	(24,830)	**(24,830)**
Shareholders' funds at 31 December 2023		**44,579**	**186,100**	**22,781**	**664,892**	**16,832**	**935,184**

The accompanying notes on pages 92 to 107 are an integral part of the Financial Statements.

Cash flow statement

For the year ended 31 December 2024 (with comparatives as at 31 December 2023)

	Notes	2024 £'000	2024 £'000	2023 £'000	2023 £'000
Net return on ordinary activities before taxation		54,346		107,169	
Adjustments to reconcile company profit before tax to net cash flow from operating activities					
Net gains on investments – securities		(28,654)		(91,351)	
Net (gains)/losses on investments – property		(1,887)		6,054	
Currency losses/(gains)		26		(32)	
Finance costs of borrowings		2,845		2,845	
Other capital movements					
Changes in debtors		(1,001)		(340)	
Change in creditors		620		204	
Other non-cash changes		63		62	
Taxation					
Overseas withholding tax		(2,398)		(2,126)	
Cash from operations			23,960		22,485
Interest paid			(2,845)		(2,845)
Net cash inflow from operating activities			**21,115**		**19,640**
Cash flows from investing activities					
Acquisitions of investments – securities		(128,263)		(109,728)	
Acquisitions of investments – property		(32,867)		(15,057)	
Disposals of investments – securities		163,969		115,394	
Disposals of investments – property		5,654		9,403	
Net cash inflow from investing activities			**8,493**		**12**
Cash flows from financing activities					
Equity dividends	8	(25,834)		(24,830)	
Shares issued		–		8,302	
Shares bought back		(8,270)		–	
Net cash outflow from financing activities			**(34,104)**		**(16,528)**
(Decrease)/increase in cash and cash equivalents			**(4,496)**		**3,124**
Exchange movements			(26)		32
Cash and cash equivalents at start of year	17		7,340		4,184
Cash and cash equivalents at end of year	**17**		**2,818**		**7,340**

The accompanying notes on pages 92 to 107 are an integral part of the Financial Statements.

Notes to the Financial Statements

01 Principal accounting policies

The Financial Statements for the year to 31 December 2024 have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and on the basis of the accounting policies set out below which are unchanged from the prior year and have been applied consistently.

a. Basis of accounting

All of the Company's operations are of a continuing nature and the Financial Statements are prepared on a going concern basis under the historical cost convention, modified to include the fair value of fixed asset investments at fair value through profit or loss, and on the assumption that approval as an investment trust under section 1158 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011 will be retained. The Board has, in particular, considered heightened geopolitical tensions and conflicts and macroeconomic concerns, including increased inflation and interest rates, but does not believe the Company's going concern status is affected. The Company's assets, the majority of which are investments in quoted securities which are readily realisable, exceed its liabilities significantly.

All borrowings require the prior approval of the Board. Gearing levels and compliance with borrowing covenants are reviewed by the Board on a regular basis. The Company has continued to comply with the investment trust status requirements of section 1158 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011. Accordingly, the Financial Statements have been prepared on the going concern basis as it is the Directors' opinion having assessed the principal and emerging risks set out in the viability statement on page 50 which assesses the prospects of the Company over a period of five years, that the Company will continue in operational existence until 28 February 2026, which is for a period of at least twelve months from the date of approval of these Financial Statements.

The Financial Statements have been prepared in accordance with the Companies Act, applicable United Kingdom accounting standards and with the AIC's Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued in November 2014 and updated in July 2022 with consequential amendments. In order to reflect better the activities of the Company and in accordance with guidance issued by the AIC, supplementary information which analyses the profit and loss account between items of a revenue and capital nature has been presented in the Income statement.

The Directors have determined the Company's functional currency to be sterling as the Company's shareholders are predominantly based in the UK and the Company and its investment manager, who are subject to the UK's regulatory environment, are also UK based.

Financial assets and financial liabilities are recognised in the Company's Balance sheet when it becomes a party to the contractual provisions of the instrument.

The Company has only one material segment being that of an investment trust company investing in a portfolio of long term investments.

b. Investments

Purchases and sales of investments in securities are accounted for on a trade date basis. Purchases and sales of investments in property are accounted for on a completion date basis.

Investments in securities are classified as held at fair value through profit and loss upon initial recognition. The fair value of listed security investments traded on an active market is bid value or, in the case of holdings on certain recognised overseas exchanges, last traded prices. The fair value of other listed security investments investments uses valuation techniques, determined by the Directors, based upon latest dealing prices, stockbroker valuations, net asset values and other information, as appropriate. Changes in the fair value of investments in securities and gains and losses on disposal are recognised as capital items in the Income statement.

Investments in property are initially measured at fair valuation of consideration plus transaction costs. After initial recognition, properties are measured at fair value. Changes in fair value and gains and losses on disposal are recognised as capital items in the Income statement. The fair value of the property investments held at the year end has been estimated by independent professional valuers in accordance with the RICS appraisal and valuation manual.

In preparing these Financial Statements the Directors have considered the impact of climate change risk as a principal risk as set out on page 47. In line with FRS 102 investments are valued at fair value, being primarily quoted prices for investments in active markets at the Balance sheet date, and therefore reflect market participants view of climate change risk. Investment property is valued by an independent valuer in accordance with RICS Valuation Standards. The valuation standards require sustainability, including physical risk such as flooding, to be assessed for fair value implications.

c. Cash and cash equivalents

Cash includes cash in hand and deposits repayable on demand. Deposits are repayable on demand if they can be withdrawn at any time without notice and without penalty or if they have a maturity or period of notice of not more than one working day.

d. Income

i. Income from equity investments is brought into account on the date on which the investments are quoted ex-dividend or, where no ex-dividend date is quoted, when the Company's right to receive payment is established.

ii. Income from debt securities is recognised on an effective interest rate basis. Where income returns are for a non-fixed amount, the impact of these returns on the effective interest rate is recognised once such returns are known. If it is not probable that a return will be received, its recognition is deferred until that doubt is removed.

iii. Unfranked investment income includes the taxes deducted at source.

iv. Interest receivable on deposits is recognised on an accruals basis.

v. If scrip is taken in lieu of dividends in cash, the net amount of the cash dividend declared is credited to the revenue account. Any excess in the value of the shares received over the amount of the cash dividend foregone is recognised as capital.

vi. Rental income, excluding VAT, arising on investment properties, is accounted for on a straight line basis over the lease term.

e. Expenses

All expenses except for finance costs are accounted for on an accruals basis. Expenses are charged through the revenue account except as follows:

i. where they relate directly to the acquisition or disposal of an investment, in which case they are recognised as capital; and

ii. where they are connected with the maintenance or enhancement of the value of investments. In this respect investment and property management fees are allocated 25% to revenue and 75% to capital, in line with the Board's expectation of returns from the Company's investments over the long term in the form of revenue and capital respectively.

f. Long term borrowings and finance costs

Long term borrowings are carried in the Balance sheet at amortised cost, representing the cumulative amount of net proceeds on issue plus accrued finance costs. The finance costs of such borrowings are allocated 25% to revenue and 75% to capital, in line with the Board's expectation of returns from the Company's investments over the long term in the form of revenue and capital respectively. Finance costs include the difference between the repayable value on maturity and the proceeds received on issue and costs of issuance which are written off on an effective interest rate basis over the life of the borrowings. Gains and losses on the repurchase or early settlement of debt is wholly charged to capital.

g. Taxation

The tax effect of different items of income and expenditure is allocated between revenue and capital on the same basis as the particular item to which it relates, under the marginal method, using the Company's effective tax rate for the accounting period. Deferred taxation is provided on all timing differences, calculated at the current tax rate relevant to the benefit or liability. Deferred tax assets are recognised only to the extent that it will be more likely than not that there will be taxable profits from which underlying timing differences can be deducted.

h. Foreign currencies

Transactions involving foreign currencies are converted at the rate ruling at the time of the transaction. Monetary assets and liabilities and fixed asset investment in foreign currencies are translated at the closing rates of exchange at the Balance sheet date. Any gain or loss arising from a change in exchange rate subsequent to the date of the transaction is included as an exchange gain or loss in the Income statement as capital or revenue as appropriate.

i. Capital reserve

Gains and losses on disposal of investments, changes in fair value of investments held, exchange differences of a capital nature and the amounts by which other financial assets and liabilities valued at fair value differ from their book value are dealt with in this reserve. Purchases of the Company's own shares and issuance proceeds are both recognised in this reserve. 75% of management fees and finance costs are allocated to the capital reserve in accordance with the Company's objective of combining capital and income growth.

j. Significant estimates and judgements

The preparation of the Financial Statements requires the use of estimates and judgements that affect the reported amounts of assets and liabilities at the reporting date. However, uncertainty about those estimates and judgements could result in an actual outcome which may differ from these estimates.

The Directors believe that the most significant estimation and uncertainty relates to the valuation of the property portfolio. External, independent professional valuers who hold a recognised and relevant professional qualification and have recent experience in the location and class of the investment property being valued, are used to determine the property fair values which are based on recent, comparable market transactions on an arm's length basis. Other factors including the condition and location of the property, rental yields within the market and the length and value of rental agreements in place, are considered. As valuation outcomes may differ from the fair value estimates a sensitivity analysis is provided in Property sensitivity analysis in Note 19 on pages 106 to 107 to illustrate the effect on the Financial Statements of an over or under estimation of fair values.

02 Income

	2024 £'000	2023 £'000
Income from investments		
UK dividends	2,402	2,400
UK interest	–	174
Overseas dividends	23,168	20,602
Overseas interest	1,058	2,270
	26,628	**25,446**
Other income		
Deposit interest	180	151
Rental income	5,542	4,451
Other income	37	30
	5,759	**4,632**
Total income	**32,387**	**30,078**
Total income comprises:		
Dividends from financial assets classified at fair value through profit or loss	25,570	23,002
Interest from financial assets designated at fair value through profit or loss	1,058	2,444
Interest from financial assets not at fair value through profit or loss	180	151
Other income not from financial assets	5,579	4,481
	32,387	**30,078**

03 Management fees

	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000
Investment management fee	**973**	**2,918**	**3,891**	938	2,814	3,752
Property management fee	**118**	**353**	**471**	93	280	373
	1,091	**3,271**	**4,362**	**1,031**	**3,094**	**4,125**

Details of the Investment Management Agreement and Property Management Agreement are disclosed on page 59. Baillie Gifford & Co Limited's annual management fee is 0.45% of the first £500 million of total assets and 0.35% of the remaining total assets, total assets being the value of all assets held (excluding the property portfolio) less all liabilities, other than any liability in the form of debt intended for investment purposes, calculated on a quarterly basis. No secretarial fee is payable. OLIM Property Limited receives an annual fee of 0.5% of the value of the property portfolio, subject to a minimum quarterly fee of £6,250.

04 Other administrative expenses – all charged to revenue

	2024 £'000	2023 £'000
General administrative expenses	478	428
Marketing*	390	375
Custodian/depositary fees	188	179
Auditor's remuneration – statutory audit of Company's Annual Financial Statements	83	81
Directors' fees (see Directors' remuneration report on page 76)	168	164
Registrar fees	42	41
	1,349	**1,268**

* The Company is part of a marketing programme which includes all the Investment Trusts managed by the Manager. The marketing strategy has an ongoing objective to stimulate demand for the Company's shares. The cost of this marketing strategy is borne in partnership by the Company and the Manager. The Manager matches the Company's marketing contribution and provides the resource to manage and run the programme.

05 Finance costs of borrowings

	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000
Financial liabilities not at fair value through profit or loss: Loan notes interest (see note 12)	**711**	**2,134**	**2,845**	**711**	**2,134**	**2,845**

06 Tax on ordinary activities

	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000
UK corporation tax	977	(977)	–	1,015	(1,015)	–
Overseas taxation	2,474	–	**2,474**	2,131	–	**2,131**
Double taxation relief	(37)	37	–	(38)	38	–
	3,414	**(940)**	**2,474**	**3,108**	**(977)**	**2,131**

	2024 £'000	2023 £'000
The tax charge for the year is lower than the standard rate of corporation tax in the UK of 25% (2023 – 23.5%*)		
The differences are explained below: Net return on ordinary activities before taxation	54,346	107,169
Net return on ordinary activities before taxation multiplied by the standard rate of corporation tax in the UK of 25% (2023 – 23.5%*)	13,587	25,206
Capital returns not taxable	(7,629)	(20,069)
Income not taxable	(6,302)	(5,352)
Taxable loss not utilised	344	215
Overseas tax	2,474	2,131
Total tax charge for the year	**2,474**	**2,131**

* A tax rate of 23.5% reflects the increase in the UK corporation tax rate from 19% to 25% from 1 April 2023.

06 Tax on ordinary activities (continued)

As at 31 December 2024 the Company had surplus management expenses and losses on non-trading loan relationships of £42,932,000 (2023 – £41,555,000). No deferred tax asset has been recognised in respect of these amounts because the Company is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, it is unlikely that the Company will be able to reduce future tax liabilities through the use of existing surplus expenses.

07 Net return per ordinary share

	2024 Revenue	2024 Capital	2024 Total	2023 Revenue	2023 Capital	2023 Total
Net return per ordinary share	**14.50p**	**14.62p**	**29.12p**	**13.48p**	**45.63p**	**59.11p**

Revenue return per ordinary share is based on the net revenue on ordinary activities after taxation of £25,822,000 (2023 – £23,960,000) and on 178,117,932 (2023 – 177,707,094) ordinary shares of 25p, being the weighted average number of ordinary shares in issue during the year.

Capital return per ordinary share is based on the net capital gain for the financial year of £26,050,000 (2023 – net capital gain of £81,078,000), and on 178,117,932 (2023 – 177,707,094) ordinary shares, being the weighted average number of ordinary shares in issue during the year.

There are no dilutive or potentially dilutive shares in issue.

08 Ordinary dividends

	2024	2023	2024 £'000	2023 £'000
Amounts recognised as distributions in the year:				
Previous year's final (paid 11 April 2024)	3.80p	3.67p	6,776	6,487
First interim (paid 20 June 2024)	3.45p	3.30p	6,152	5,861
Second interim (paid 19 September 2024)	3.55p	3.45p	6,330	6,152
Third interim (paid 12 December 2024)	3.70p	3.55p	6,576	6,330
	14.50p	**13.97p**	**25,834**	**24,830**

We also set out below the total dividends paid and proposed in respect of the financial year, which is the basis on which the requirements of section 1159 of the Corporation Tax Act 2010 are considered. The revenue available for distribution out of current year profits by way of dividend for the year is £25,822,000 (2023 – £23,960,000).

	2024	2023	2024 £'000	2023 £'000
Dividends paid and payable in respect of the year:				
First interim (paid 20 June 2024)	3.45p	3.30p	6,152	5,861
Second interim (paid 19 September 2024)	3.55p	3.45p	6,330	6,152
Third interim (paid 12 December 2024)	3.70p	3.55p	6,576	6,330
Current year's proposed final dividend (payable 11 April 2025)	4.175p	3.80p	7,375	6,776
	14.875p	**14.10p**	**26,433**	**25,119**

09 Investments

As at 31 December 2024	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Securities				
Listed equities	937,287	–	–	**937,287**
Bonds	–	11,058	–	**11,058**
Property				
Freehold	–	–	95,450	**95,450**
Total financial asset investments	**937,287**	**11,058**	**95,450**	**1,043,795**

As at 31 December 2023	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Securities				
Listed equities	917,594	–	–	**917,594**
Bonds	–	37,866	–	**37,866**
Property				
Freehold	–	–	66,350	**66,350**
Total financial asset investments	**917,594**	**37,866**	**66,350**	**1,021,810**

Investments in securities and property are financial assets held at fair value through profit or loss on initial recognition. In accordance with FRS 102 the tables above provide an analysis of these investments based on the fair value hierarchy described below which reflects the reliability and significance of the information used to measure their fair value.

Fair value hierarchy

The fair value hierarchy used to analyse the fair values of financial assets is described below. The levels are determined by the lowest (that is the least reliable or least independently observable) level of input that is significant to the fair value measurement for the individual investment in its entirety as follows:

Level 1 – using unadjusted quoted prices for identical instruments in an active market;

Level 2 – using inputs, other than quoted prices included within Level 1, that are directly or indirectly observable (based on market data); and

Level 3 – using inputs that are unobservable (for which market data is unavailable).

	Equities £'000	Bonds £'000	Property £'000	2024 Total £'000	2023 Total £'000
Cost of investments at start of year	591,555	36,736	54,328	**682,619**	655,855
Investment holding gains/(losses) at start of year	326,039	1,130	12,022	**339,191**	280,732
Value of investments at start of year	**917,594**	**37,866**	**66,350**	**1,021,810**	**936,587**
Analysis of transactions during the year:					
Purchases at cost	128,263	–	32,867	**161,130**	124,785
Sales proceeds received	(138,511)	(25,458)	(5,654)	**(169,623)**	(124,797)
Amortisation of fixed income book cost	–	(63)	–	**(63)**	(62)
Gains/(losses) on investments	29,941	(1,287)	1,887	**30,541**	85,297
Value of investments at end of year	**937,287**	**11,058**	**95,450**	**1,043,795**	**1,021,810**
Cost of investments at end of year	634,994	12,328	83,389	**730,711**	682,619
Investment holding gains at end of year	302,293	(1,270)	12,061	**313,084**	339,191
Value of investments at end of year	**937,287**	**11,058**	**95,450**	**1,043,795**	**1,021,810**

09 Investments (continued)

The company received £169,623,000 (2023 – £124,797,000) from investments sold in the year. The book cost of these investments when they were purchased was £112,975,000 (2023 – £97,959,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

Transaction costs of £1,773,000 (2023 – £985,000) and £200,000 (2023 – £189,000) were suffered on purchases and sales in the year respectively.

The property was valued on an open market basis by Savills as at 31 December 2024.

	2024 £'000	2023 £'000
Gains/(losses) on investments		
Securities:		
Gains on sales	54,800	26,346
Changes in investment holding (losses)/gains	(26,146)	65,005
	28,654	**91,351**
Property:		
Gains on sales	1,848	492
Changes in investment holding gains	39	(6,546)
	1,887	**(6,054)**
	30,541	**85,297**

10 Debtors

	2024 £'000	2023 £'000
Amounts falling due within one year:		
Accrued income and prepaid expenses	1,499	1,376
Taxation recoverable	2,975	2,173
	4,474	**3,549**

11 Creditors – amounts falling due within one year

	2024 £'000	2023 £'000
Interest payable	637	637
Rental income prepaid	813	589
Other creditors and accruals	2,202	1,561
	3,652	**2,787**

Included in other creditors and accruals is £958,000 (2023 – £968,000) in respect of the management fees due to Baillie Gifford & Co Limited and £119,000 (2023 – £83,000) in respect of management fees due to OLIM Property Limited.

12 Creditors – amounts falling due after more than one year

	2024 £'000	2023 £'000
£15m Series C 2.23% 25 June 2036	14,941	14,936
£40m Series A 3.12% 11 April 2045	39,901	39,897
£40m Series B 3.12% 11 April 2049	39,900	39,895
	94,742	**94,728**

The main covenants for the loan notes which are tested monthly are that net tangible assets shall not fall below £120,000,000 and gross borrowings shall not exceed 40% of the Company's adjusted assets.

13 Share capital

	2024 Number	2024 £'000	2023 Number	2023 £'000
Allotted, called-up and fully paid ordinary shares of 25p each	176,650,758	44,163	178,315,943	44,579
Treasury shares of 25p each	1,665,185	416	–	–
	178,315,943	**44,579**	**178,315,943**	**44,579**

The Company's shareholder authority permits it to hold shares bought back in treasury. Such treasury shares may be subsequently either sold for cash at a premium to net asset value per ordinary share or cancelled. At 31 December 2024, the Company had authority to buy back 25,064,374 ordinary shares. During the year to 31 December 2024, no ordinary shares were bought back for cancellation (2023 – no ordinary shares) and 1,665,185 (2023 – none) ordinary shares were bought back into treasury at a cost of £8,529,000 (2023 – no shares were bought back). Under the provisions of the Company's Articles of Association, share buy-backs are funded from the capital reserve.

The Company has authority to allot shares under section 551 of the Companies Act 2006. During the year, no shares were issued (2023 – 1,565,000 shares were issued at a premium to net asset value raising proceeds of £8,302,000).

14 Capital and reserves

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Shareholders' funds £'000
At 1 January 2024	44,579	186,100	22,781	664,892	16,832	**935,184**
Gains on investments – securities	–	–	–	28,654	–	**28,654**
Gains on investments – property	–	–	–	1,887	–	**1,887**
Shares bought back into treasury	–	–	–	(8,529)	–	**(8,529)**
Management fees charged to capital	–	–	–	(3,271)	–	**(3,271)**
Finance costs charged to capital	–	–	–	(2,134)	–	**(2,134)**
Other exchange differences	–	–	–	(26)	–	**(26)**
Tax relief on management fee and finance costs	–	–	–	940	–	**940**
Revenue return on ordinary activities after taxation	–	–	–	–	25,822	**25,822**
Dividends paid in the year	–	–	–	–	(25,834)	**(25,834)**
At 31 December 2024	**44,579**	**186,100**	**22,781**	**682,413**	**16,820**	**952,693**

14 Capital and reserves (continued)

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Shareholders' funds £'000
At 1 January 2023	44,188	178,189	22,781	583,814	17,702	**846,674**
Gains on investments – securities	–	–	–	91,351	–	**91,351**
Losses on investments – property	–	–	–	(6,054)	–	**(6,054)**
Shares issued	391	7,911	–	–	–	**8,302**
Management fees charged to capital	–	–	–	(3,094)	–	**(3,094)**
Finance costs charged to capital	–	–	–	(2,134)	–	**(2,134)**
Taxation credit to capital	–	–	–	977	–	**977**
Other exchange differences	–	–	–	32	–	**32**
Revenue return on ordinary activities after taxation	–	–	–	–	23,960	**23,960**
Dividends paid during the year	–	–	–	–	(24,830)	**(24,830)**
At 31 December 2023	**44,579**	**186,100**	**22,781**	**664,892**	**16,832**	**935,184**

The capital reserve includes unrealised investment holding gains of £313,084,000 (2023 – gains of £339,191,000) as detailed in note 9.

The revenue reserve and the capital reserve (to the extent it constitutes realised profits) are distributable.

15 Net asset value per ordinary share

The net asset value per ordinary share and the net asset value attributable to the ordinary shareholders at the year end were as follows:

	2024	2023	2024 £'000	2023 £'000
Ordinary shares of 25p	**539.3p**	**524.5p**	**952,693**	**935,184**

Net asset value per ordinary share is based on the net assets as shown above and on 176,650,758 (2023 – 178,315,943) ordinary shares, being the number of ordinary shares in issue at the year end.

16 Transactions with the managers and related parties

The Directors' fees for the year and interests in the Company's shares at the end of the year are detailed in the Directors' remuneration report on pages 75 to 77.

No Director has a contract of service with the Company. During the year no Director was interested in any contract or other matter requiring disclosure under section 412 of the Companies Act 2006.

The management fee due to Baillie Gifford & Co Limited is set out in note 3 on page 94 and the amount accrued at 31 December 2024 is set out in note 11 on page 98. Details of the Investment Management Agreement are set out on page 59.

The management fee due to OLIM Property Limited is set out in note 3 on page 94 and the amount accrued at 31 December 2024 is set out in note 11 on page 98. Details of the Property Management Agreement are set out on page 60.

17 Analysis of change in net debt

	1 January 2024 £'000	Cash flows £'000	Exchange movement £'000	Other non-cash changes £'000	31 December 2024 £'000
Cash and cash equivalents	7,340	(4,496)	(26)	–	2,818
Loan notes due in more than one year	(94,728)	–	–	(14)	(94,742)
	(87,388)	**(4,496)**	**(26)**	**(14)**	**(91,924)**

	1 January 2023 £'000	Cash flows £'000	Exchange movement £'000	Other non-cash changes £'000	31 December 2023 £'000
Cash and cash equivalents	4,184	3,124	32	–	7,340
Loan notes due in more than one year	(94,714)	–	–	(14)	(94,728)
	(90,530)	**3,124**	**32**	**(14)**	**(87,388)**

18 Financial instruments

As an investment trust, the Company invests in equities and makes other investments so as to secure its investment objective of increasing capital and growing income in order to deliver real dividend growth. The Company borrows money when the Board and Managers have sufficient conviction that the assets funded by borrowed monies will generate a return in excess of the cost of borrowing. In pursuing its investment objective, the Company is exposed to a variety of risks that cause short term variation in the Company's net assets and could result in either a reduction in the Company's net assets or a reduction in the profits available for dividend.

These risks are categorised here as market risk (comprising currency risk, interest rate risk and other price risk), liquidity risk and credit risk. The Board monitors closely the Company's exposures to these risks but does so in order to reduce the likelihood of a permanent reduction in the Company's net assets or its profits available for dividend rather than to minimise the short term volatility.

The risk management policies and procedures outlined in this note have not changed substantially from the previous accounting period.

Market risk

The fair value or future cash flows of a financial instrument or other investment held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – currency risk, interest rate risk and other price risk. The Board reviews and agrees policies for managing these risks and the Company's Investment Manager both assesses the exposure to market risk when making individual investment decisions and monitors the overall level of market risk across the investment portfolio on an ongoing basis.

Details of the Company's investment portfolio are shown in note 9.

Currency risk

Certain of the Company's assets, liabilities and income are denominated in currencies other than sterling (the Company's functional currency and that in which it reports its results). Consequently, movements in exchange rates may affect the sterling value of those items.

The Investment Manager monitors the Company's exposure to foreign currencies and reports to the Board on a regular basis. The Investment Manager assesses the risk to the Company of the foreign currency exposure by considering the effect on the Company's net asset value and income of a movement in the rates of exchange to which the Company's assets, liabilities, income and expenses are exposed. However, the country in which a company is listed is not necessarily where it earns its profits. The movement in exchange rates on overseas earnings may have a more significant impact upon a company's valuation than a simple translation of the currency in which the company is quoted.

18 Financial instruments (continued)

Currency risk (continued)

Forward currency contracts are used periodically to limit the Company's exposure to anticipated future changes in exchange rates which might otherwise adversely affect the value of the portfolio of investments. Where appropriate, they are used also to achieve the portfolio characteristics that assist the Company in meeting its investment objectives. The Company had no foreign currency contracts in place during the years to 31 December 2024 or 2023. Cash amounts received in foreign currencies are converted to sterling on a regular basis.

Exposure to currency risk through asset allocation, which is calculated by reference to the currency in which the asset or liability is quoted, is shown below.

At 31 December 2024	Investments £'000	Cash and cash equivalents £'000	Loan notes £'000	Other debtors and creditors £'000	Net exposure £'000
US dollar	398,370	84	–	721	**399,175**
Euro	155,151	–	–	704	**155,855**
Swiss franc	69,667	–	–	2,097	**71,764**
Hong Kong dollar	53,308	–	–	230	**53,538**
Swedish kroner	38,523	–	–	–	**38,523**
Taiwan dollar	36,814	–	–	96	**36,910**
Danish kroner	35,029	–	–	262	**35,291**
Chinese Yuan	19,366	–	–	–	**19,366**
Australian dollar	16,136	–	–	–	**16,136**
Singapore dollar	15,448	–	–	–	**15,448**
Brazilian real	13,531	–	–	17	**13,548**
Japanese yen	13,013	–	–	–	**13,013**
Other overseas currencies	14,375	–	–	70	**14,445**
Total exposure to currency risk	**878,731**	**84**	**–**	**4,197**	**883,012**
Sterling	165,064	2,734	(94,742)	(3,375)	**69,681**
	1,043,795	**2,818**	**(94,742)**	**822**	**952,693**

At 31 December 2023	Investments £'000	Cash and cash equivalents £'000	Loan notes £'000	Other debtors and creditors £'000	Net exposure £'000
US dollar	383,746	88	–	523	**384,357**
Euro	151,336	–	–	435	**151,771**
Swiss franc	78,451	–	–	1,615	**80,066**
Danish kroner	51,325	–	–	204	**51,529**
Australian dollar	41,440	–	–	–	**41,440**
Hong Kong dollar	40,643	–	–	192	**40,835**
Taiwan dollar	33,887	–	–	110	**33,997**
Swedish kroner	25,916	–	–	–	**25,916**
Brazilian real	21,231	–	–	37	**21,268**
Singapore dollar	12,253	–	–	–	**12,253**
Japanese yen	8,703	–	–	–	**8,703**
Chinese yuan	7,321	–	–	–	**7,321**
Other overseas currencies	18,075	–	–	158	**18,233**
Total exposure to currency risk	**874,327**	**88**	**–**	**3,274**	**877,689**
Sterling	147,483	7,252	(94,728)	(2,512)	**57,495**
	1,021,810	**7,340**	**(94,728)**	**762**	**935,184**

Currency risk sensitivity

At 31 December 2024, if sterling had strengthened by 5% in relation to all currencies, with all other variables held constant, total net assets below, with a corresponding impact on total return on ordinary activities would have decreased by the amounts shown below. A 5% weakening of sterling against all currencies, with all other variables held constant, would have had a similar but opposite effect on the Financial Statement amounts. The analysis is performed on the same basis for 2023.

	2024 £'000	2023 £'000
US dollar	19,959	19,218
Euro	7,793	7,588
Swiss franc	3,588	4,003
Danish kroner	2,677	2,576
Australian dollar	1,926	2,072
Hong Kong dollar	1,846	2,042
Taiwan dollar	1,765	1,700
Swedish kroner	968	1,296
Brazilian real	807	1,063
Singapore dollar	772	613
Japanese yen	677	435
Chinese yuan	651	366
Other overseas currencies	722	912
	44,151	**43,884**

Interest rate risk

Interest rate movements may affect directly:

- the fair value of any investments in fixed interest rate securities;
- the level of income receivable on cash deposits;
- the fair value of the Company's fixed-rate borrowings; and
- the interest payable on any variable rate borrowings which the Company may take out.

Interest rate movements may also impact upon the market value of the Company's investments other than its fixed income securities. The effect of interest rate movements upon the earnings of a company may have a significant impact upon the valuation of that company's equity.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions and when entering borrowing agreements.

The Board reviews on a regular basis the amount of investments in cash and fixed income securities and the income receivable on cash deposits, floating rate notes and other similar investments.

The Company finances part of its activities through borrowings at approved levels. The amount of such borrowings and the approved levels are monitored and reviewed regularly by the Board.

Movements in interest rates, to the extent that they affect the fair value of the Company's fixed rate borrowings, may also affect the amount by which the Company's share price is at a discount or a premium to the net asset value.

The interest rate risk profile of the Company's financial assets and liabilities at 31 December is shown below.

18 Financial instruments (continued)

Financial assets

	2024 Fair value £'000	2024 Weighted average interest rate	2024 Weighted average fixed rate period *	2023 Fair value £'000	2023 Weighted average interest rate	2023 Weighted average fixed rate period *
Fixed rate:						
Euro denominated bonds	1,462	8.58%	23 years	1,421	8.64%	24 years
US dollar denominated bonds	2,775	7.27%	61 years	19,527	6.95%	16 years
Dominican peso denominated bonds	720	9.18%	1 year	731	9.98%	2 years
Indonesian rupiah denominated bonds	3,956	7.09%	14 years	5,215	6.69%	13 years
Peruvian sol denominated bonds	–	–	–	2,067	6.50%	9 years
Floating rate:						
Brazilian bonds (interest rate linked to Brazilian CPI)	2,145	11.69%	20 years	5,721	9.38%	21 years
Mexican bonds (interest rate linked to Mexican CPI)	–	–	–	3,184	8.46%	17 years
Cash and short term deposits:						
Other overseas currencies	84	–	n/a	88	–	n/a
Sterling	2,734	3.83%	n/a	7,252	1.43%	n/a

* Based on expected maturity/redemption date.

Financial liabilities

	2024 £'000	2023 £'000
The interest rate risk profile of the Company's financial liabilities at 31 December was:		
Fixed rate – sterling	94,742	94,728
The maturity profile of the Company's debt at 31 December was:		
In more than five years	94,742	94,728

Interest rate risk sensitivity

An increase of 100 basis points in the durations, being a measure of each bond's sensitivity to changes in interest rates, as at 31 December 2024 would have decreased total net assets and total return on ordinary activities by £1,029,000 (2023 – decrease of £3,027,000) and would have decreased the net asset value per share (with borrowings at book value) by 0.6p (2023 – decrease of 1.7p). A decrease of 100 basis points would have had an equal but opposite effect.

Other price risk

Changes in market prices other than those arising from interest rate risk or currency risk may also affect the value of the Company's net assets.

The Board manages the market price risks inherent in the investment portfolio by ensuring full and timely access to relevant information from the Investment Manager. The Board meets regularly and at each meeting reviews investment performance, the investment portfolio and the rationale for the current investment positioning to ensure consistency with the Company's objectives and investment policies.

Other price risk sensitivity

A full list of the Company's investments is shown on pages 30 to 34. In addition, various analyses of the portfolio by asset class and industrial sector are contained in the Strategic report.

98.4% (2023 – 98.1%) of the Company's net assets are invested in quoted equities. A 5% increase in quoted equity valuations at 31 December 2024 would have increased total assets and total return on ordinary activities by £46,864,000 (2023 – £45,880,000). A decrease of 5% would have had an equal but opposite effect.

Liquidity risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

Liquidity risk is mitigated as the majority of the Company's assets are investments in quoted securities that are readily realisable The Company's holdings in direct property, which is not considered to be readily realisable, amount to 10.0% of net assets at 31 December 2024 (2023 – 7.1%). The Company has the power to take out borrowings, which give it access to additional funding when required.

The Board gives guidance to the Investment Managers as to the maximum amount of the Company's resources that should be invested in any one holding and to the maximum aggregate exposure to any one entity (see investment policy on pages 43 and 44). The Board also sets parameters for the degree to which the Company's net assets are invested in quoted equities.

Maturity profile

The maturity profile of the Company's financial liabilities at 31 December was:

	2024 Within 1 year £'000	2024 Between 1 and 5 years £'000	2024 More than 5 years £'000	2023 Within 1 year £'000	2023 Between 1 and 5 years £'000	2023 More than 5 years £'000
Repayment of loan notes	–	–	95,000	–	–	95,000
Accumulated interest on loan notes	2,831	11,322	46,304	2,831	11,322	48,685
Other creditors and accruals	2,202	–	–	1,561	–	–
	5,033	**11,322**	**141,304**	**4,392**	**11,322**	**143,685**

Credit risk

This is the risk that a failure of a counterparty to a transaction to discharge its obligations under that transaction could result in the Company suffering a loss. This risk is managed as follows:

- where the Investment Manager makes an investment in a bond or other security with credit risk, that credit risk is assessed and then compared to the prospective investment return of the security in question;
- the Board regularly receives information from the Investment Manager on the credit ratings of those bonds and other securities in which the Company has invested;
- the Depositary is liable for the loss of financial instruments held in custody. The Depositary will ensure that any delegate segregates the assets of the Company. The Depositary has delegated the custody function to The Bank of New York Mellon (International) Limited. Bankruptcy or insolvency of the custodian may cause the Company's rights with respect to securities held by the custodian to be delayed. The Investment Manager monitors the Company's risk by reviewing the custodian's internal control reports and reporting its findings to the Board;
- investment transactions are carried out with a large number of brokers whose creditworthiness is reviewed by the Investment Manager. Transactions are ordinarily undertaken on a delivery versus payment basis whereby the Company's custodian bank ensures that the counterparty to any transaction entered into by the Company has delivered on its obligations before any transfer of cash or securities away from the Company is completed;
- transactions involving derivatives, structured notes and other arrangements wherein the creditworthiness of the entity acting as broker or counterparty to the transaction is likely to be of sustained interest are subject to rigorous assessment by the Investment Manager of the creditworthiness of that counterparty. The Company's aggregate exposure to each such counterparty is monitored regularly by the Board; and
- cash is only held at banks that have been identified by the Managers as reputable and of high credit quality. Credit quality of our banking provider is publicly available.

18 Financial instruments (continued)

Credit risk exposure

The exposure to credit risk at 31 December was:

	2024 £'000	2023 £'000
Bonds	11,058	37,866
Cash and short term deposits	2,818	7,340
Debtors and prepayments	4,474	3,549
	18,350	**48,755**

None of the Company's financial assets are past due or impaired.

Credit quality of bonds

All of the bonds held by the Company as at 31 December 2024 received a credit rating from at least one of the S&P or Moody's agencies. All bonds had at least a minimum rating of BB (2023 – all bonds had a minimum rating of B).

Fair value of financial assets and financial liabilities

The Directors are of the opinion that the financial assets and liabilities of the Company are stated at fair value in the Balance sheet with the exception of the long term borrowings which are stated at amortised cost. The fair value of the loan notes is calculated with reference to debt instruments of comparable maturity and yield.

	2024 Par/nominal £'000	2024 Book £'000	2024 Fair £'000	2023 Par/nominal £'000	2023 Book £'000	2023 Fair £'000
2.23% Series C loan notes 2036	15,000	14,941	10,662	15,000	14,936	11,282
3.12% Series A loan notes 2045	40,000	39,902	26,268	40,000	39,897	28,893
3.12% Series B loan notes 2049	40,000	39,900	25,123	40,000	39,895	27,980
	95,000	**94,743**	**62,053**	**95,000**	**94,728**	**68,155**

19 Property sensitivity

10.0% of the Company's net assets are invested in direct property.

Property sensitivity analysis

The valuations of investment properties are sensitive to changes in the assumed significant unobservable inputs. A significant increase/(decrease) in the all risks yield in isolation would result in a significantly (lower)/higher fair value. In order to reflect market conditions, the increase in yield assumption is 0.15% and the decrease in yield assumption is 0.15%.

The Directors believe yield to be the most appropriate input for sensitivity analysis of the Company's property portfolio and have not presented a rental value input for the year to 31 December 2024.

The sensitivity of the valuation to changes in yield inputs per class of investment property are shown below:

	Retail and leisure £'000	Industrial £'000	Total £'000
Estimated movement in fair value of investment properties at 31 December 2024 arising from:			
Increase in yield by 0.15%	(1,700)	(500)	**(2,200)**
Decrease in yield by 0.15%	1,850	550	**2,400**

	Retail and leisure £'000	Industrial £'000	Total £'000
Estimated movement in fair value of investment properties at 31 December 2023 arising from:			
Increase in yield by 0.25%	(2,175)	(450)	**(2,625)**
Decrease in yield by 0.1%	900	175	**1,075**

This represents the best estimate of a reasonable possible shift in yields, having regard to historical volatility of the value and yield.

20 Leases

The Company has entered into operating leases over its portfolio of investment properties consisting of a mix of retail, leisure and industrial sites. These leases have terms of between 5 and 30 years. All leases include a clause to enable upward revision of the rental charge on either an annual or five yearly basis. The basis for rent revisions is agreed at the time the lease is written and can reflect RPI, CPI, market conditions, or fixed increases. Rental income recognised by the Company during the year is shown in note 2.

Future minimum rentals under operating leases payable for each of the following periods are:

	2024 £'000	2023 £'000
Due within 1 year	5,757	4,146
Between 1 and 5 years	23,027	16,371
More than 5 years	57,602	22,177
	86,385	**42,694**

21 Capital management

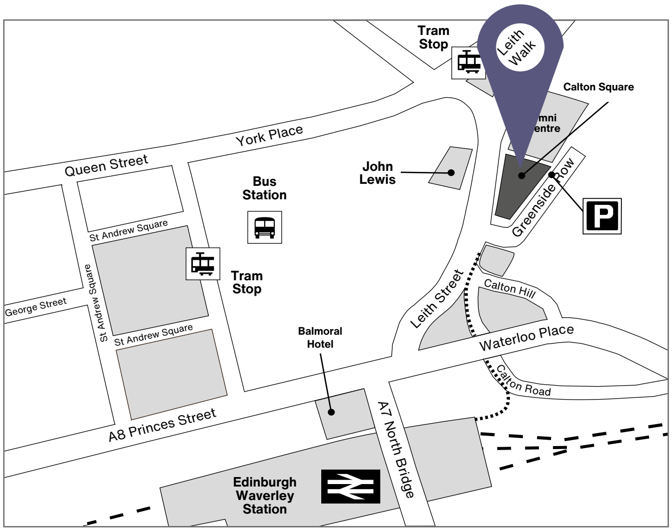
The capital of the Company is its share capital and reserves as set out in notes 13 and 14 together with its borrowings (see notes 11 and 12). The objective of the Company is to deliver real dividend growth by increasing capital and growing income. The Company's investment policy, including how the Board discusses and monitors gearing levels, is set out on pages 43 and 44. In pursuit of the Company's objective, the Board has a responsibility for ensuring the Company's ability to continue as a going concern and details of the related risks and how they are managed are set out on page 69 and on pages 45 to 49. The Company has the authority to issue and buy back its shares (see pages 61 to 63) and changes to the share capital during the year are set out in notes 13 and 14. The Company does not have any externally imposed capital requirements other than the covenants on its borrowings which are detailed in notes 11 and 12.

22 Subsequent events

On 19 December 2024 the Company agreed the sale of the bowling alley at Taunton for £3,900,000 with the sale completing on 31 January 2025.

Shareholder information

Notice of Annual General Meeting



	By Rail: **Edinburgh Waverley – approximately a 5 minute walk away**
	By Bus: **Lothian Buses local services include:** **1, 3, 5, 7, 8, 10, 14, 15, 16, 25, 34**
	By Tram: **Stops at St Andrew Square and Picardy Place**
....	**Access to Waverley Train Station on foot**

Baillie Gifford™

The Annual General Meeting of the Company will be held at the offices of Baillie Gifford & Co, Calton Square, 1 Greenside Row, Edinburgh EH1 3AN, on Tuesday, 8 April 2025 at 11.30am. You will find directions to the venue by scanning the QR code above.

To accurately reflect the views of shareholders of the Company, the Board intends to hold the AGM voting on a poll, rather than by a show of hands as has been customary.

The Board encourages all shareholders to submit proxy voting forms as soon as possible and, in any event, by no later than 11.30am, on 4 April 2025. We would encourage shareholders to monitor the Company's website at **saints-it.com**.

Should shareholders have questions for the Board or the Managers or any queries as to how to vote, they are welcome as always to submit them by email to **enquiries@bailliegifford.com** or call 0800 917 2113. Baillie Gifford may record your call.

For details of how to vote your shares if held via a platform please refer to **theaic.co.uk/how-to-vote-your-shares**.

Notice is hereby given that the one hundred and fifty second Annual General Meeting of The Scottish American Investment Company P.L.C. ('SAINTS') will be held at the Registered Office of the Company, Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN on Thursday, 8 April 2025 at 11.30am.

The Portfolio Managers responsible for SAINTS will give a short presentation on the investment outlook. The following resolutions will be proposed at the AGM:

To consider, and, if thought fit, to pass the following resolutions as ordinary resolutions:

01. To receive and adopt the Financial Statements of the Company for the year to 31 December 2024 with the Reports of the Directors and of the Independent Auditor thereon.
02. To approve the Directors' Annual Report on Remuneration for the year to 31 December 2024.
03. To declare a final dividend.
04. To re-elect Lord Macpherson of Earl's Court as a Director.
05. To re-elect Dame Mariot Leslie as a Director.
06. To re-elect Karyn Lamont as a Director.
07. To re-elect Christine Montgomery as a Director.
08. To re-elect Padmesh Shukla as a Director.
09. To re-appoint Ernst & Young LLP as Independent Auditor of the Company to hold office until the conclusion of the next Annual General Meeting at which the Financial Statements are laid before the Company.
10. To authorise the Directors to determine the remuneration of the Independent Auditor of the Company.
11. That, in substitution for any existing authority, but without prejudice to the exercise of any such authority prior to the date hereof, the Directors of the Company be and they are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the 'Act') to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company ('Securities') provided that such authority shall be limited to the allotment of shares and the grant of rights in respect of shares with an aggregate nominal value of up to £14,423,125.00 (representing approximately 33 per cent of the nominal value of the issued share capital as at 10 February 2025), such authority to expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or on the expiry of 15 months from the passing of this resolution, whichever is the earlier, unless previously revoked, varied or extended by the Company in a general meeting, save that the Company may at any time prior to the expiry of this authority make an offer or enter into an agreement which would or might require Securities to be allotted or granted after the expiry of such authority and the Directors shall be entitled to allot or grant Securities in pursuance of such an offer or agreement as if such authority had not expired.

To consider and, if thought fit, to pass resolution 12 as a special resolution:

12. That, subject to the passing of resolution 11 above, and in substitution for any existing power but without prejudice to the exercise of any such power prior to the date hereof, the Directors of the Company be and they are hereby generally empowered, pursuant to sections 570 and 573 of the Companies Act 2006 (the 'Act'), to allot equity securities (within the meaning of section 560(1) of the Act), for cash pursuant to the authority given by resolution 11 above and by the sale of treasury shares as if section 561(1) of the Act did not apply to any such allotment of equity securities, provided that this power:
    a. expires at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or on the expiry of 15 months from the passing of this resolution, whichever is the earlier, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if the power conferred hereby had not expired; and
    b. shall be limited to the allotment of equity securities up to an aggregate nominal value of £4,370,643.75 being approximately 10% of the nominal value of the issued share capital of the Company, as at 10 February 2025.

To consider and, if thought fit, to pass resolution 13 as an ordinary resolution:

13. That the Directors be authorised, for the purposes of LR 15.4.11 of the Listing Rules of the UK Listing Authority, to issue further ordinary shares (including selling treasury shares) for cash at a price below the net asset value per share of those shares (with borrowings valued at book) without first offering those shares pro rata to existing shareholders.

To consider and, if thought fit, to pass resolution 14 as a special resolution:

14. That, in substitution for any existing authority but without prejudice to the exercise of any such authority prior to the date hereof, the Company be and is hereby generally and unconditionally authorised, pursuant to and in accordance with section 701 of the Companies Act 2006 (the 'Act') to make market purchases (within the meaning of section 693(4) of the Act) of fully paid ordinary shares of 25 pence each in the capital of the Company ('ordinary shares') (either for retention as treasury shares or for cancellation), provided that:

    a. the maximum aggregate number of ordinary shares hereby authorised to be purchased is 26,206,381, or, if less, the number representing approximately 14.99% of the issued ordinary share capital of the Company as at the date of the passing of this resolution;

    b. the minimum price (excluding expenses) which may be paid for each ordinary share is 25 pence;

    c. the maximum price (excluding expenses) which may be paid for each ordinary share shall not be more than the higher of:

        i. 5 per cent. above the average closing price on the London Stock Exchange of an ordinary share over the five business days immediately preceding the date of purchase; and

        ii. an amount equal to the higher of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share on the trading venue where the purchase is carried out; and

    d. unless previously varied, revoked or renewed by the Company in a general meeting, the authority hereby conferred shall expire at the conclusion of the Company's Annual General Meeting to be held in respect of the financial year ending 31 December 2025, save that the Company may, prior to such expiry, enter into a contract to purchase ordinary shares under such authority which will or might be completed or executed wholly or partly after the expiration of such authority and may make a purchase of ordinary shares pursuant to any such contract.

By Order of the Board
Baillie Gifford & Co Limited
Company Secretary
12 February 2025

Notes

01. As a member you are entitled to appoint a proxy or proxies to exercise all or any of your rights to attend, speak and vote at the AGM. A proxy need not be a member of the Company but must attend the AGM to represent you. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You can only appoint a proxy using the procedure set out in these notes and the notes to the proxy form. You may not use any electronic address provided either in this notice or any related documents (including the Financial Statements and proxy form) to communicate with the Company for any purpose other than those expressly stated.

02. To be valid any proxy form or other instrument appointing a proxy, together with any power of attorney or other authority under which it is signed or a certified copy thereof, must be received by post or (during normal business hours only) by hand at the Registrars of the Company at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or **eproxyappointment.com** no later than two days (excluding non-working days) before the time of the meeting or any adjourned meeting.

03. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and/or by logging on to the website **euroclear.com/CREST**. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

04. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's registrar (ID 3RA50) no later than 2 days (excluding non-working days) before the time of the meeting or any adjournment. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

05. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST service by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

06. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

07. The return of a completed proxy form or other instrument of proxy will not prevent you attending the AGM and voting in person if you wish.

08. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 and section 311 of the Companies Act 2006 the Company specifies that to be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company no later than 48 hours (excluding non-working days) prior to the commencement of the AGM or any adjourned meeting. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

09. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a 'Nominated Person') may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

10. The statement of the rights of shareholders in relation to the appointment of proxies in Notes 1 and 2 above does not apply to Nominated Persons. The rights described in those Notes can only be exercised by shareholders of the Company.

11. The members of the Company may require the Company to publish, on its website, (without payment) a statement (which is also passed to the Auditor) setting out any matter relating to the audit of the Company's accounts, including the Auditor's report and the conduct of the audit. The Company will be required to do so once it has received such requests from either members representing at least 5% of the total voting rights of the Company or at least 100 members who have a relevant right to vote and hold shares in the Company on which there has been paid up an average sum per member of at least £100. Such requests must be made in writing and must state your full name and address and be sent to the Company at Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN.

12. Information regarding the Annual General Meeting, including information required by section 311A of the Companies Act 2006, is available from the Company's page of the Managers' website at **saints-it.com**.

13. Members have the right to ask questions at the meeting in accordance with section 319A of the Companies Act 2006.

14. As at 10 February 2025 (being the last practicable date prior to the publication of this notice) the Company's issued share capital (excluding treasury shares) consisted of 174,825,758 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 10 February 2025 were 174,825,758 votes.

15. Any person holding 3% or more of the total voting rights of the Company who appoints a person other than the Chairman of the meeting as his/her proxy will need to ensure that both he/she and his/her proxy complies with their respective disclosure obligations under the UK Disclosure and Transparency Rules.

16. No Director has a contract of service with the Company.

Further shareholder information

How to invest

The Company's shares are traded on the London Stock Exchange. They can be bought by placing an order with a stockbroker or by asking a professional adviser to do so. If you are interested in investing directly in SAINTS you can do so online. There are a number of companies offering real time online dealing services – find out more by visiting the investment trust pages at **bailliegifford.com**.

Sources of further information on the Company

The price of shares is quoted daily in the Financial Times and can also be found on SAINTS' page of the Baillie Gifford website at **saints-it.com**, Trustnet at **trustnet.com** and on other financial websites. Company factsheets are also available on the Baillie Gifford website and are updated monthly. These are available from Baillie Gifford on request.

SAINTS share identifiers

ISIN GB0007873697

Sedol 0787369

Ticker SAIN

Legal Entity Identifier 549300NF03XVC5IFB447

AIC

The Company is a member of the Association of Investment Companies.

Dividend dates

The table below gives the actual and anticipated quarterly dividend dates.

The ex-dividend date is the date on which entitlement to receive the net dividend is established. The record date is the date on which shares must be registered following purchase to receive the dividend direct. Otherwise you will have to claim it from the agent through whom you purchased your shares. The DRIP election date is the final date for electing to participate in the Dividend Reinvestment Plan (see page 115 for more details) for that dividend.

Dividend dates for 2025

	Final 2024	First interim *	Second interim *	Third interim *
Dividend announced	13/02/25	15/05/25	24/07/25	06/11/25
Ex-dividend date	27/02/25	22/05/25	31/07/25	13/11/25
Record date	28/02/25	23/05/25	01/08/25	14/11/25
DRIP election date	21/03/25	29/05/25	28/08/25	20/11/25
Dividend paid	11/04/25	19/06/25	18/09/25	11/12/25

* Anticipated dates.

Announcement of results and reports

SAINTS' results for the half year to 30 June will be announced in July/August and the results for the year to 31 December will be announced in mid February. The Interim Report will be posted to shareholders in August and the Annual Report in February/March. The 2025 AGM is being held on 8 April.

How you are taxed

- **Capital** As an investment trust, SAINTS pays no capital gains tax. This means that, while assets remain invested in SAINTS, they are managed free of such tax. However, should you decide to sell your SAINTS' shares, you may be subject to capital gains tax.

  If you held SAINTS' shares on or before 31 March 1982 the market value of the ordinary shares (adjusted for present capital) on that date of 33.125p will be required for your capital gains tax computation.

- **Income** The dividends you receive from your SAINTS' shares are taxed as income. Dividends received should be declared on your Tax Return. For further information, please visit the **hmrc.gov.uk** website.

Shareholders are recommended to consult their professional adviser as to their tax position.

Share register enquiries

Computershare Investor Services PLC maintains the share register on behalf of the Company. In the event of queries regarding shares registered in your own name, please contact the registrars on 0370 707 1282. This helpline also offers an automated self-service functionality (available 24 hours a day, 7 days a week) which allows you to:

- hear the latest share price;
- confirm your current share holding balance;
- confirm your payment history; and
- order Change of Address, Dividend Bank Mandate and Stock Transfer forms.

By quoting the reference number on your share certificate you can check your holding on the Registrar's website at **investorcentre.co.uk**.

They also offer a free, secure, share management website service which allows you to:

- view your share portfolio and see the latest market price of your shares;
- calculate the total market price of each shareholding;
- view price histories and trading graphs;
- register to receive communications from the Company, including the Annual Report and Financial Statements, in electronic format;
- update bank mandates and change address details; and
- use online dealing services; and
- pay dividends directly into your overseas bank account in your chosen local currency.

To take advantage of this service, please log in at **investorcentre.co.uk** and enter your Shareholder Reference Number and Company Code (this information can be found on the last dividend voucher or your share certificate).

Dividend reinvestment plan

Computershare operate a Dividend Reinvestment Plan which can be used to buy additional shares instead of receiving your dividend via cheque or into your bank account. For further information log in to **investorcentre.co.uk** and follow the instructions or telephone 0370 707 1694.

Electronic proxy voting

If you hold stock in your own name you can choose to vote by returning proxies electronically at **eproxyappointment.com**.

If you have any questions about this service please contact Computershare on 0370 707 1282.

CREST proxy voting

If you are a user of the CREST system (including a CREST Personal Member), you may appoint one or more proxies or give an instruction to a proxy by having an appropriate CREST message transmitted. For further information please refer to the CREST Manual.

Voting via an Investment Platform

If you are a shareholder who holds shares via a platform, you should be able to exercise your right to vote by contacting the platform provider directly. You can instruct the platform how to vote your shares or ask to be appointed as a proxy in respect of your shareholding should you wish to attend, speak and vote at the Annual General Meeting. Further guidance can be obtained from your platform provider or the Association of Investment Companies at the **aic.co.uk/how-to-vote-your-shares**.

SAINTS is an Investment Trust. Investment trusts offer investors the following:

- participation in a diversified portfolio of shares;
- constant supervision by experienced professional managers; and
- the Company is free from capital gains tax on capital profits realised within its portfolio.

Analysis of shareholders at 31 December

	2024 Number of shares held	2024 %	2023 Number of shares held	2023 %
Institutions	28,930,375	16.4	19,993,528	11.2
Intermediaries	136,333,071	77.2	147,625,890	82.8
Individuals	9,914,924	5.6	10,551,580	5.9
Marketmakers	1,472,388	0.8	144,945	0.1
	176,650,758	**100.0**	**178,315,943**	**100.0**

Data protection

The Company is committed to ensuring the confidentiality and security of any personal data provided to it. Further details on how personal data is held and processed on behalf of the Company can be found in the privacy policy available on the Company's website **saints-it.com**.

Alternative Investment Fund Managers Regulations ('AIFM')

In accordance with the AIFM Regulations, information in relation to the Company's leverage and the remuneration of the Company's AIFM, Baillie Gifford & Co Limited, is required to be made available to investors. In accordance with the Regulations, the AIFM remuneration policy is available at **bailliegifford.com** or on request (see contact details on page 120). The numerical remuneration disclosures in respect of the AIFM's relevant reporting periods are also available at **bailliegifford.com**.

The Company's maximum and actual leverage levels (see glossary of terms and alternative performance measures on pages 122 to 124) at 31 December 2024 are as follows:

Leverage exposure

	Gross method	Commitment method
Maximum limit	3.00:1	2.00:1
Actual	1.10:1	1.10:1

Automatic Exchange of Information

In order to fulfil its legal obligations under UK tax legislation relating to the automatic exchange of information, The Scottish American Investment Company P.L.C. is required to collect and report certain information about certain shareholders.

The legislation requires investment trust companies to provide personal information to HMRC on certain investors who purchase shares in investment trusts. Accordingly, The Scottish American Investment Company P.L.C. will have to provide information annually to the local tax authority on the tax residencies of a number of non-UK based certificated shareholders and corporate entities.

Shareholders, excluding those whose shares are held in CREST, who come on to the share register will be sent a certification form for the purposes of collecting this information.

For further information, please see HMRC's Quick Guide: Automatic Exchange of Information – information for account holders **gov.uk/guidance/automatic-exchange-of-information-account-holders**.

Third party data provider disclaimer

No third party data provider ('Provider') makes any warranty, express or implied, as to the accuracy, completeness or timeliness of the data contained herewith nor as to the results to be obtained by recipients of the data.

No Provider shall in any way be liable to any recipient of the data for any inaccuracies, errors or omissions in the index data included in this document, regardless of cause, or for any damages (whether direct or indirect) resulting therefrom. No Provider has any obligation to update, modify or amend the data or to otherwise notify a recipient thereof in the event that any matter stated herein changes or subsequently becomes inaccurate.

Without limiting the foregoing, no Provider shall have any liability whatsoever to you, whether in contract (including under an indemnity), in tort (including negligence), under a warranty, under statute or otherwise, in respect of any loss or damage suffered by you as a result of or in connection with any opinions, recommendations, forecasts, judgements, or any other conclusions, or any course of action determined, by you or any third party, whether or not based on the content, information or materials contained herein.

FTSE Index data

Source: London Stock Exchange Group plc and its group undertakings (collectively, the 'LSE Group'). © LSE Group 2025. FTSE Russell is a trading name of certain of the LSE Group companies. 'FTSE®' 'Russell®', 'FTSE Russell®', is/are a trade mark(s) of the relevant LSE Group companies and is/are used by any other LSE Group company under license. All rights in the FTSE Russell indexes or data vest in the relevant LSE Group company which owns the index or the data. Neither LSE Group nor its licensors accept any liability for any errors or omissions in the indexes or data and no party may rely on any indexes or data contained in this communication. No further distribution of data from the LSE Group is permitted without the relevant LSE Group company's express written consent. The LSE Group does not promote, sponsor or endorse the content of this communication.

Sustainable Finance Disclosure Regulation ('SFDR')

The EU Sustainable Finance Disclosure Regulation ('SFDR') does not have a direct impact in the UK due to Brexit, however, it applies to third-country products marketed in the EU. As SAINTS is marketed in the EU by the AIFM, Baillie Gifford & Co Limited, via the National Private Placement Regime ('NPPR') the following disclosures have been provided to comply with the high-level requirements of SFDR.

The AIFM has adopted Baillie Gifford & Co's ESG Principles and Guidelines as its policy on integration of sustainability risks in investment decisions.

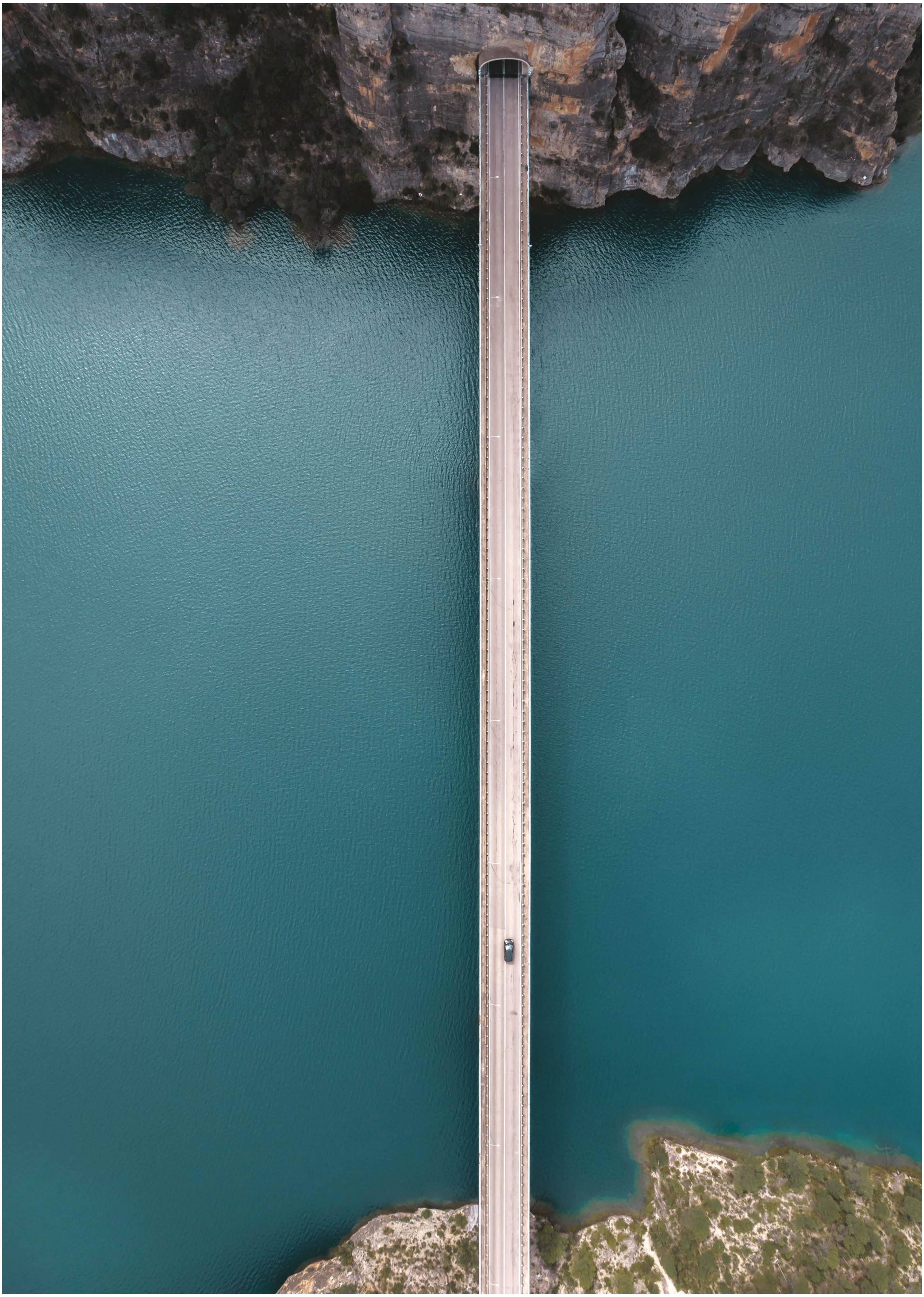
Baillie Gifford & Co believes that a company cannot be financially sustainable in the long run if its approach to business is fundamentally out of line with changing societal expectations. It defines 'sustainability' as a deliberately broad concept which encapsulates a company's purpose, values, business model, culture, and operating practices.

Baillie Gifford & Co's approach to investment is based on identifying and holding high quality growth businesses that enjoy sustainable competitive advantages in their marketplace. To do this it looks beyond current financial performance, undertaking proprietary research to build up an in-depth knowledge of an individual company and a view on its long-term prospects. This includes the consideration of sustainability factors (environmental, social and/or governance matters) which it believes will positively or negatively influence the financial returns of an investment. The likely impact on the return of the portfolio from a potential or actual material decline in the value of investment due to the occurrence of an environmental, social or governance event or condition will vary and will depend on several factors including but not limited to the type, extent, complexity and duration of an event or condition, prevailing market conditions and existence of any mitigating factors.

Whilst consideration is given to sustainability matters, there are no restrictions on the investment universe of the Company, unless otherwise stated within in its Investment Objective & Policy. Baillie Gifford & Co can invest in any companies it believes could create beneficial long-term returns for investors. However, this might result in investments being made in companies that ultimately cause a negative outcome for the environment or society.

The underlying investments do not take into account the EU criteria for environmentally sustainable economic activities established under the EU Taxonomy Regulation.

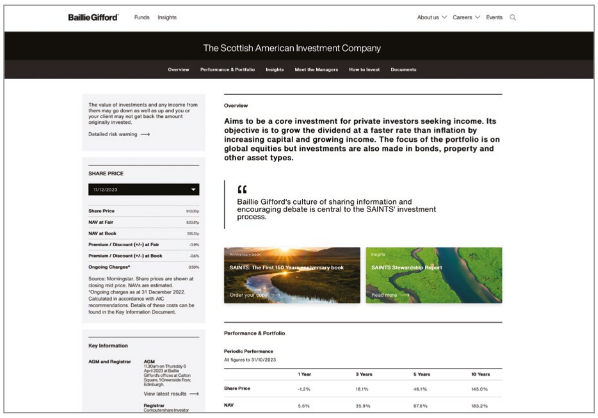
More detail on the Investment Managers' approach to sustainability can be found in the ESG Principles and Guidelines document, available publicly on the Baillie Gifford website **bailliegifford.com** and by scanning the QR code below.



Elevated road tunnel, Spain. © Artur Debat/Getty Images.

Communicating with shareholders

Trust magazine



A SAINTS web page at **saints-it.com**

Promoting SAINTS

Baillie Gifford carries out extensive marketing activity to promote SAINTS to institutional, intermediary and direct investors.

Trust magazine

Trust is the Baillie Gifford investment trust magazine which is published twice a year. It provides an insight to our investment approach by including interviews with our fund managers, as well as containing investment trust news, investment features and articles about the trusts managed by Baillie Gifford, including SAINTS. **Trust** plays an important role in helping to explain our products so that readers can really understand them. For a copy of **Trust**, please contact the Baillie Gifford Client Relations Team (see contact details on page 120).

You can subscribe to Trust magazine or view a digital copy at **bailliegifford.com/trust**.

SAINTS on the Web

Up-to-date information about SAINTS, including a monthly commentary, recent portfolio information and performance figures can be found on SAINTS' page of the Managers' website at **saints-it.com**.

You can also find a brief history of SAINTS, an explanation of the effects of gearing and a flexible performance reporting tool.

If you are interested in investing directly in SAINTS, you can do so online. There are a number of companies offering real time online dealing services – find out more on the Platforms section of the Managers' website: **bailliegifford.com**.

Suggestions and questions

Any suggestions on how communications with shareholders can be improved are welcomed, so please contact the Baillie Gifford Client Relations Team and give them your suggestions. They will also be very happy to answer questions that you may have about SAINTS.

Client relations team contact details

You can contact the Baillie Gifford Client Relations Team by telephone, email or post:

Telephone: 0800 917 2113
Your call may be recorded for training or monitoring purposes.

Email: **enquiries@bailliegifford.com**
Website: **bailliegifford.com**

Address:
Baillie Gifford Client Relations Team
Calton Square
1 Greenside Row
Edinburgh EH1 3AN

Please note that Baillie Gifford is not permitted to give financial advice. If you would like advice, please ask an authorised intermediary.

SAINTS specific queries

Please use the following contact details:

Email: **saints@bailliegifford.com**
Website: **saints-it.com**

Insights

SAINTS: 50 years of dividend growth

How SAINTS has delivered consistent dividend growth for 50 years.

SAINTS spotlight: turbulence beneath the surface

Exploring SAINTS' strategic moves in the face of economic shifts and the pursuit of compounding growth.

Glossary of terms and alternative performance measures ('APM')

An alternative performance measure is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.

Total assets

This is the Company's definition of Adjusted Total Assets, being the total value of all assets held less all liabilities (other than liabilities in the form of borrowings).

Net Asset Value ('NAV')

Also described as shareholders' funds, net asset value is the value of total assets less liabilities (including borrowings). Net asset value can be calculated on the basis of borrowings stated at book value and fair value. An explanation of each basis is provided below. The net asset value per share is calculated by dividing this amount by the number of ordinary shares in issue excluding any shares held in treasury.

Net Asset Value (borrowings at book value)

Borrowings are valued at adjusted net issue proceeds. Book value approximates amortised cost.

Net Asset Value (borrowings at fair value) (APM)

Borrowings are valued at an estimate of their market worth. This indicates the cost to the Company of repaying its borrowings under current market conditions. It is a widely reported measure across the investment trust industry.

	31 December 2024	31 December 2023
Shareholders' funds (borrowings at book value)	£952,693,000	£935,184,000
Add: book value of borrowings	£94,742,000	£94,728,000
Less: fair value of borrowings	(£62,053,000)	(£68,155,000)
Shareholders' funds (borrowings at fair value)	**£985,382,000**	**£961,757,000**
Shares in issue at year end	176,650,758	178,315,943
Net asset value per ordinary share (borrowings at fair value)	**557.8p**	**539.4p**

Premium/(discount) (APM)

As stockmarkets and share prices vary, an investment trust's share price is rarely the same as its NAV. When the share price is lower than the NAV per share it is said to be trading at a discount. The size of the discount is calculated by subtracting the share price from the NAV per share and is usually expressed as a percentage of the NAV per share. If the share price is higher than the NAV per share, this situation is called a premium.

	2024 NAV (book)	2024 NAV (fair)	2023 NAV (book)	2023 NAV (fair)
Closing NAV per share	539.3p	557.8p	524.5p	539.4p
Closing share price	498.5p	498.5p	535.0p	535.0p
Premium/(discount)	**(7.6%)**	**(10.6%)**	**2.0%**	**(0.8%)**

Ongoing charges (APM)

The total expenses (excluding borrowing costs) incurred by the Company as a percentage of the average net asset value (with borrowings at fair value). The ongoing charges have been calculated on the basis prescribed by the Association of Investment Companies.

A reconciliation from the expenses detailed in the Income statement on page 88 is provided below.

		31 December 2024	31 December 2023
Investment management fee		£4,362,000	£4,125,000
Other administrative expenses		£1,349,000	£1,268,000
Total expenses	**(a)**	**£5,711,000**	**£5,393,000**
Average daily cum-income net asset value (with borrowings at fair value)	(b)	£991,710,000	£928,722,000
Ongoing charges	**(a) ÷ (b) (expressed as a percentage)**	**0.58%**	**0.58%**

Total return (APM)

The total return is the return to shareholders after reinvesting the net dividend on the date that the share price goes ex-dividend.

		2024 NAV (book)	2024 NAV (fair)	2024 Share price	2023 NAV (book)	2023 NAV (fair)	2023 Share price
Opening NAV per share/share price	(a)	524.5p	539.4p	535.0p	479.0p	495.5p	508.0p
Closing NAV per share/share price	(b)	539.3p	557.8p	498.5p	524.5p	539.4p	535.0p
Dividend adjustment factor*	(c)	1.026922	1.026106	1.028650	1.027628	1.026683	1.027273
Adjusted closing NAV per share/ share price	**(d) = (b) x (c)**	**553.8p**	**572.4p**	**512.8p**	**539.0p**	**553.8p**	**549.6p**
Total return	**(d) ÷ (a) -1**	**5.6%**	**6.1%**	**(4.2%)**	**12.5%**	**11.8%**	**8.2%**

* The dividend adjustment factor is calculated on the assumption that the dividends paid out by the Company are reinvested into the shares of the Company at the cum income NAV/share price at the ex-dividend date.

Active share (APM)

Active share, a measure of how actively a portfolio is managed, is the percentage of the listed equity portfolio that differs from its comparative index. It is calculated by deducting from 100 the percentage of the portfolio that overlaps with the comparative index. An active share of 100 indicates no overlap with the index and an active share of zero indicates a portfolio that tracks the index.

Gearing (APM)

At its simplest, gearing is borrowing. Just like any other public company, an investment trust can borrow money to invest in additional investments for its portfolio. The effect of the borrowing on the shareholders' assets is called 'gearing'. If the Company's assets grow, the shareholders' assets grow proportionately more because the debt remains the same. But if the value of the Company's assets falls, the situation is reversed. Gearing can therefore enhance performance in rising markets but can adversely impact performance in falling markets.

Potential gearing is the Company's borrowings expressed as a percentage of shareholders' funds.

	31 December 2024	31 December 2023
Borrowings at book value	£94,742,000	£94,728,000
Shareholders' funds	£952,693,000	£935,184,000
Potential gearing	**10%**	**10%**

Equity gearing is the Company's borrowings adjusted for cash, bonds and property expressed as a percentage of shareholders' funds.

	31 December 2024	31 December 2023
Borrowings at book value	£94,742,000	£94,728,000
Less: cash and cash equivalents	(£2,818,000)	(£7,340,000)
Less: bond investments	(£11,058,000)	(£37,866,000)
Less: direct property investments	(£95,450,000)	(£66,350,000)
Adjusted borrowings	(£14,584,000)	(£16,828,000)
Shareholders' funds	(£952,693,000)	£935,184,000
Equity gearing	**(2%)**	**(2%)**

Leverage (APM)

For the purposes of the Alternative Investment Fund Managers (AIFM) Regulations, leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as a ratio between the Company's exposure and its net asset value and can be calculated on a gross and a commitment method. Under the gross method, exposure represents the sum of the Company's positions after the deduction of sterling cash balances, without taking into account any hedging and netting arrangements. Under the commitment method, exposure is calculated without the deduction of sterling cash balances and after certain hedging and netting positions are offset against each other.

Collar and cap

A clause in a lease agreement which sets out the minimum (collar) and maximum (cap) limits by which rent can be increased during rent review negotiations.

Unexpired lease term

The length of time remaining on a rental lease agreement. Rental lease agreements may contain a break clause allowing one or both parties to agree to end the lease agreement at an earlier date.

Energy performance certificate (EPC)

An energy performance certificate rates a property's energy efficiency from A (most efficient) to G (least efficient). This certificate indicates potential energy costs, environmental impacts and is vital in promoting energy efficiency.

Company information

Directors

Chairman:
Lord Macpherson of Earl's Court, GCB

Karyn Lamont, CA
Dame Mariot Leslie
Christine Montgomery
Padmesh Shukla

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Independent Auditor

Ernst & Young LLP Chartered Accountants and Statutory Auditors

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Alternative Investment Fund Managers and Company Secretaries

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T: +44 (0)131 275 2000

bailliegifford.com

Company details

saints-it.com

Company Registration No. SC000489

ISIN: GB0007873697

Sedol: 0787369

Ticker: SAIN

Legal Entity Identifier:
549300NF03XVC5IFB447

Further information

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