

LTGG Quarterly Update

30 September 2025



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Potential for Profit and Loss

All investment strategies have the potential for profit and loss.

Stock Examples

Any stock examples, or images, used in this document are not intended to represent recommendations to buy or sell, neither is it implied that they will prove profitable in the future. It is not known whether they will feature in any future portfolio produced by us. Any individual examples will represent only a small part of the overall portfolio and are inserted purely to help illustrate our investment style. A full list of portfolio holdings is available on request.

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Product Overview

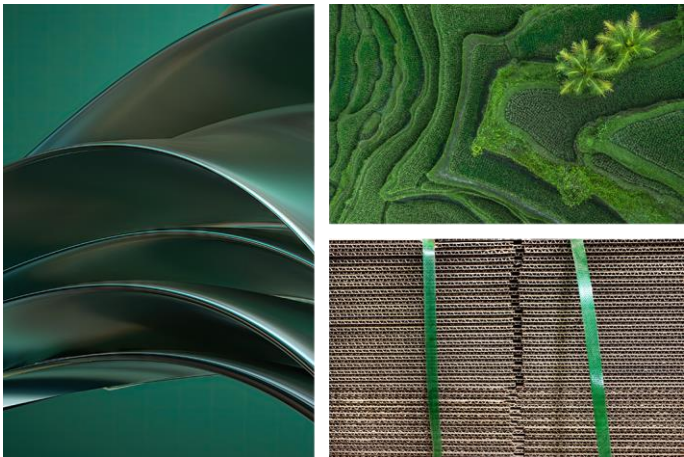
Long Term Global Growth is a very long term, concentrated global equity strategy focused on investing in exceptional growth companies from around the world. The approach is committed and expressly long term because we believe that investing in companies with the scope to grow to multiples of their current size over the next decade has the potential to transform the returns achieved for investors over time.

Risk Analysis

Key Statistics	
Number of Holdings	39
Typical Number of Holdings	30-60
Active Share	88%*
Annual Turnover	14%

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

Though market commentators appear fearful of current valuations, our biggest fear (as always) is that of missed opportunity. Fortunately, opportunities are abundant for patient stockpickers. The portfolio's valuation premium compared to the broader market is at a decade low, while exposure to exceptional growth is at a decade high. Fundamental growth has been the leading driver of long-term outperformance, not multiple expansion. The LTGG strategy is a story of fundamentals, not fairytales.



Baillie Gifford Key Facts

Assets under management and advice	\$286.9bn
Number of clients	552
Number of employees	1655
Number of investment professionals	365

Please see [here](#) for the team's most recent thoughts on the portfolio and accompanying market environment. Included below is a brief attribution commentary and notable transactions for the quarter.

Market environment

Despite macroeconomic headwinds and geopolitical tensions, global equity markets continue to exhibit strength. Our focus remains on our 5-10 year investment horizon and on company fundamentals. This is because share prices tend to follow the operational performance of companies over the long term. Reassuringly, LTGG portfolio companies continue to demonstrate remarkably strong fundamentals.

The largest contributors to performance over the quarter were **AppLovin**, **Reddit**, and **Roblox**.

AppLovin continues to demonstrate exceptional growth. In e-commerce advertising, it is already outpacing competitors in market share gains. The \$900m divestiture of its gaming studios underscored management's commitment to a pure-play advertising model, reinforcing focus on its high-margin platform. Looking ahead, the upcoming launch of its self-serve dashboard in late 2025 is expected to broaden advertiser access and accelerate adoption, positioning AppLovin for sustained growth.

In its most recent quarterly results, **Reddit** delivered nearly 80% revenue growth alongside strong margin expansion, underscoring clear operating leverage. Daily active users rose 21%, with international growth of 32% boosted by machine translation across 23 languages. Platform enhancements are driving deeper engagement, while expanding advertising demand and AI partnerships provide avenues for further monetisation.

Roblox surpassed 100 million daily active users for the first time, with bookings soaring 50% year on year. Viral hits like "Grow a Garden" and "Steal a Brainrot" pushed concurrent users to record highs, while engagement broadened beyond the top titles. Developer incentives, price optimisation tools, and an upgraded search and discovery system are unlocking deeper engagement and monetisation.

The largest detractors from performance over the quarter were **The Trade Desk**, **Meituan**, and **Intuitive Surgical**.

The Trade Desk shares fell sharply after its latest earnings, despite 19% year-on-year revenue growth

that exceeded both guidance and consensus. The sell-off reflected concerns about slowing growth and intensifying competition. Meanwhile, The Trade Desk's AI-driven platform, Kokai, is now powering most client campaigns, delivering more than 20% performance gains and driving higher advertiser spend. While these developments support the long-term opportunity, we will continue to test the investment case against execution and market conditions.

Meituan remains under pressure from subsidy-fuelled battles in food delivery and quick commerce, with losses expected to deepen in the short term. Yet its unmatched scale, dense logistics network, and merchant ecosystem underpin durable advantages. Longer term, Meituan is positioned to compound growth by driving toward 100 million daily food delivery orders, deepening its leadership in instant retail, and capturing the wider digitisation of local services. We expect these structural growth drivers to extend beyond the current price war, but we will continue to assess how these competitive dynamics evolve.

Intuitive Surgical shares fell nearly 30% in the quarter as concerns over hospital budgets and weaker international placements would lead to a slower-than-anticipated Vinci 5 rollout. Despite these, Intuitive posted robust results. Revenue grew more than 20%, driven by rising procedures, surging Ion adoption, and da Vinci 5 uptake (now 85% of new U.S. placements), lifting the installed base to 10,400 systems. We will continue to monitor the U.S. rollout, international approvals, and software-driven initiatives to gauge Intuitive's longer-term upside.

Notable transactions

We have initiated a position in **Rocket Lab**. The costs to access space are falling, opening a new space economy to commercial players. Growth opportunities extend beyond launches, with ambitions to provide space services and applications. Founder-led and resourceful, Rocket Lab has achieved remarkable success on limited resources, leaving it primed for further expansion in this rapidly evolving market.

In contrast, we have sold **Enphase Energy**. While the company has shown resilience in a volatile industry, several variables largely outside of Enphase's control have ultimately overwhelmed our investment thesis. Considering the heightened materiality of these exogenous factors to

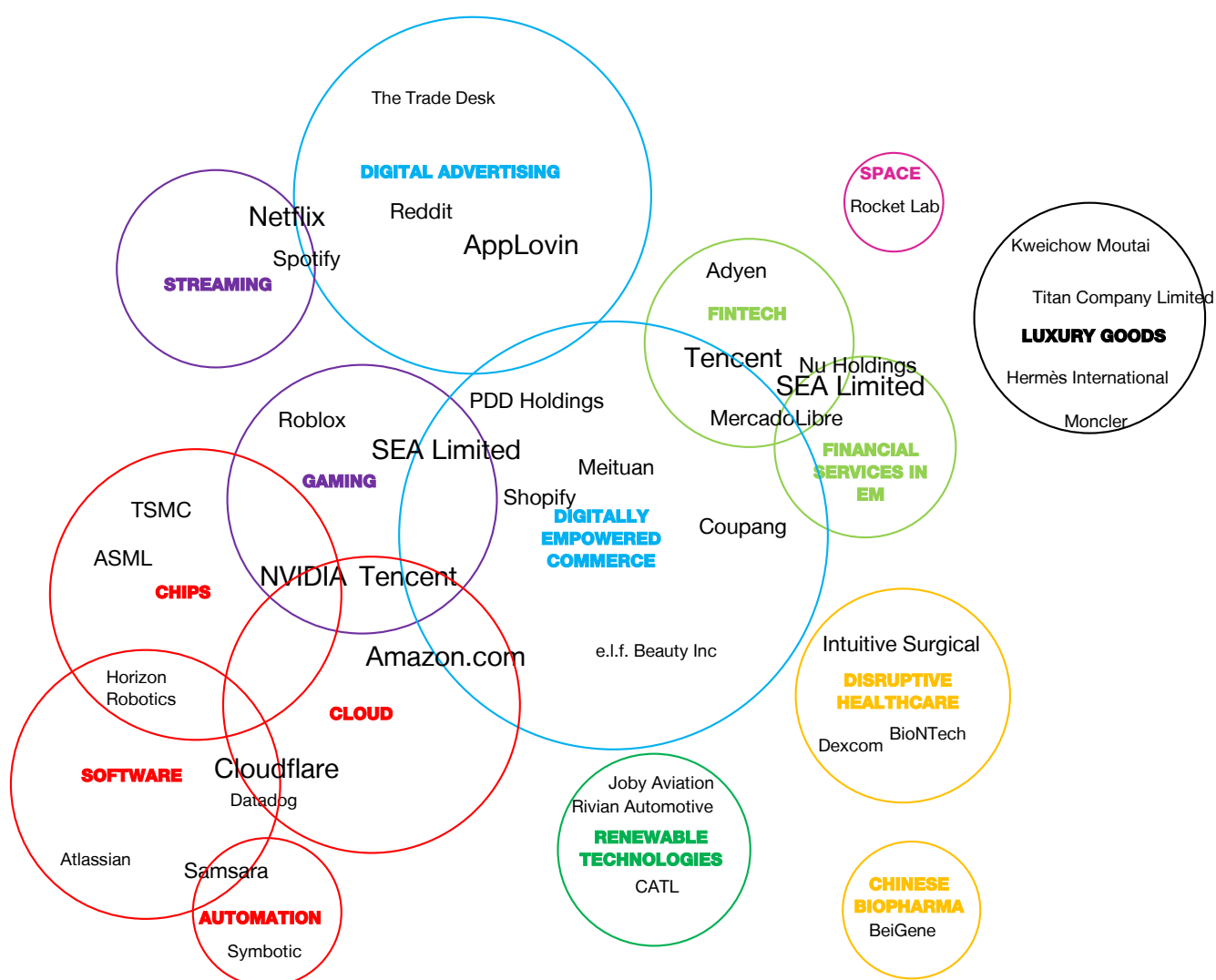
our investment case, and the intense competition for capital in the portfolio, we have decided to move on.

Market Outlook

Our outlook remains unchanged. As a reminder, LTGG remains laser-focussed on identifying what we believe to be the world's leading growth companies based on the strength of their fundamentals, recognising that share prices tend to follow companies' operational performance over the long term. We therefore seek to invest in those outlier companies early, hold them at scale via this concentrated portfolio, and remain invested for the long term.

The LTGG Euler Diagram

The diagram below represents our current view of stock concentrations in the LTGG model portfolio. We have identified what we believe to be the key driver(s) of each stock and have grouped stocks as appropriate. Circle sizes are based on the aggregate stock holding weights in the portfolio and some stocks are represented in more than one circle. The font size is indicative of the size of the holding in the portfolio – the larger the font the larger the position within the portfolio. We use this diagram as an input to our consideration of risk and diversification in the portfolio and we review it on an ongoing basis. The classifications are subject to change over time as our views evolve.



Performance Objective

No formal performance objective but typically compared with MSCI ACWI Index or FTSE All World Indices achieving +3% p.a., net of fees, over typical global equity index over rolling 5 year periods.

The performance objective is aspirational and is not guaranteed. We don't use it to compile the portfolio and returns will vary. A single performance objective may not be appropriate across all vehicles and jurisdictions. We may not meet our investment objectives if, for example, our growth investment style is out of favour, or we misjudge the long-term earnings growth of our holdings.

Periodic Performance

GBP	Composite Gross (%)	Composite Net (%)	Benchmark (%)	Difference Net (%)	Difference Gross (%)
3 Months	11.1	10.9	9.7	+1.3	+1.5
1 Year	31.6	30.7	17.4	+13.3	+14.2
3 Year	22.8	21.9	16.2	+5.7	+6.6
5 Year	7.0	6.2	13.1	-6.9	-6.2
10 Year	20.5	19.6	13.8	+5.8	+6.7
Since Inception	15.5	14.7	10.6	+4.1	+4.9
USD	Composite Gross (%)	Composite Net (%)	Benchmark (%)	Difference Net (%)	Difference Gross (%)
3 Months	9.2	9.0	7.7	+1.3	+1.5
1 Year	32.1	31.2	17.8	+13.4	+14.3
3 Year	30.7	29.8	23.7	+6.1	+7.0
5 Year	7.9	7.1	14.1	-7.0	-6.2
10 Year	19.0	18.2	12.5	+5.7	+6.6
Since Inception	13.8	13.0	9.0	+4.0	+4.8
EUR	Composite Gross (%)	Composite Net (%)	Benchmark (%)	Difference Net (%)	Difference Gross (%)
3 Months	9.1	8.9	7.6	+1.3	+1.5
1 Year	25.5	24.6	11.9	+12.7	+13.6
3 Year	23.0	22.2	16.4	+5.7	+6.6
5 Year	7.8	7.1	14.0	-7.0	-6.2
10 Year	18.4	17.6	11.9	+5.7	+6.5
Since Inception	14.1	13.3	9.3	+4.0	+4.8
CAD	Composite Gross (%)	Composite Net (%)	Benchmark (%)	Difference Net (%)	Difference Gross (%)
3 Months	11.3	11.1	9.9	+1.3	+1.5
1 Year	36.1	35.1	21.3	+13.8	+14.7
3 Year	31.3	30.3	24.2	+6.1	+7.0
5 Year	8.8	8.0	15.0	-7.0	-6.3
10 Year	19.5	18.7	12.9	+5.8	+6.6
Since Inception	14.0	13.2	9.2	+4.0	+4.8
AUD	Composite Gross (%)	Composite Net (%)	Benchmark (%)	Difference Net (%)	Difference Gross (%)
3 Months	8.0	7.8	6.5	+1.2	+1.4
1 Year	38.3	37.3	23.3	+14.0	+15.0
3 Year	29.4	28.5	22.5	+6.0	+6.9
5 Year	9.6	8.8	15.9	-7.1	-6.3
10 Year	19.7	18.9	13.1	+5.8	+6.6
Since Inception	14.6	13.8	9.8	+4.1	+4.9

Annualised periods ended 30 September 2025. 3 Month & 1 Year figures are not annualised.

Inception date: 29 February 2004

Figures may not sum due to rounding.

Benchmark is MSCI ACWI Index.

Source: Revolution, MSCI.

The LTGG composite is more concentrated than the MSCI ACWI Index.

Discrete Performance

GBP	30/09/20- 30/09/21	30/09/21- 30/09/22	30/09/22- 30/09/23	30/09/23- 30/09/24	30/09/24- 30/09/25
Composite Net (%)	20.7	-38.1	9.6	26.5	30.7
Benchmark (%)	22.7	-3.7	11.0	20.4	17.4
USD	30/09/20- 30/09/21	30/09/21- 30/09/22	30/09/22- 30/09/23	30/09/23- 30/09/24	30/09/24- 30/09/25
Composite Net (%)	25.9	-48.8	19.9	39.1	31.2
Benchmark (%)	28.0	-20.3	21.4	32.3	17.8
EUR	30/09/20- 30/09/21	30/09/21- 30/09/22	30/09/22- 30/09/23	30/09/23- 30/09/24	30/09/24- 30/09/25
Composite Net (%)	27.4	-39.4	10.9	31.9	24.6
Benchmark (%)	29.5	-5.7	12.3	25.6	11.9
CAD	30/09/20- 30/09/21	30/09/21- 30/09/22	30/09/22- 30/09/23	30/09/23- 30/09/24	30/09/24- 30/09/25
Composite Net (%)	19.4	-44.4	18.0	38.9	35.1
Benchmark (%)	21.4	-13.5	19.5	32.2	21.3
AUD	30/09/20- 30/09/21	30/09/21- 30/09/22	30/09/22- 30/09/23	30/09/23- 30/09/24	30/09/24- 30/09/25
Composite Net (%)	24.9	-42.5	19.4	29.4	37.3
Benchmark (%)	27.0	-10.4	21.0	23.1	23.3

Benchmark is MSCI ACWI Index.

Source: Revolution, MSCI.

The LTGG composite is more concentrated than the MSCI ACWI Index.

Stock Level Attribution

Top and Bottom Ten Contributors to Relative Performance

Quarter to 30 September 2025

Stock Name	Contribution (%)
AppLovin	2.5
Reddit, Inc. Cl A	0.7
Tencent	0.7
Roblox	0.7
CATL	0.6
PDD Holdings	0.5
Beigene HK Line	0.5
ASML	0.4
Shopify	0.4
Joby Aviation Inc	0.3
The Trade Desk	-0.9
Netflix Inc	-0.8
Spotify Technology SA	-0.7
Intuitive Surgical	-0.7
Atlassian Corp Plc	-0.6
Alphabet	-0.6
Dexcom Inc	-0.6
Adyen NV	-0.6
Meituan	-0.6
MercadoLibre	-0.6

One Year to 30 September 2025

Stock Name	Contribution (%)
AppLovin	4.5
Cloudflare Inc	3.1
Roblox	2.3
Spotify Technology SA	1.7
SEA Ltd	1.6
Netflix Inc	1.4
Reddit, Inc. Cl A	1.2
Shopify	1.1
Tencent	0.8
Joby Aviation Inc	0.7
The Trade Desk	-2.2
Meituan	-2.0
Enphase Energy Inc.	-1.1
Samsara	-0.9
Moderna Inc	-0.7
PDD Holdings	-0.7
Broadcom Inc	-0.6
Alphabet	-0.6
Advanced Micro Devices Inc	-0.6
Kweichow Moutai	-0.5

Source: Revolution, MSCI. LTGG composite relative to MSCI ACWI Index.

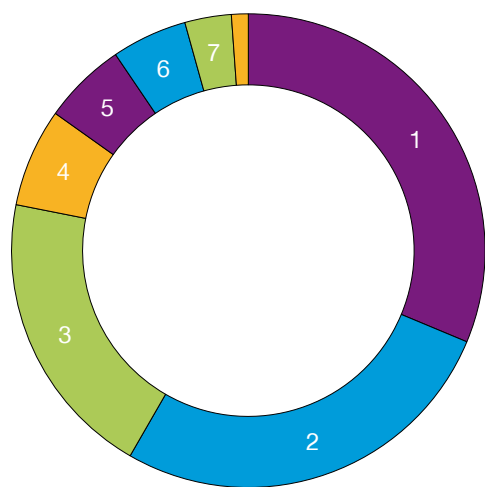
The holdings identified do not represent all of the securities purchased, sold or held during the measurement period. Past performance does not guarantee future returns. A full list showing all holdings' contributions to the portfolio's performance and a description on how the attribution is calculated is available on request. Some stocks may not have been held for the whole period. All attribution figures are calculated gross of fees, relative to the index from stock level up, based on closing prices. As attribution is shown relative to the benchmark, not all stocks shown are held in the portfolio.

Top Ten Largest Holdings

Stock Name	Description of Business	% of Portfolio
NVIDIA	Designer of Graphics Processing Units and accelerated computing technology	5.8
Amazon.com	E-commerce, computing infrastructure, streaming and more	5.7
AppLovin	Connects businesses and developers to audiences in-app, on mobile and across streaming TV	5.4
Cloudflare	Web infrastructure and cybersecurity provider	4.7
Netflix	Streaming platform	4.4
Tencent	Technology conglomerate	4.1
Sea Limited	E-commerce, gaming and fintech platform	4.0
Spotify	Streaming platform for audible content	3.7
Coupang	South Korean e-commerce	3.6
ASML	Semiconductor equipment manufacturer	3.6
Total		45.0

Figures may not sum due to rounding.

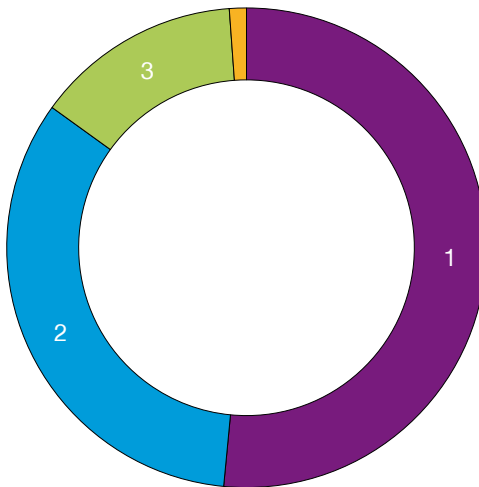
Sector Weights



	%
1 Information Technology	31.3
2 Consumer Discretionary	27.0
3 Communication Services	19.8
4 Health Care	6.7
5 Financials	5.7
6 Industrials	5.2
7 Consumer Staples	3.2
8 Cash	1.1

Figures may not sum due to rounding.

Regional Weights



	%
1 North America	51.5
2 Emerging Markets	33.4
3 Europe (ex UK)	13.9
4 Cash	1.1

Voting Activity

Votes Cast in Favour		Votes Cast Against		Votes Abstained/Withheld	
Companies	6	Companies	1	Companies	None
Resolutions	31	Resolutions	1	Resolutions	None

Company Engagement

Engagement Type	Company
Environmental	ASML Holding N.V., Amazon.com, Inc., Cloudflare, Inc., Contemporary Amperex Technology Co., Limited, Datadog, Inc., Meituan, Titan Company Limited
Social	Amazon.com, Inc., Cloudflare, Inc., Rivian Automotive, Inc., Shopify Inc.
Governance	Amazon.com, Inc., BioNTech SE, Cloudflare, Inc., DexCom, Inc., Intuitive Surgical, Inc., Joby Aviation, Inc., Netflix, Inc., Shopify Inc., Spotify Technology S.A., Symbotic Inc.
Strategy	Amazon.com, Inc., Cloudflare, Inc., Contemporary Amperex Technology Co., Limited, DexCom, Inc., Joby Aviation, Inc., Meituan, Rivian Automotive, Inc., Shopify Inc., Spotify Technology S.A., Symbotic Inc.

Company	Engagement Report
Amazon.com, Inc.	<p>Objective: We met with Amazon's ESG and investor relations (IR) leads ahead of the 2025 annual general meeting (AGM) to understand how US political headwinds and tariff policy may be influencing the company's approach to climate, packaging, governance, and health and safety. We also sought further detail on the disclosures planned for its upcoming sustainability report.</p> <p>Discussion: The team reaffirmed its net-zero 2040 pledge and the early achievement of 100 per cent renewable electricity but will not introduce interim power targets. Progress will instead be demonstrated through deals such as a new 600 MW power purchase agreement and advocacy for grid modernisation. Nuclear, gas, and carbon capture and storage (CCS) are being examined as AI workloads increase. Renewable sourcing is region-agnostic - Texas provides a significant share - and management highlighted alignment across both 'red' and 'blue' states. Scope 3 disclosure will now include suppliers representing about half of emissions, with fuller reporting expected after the AGM.</p> <p>The 'frustration-free' packaging incentive has been expanded to all third-party sellers, though quantitative data on volumes is still absent. Board confidence in warehouse safety metrics is high, following a regulatory probe that resulted in only one citation; directors see limited value in commissioning another external audit. Governance refresh is ongoing, with Andrew Ng joining the board, while AI oversight remains spread across existing committees. Management intends to oppose shareholder proposals on warehouse conditions, anti-ESG advertising, and AI, but will support resolutions on alternative emissions reporting and data centre energy use.</p> <p>Outcome: We will continue to monitor the company's progress on climate, particularly in the absence of interim goals. We are supportive of progress on packaging and will continue to encourage greater disclosure. In addition, we will stay engaged on any future updates to the company's governance practices.</p>
ASML Holding N.V.	<p>Objective: We had an update from ASML's sustainability team on the company's progress against its climate-related targets and its engagement with the wider semiconductor value chain. For context, ASML has ambitious decarbonisation goals, significant influence over the energy-intensive semiconductor manufacturing process, and its customers depend on ASML to reduce the energy and water intensity of lithography.</p> <p>Discussion: ASML has progressed from the awareness-raising stage to the implementation phase of its climate targets. Customer demand remains a core driver - 85 per cent of customers cite climate as important - but there is also a strong internal conviction that pursuing these targets is the right course of action. ASML has no plans to alter its commitments, though it acknowledges potential difficulty in meeting its 2025 operational goal of achieving carbon neutrality. On Scope 3 emissions, the company's engagement with customers centres on education and collaboration, with notable progress seen at TSMC. The Semiconductor Climate Consortium, which convenes stakeholders across the value chain, provides a valuable platform for collaboration in this respect. At the same time, ASML continues to enhance the energy efficiency of its systems and integrates customer feedback directly into design roadmaps. Renewable energy procurement remains the most significant challenge, particularly for customers in Korea and Taiwan.</p> <p>Outcome: ASML remains a climate leader within the semiconductor value chain and continues to advance its targets. While challenges persist, the company's commitment remains firm. We will continue to monitor its progress and any material developments across the value chain.</p>

Company	Engagement Report
Cloudflare, Inc.	<p>Objective: We asked for clarification on Cloudflare's timeframes for setting emissions targets and for an update on its renewable energy procurement and data centre emissions reduction initiatives.</p> <p>Discussion: On paper, it appears very little has changed in Cloudflare's approach. The company has a relatively small carbon footprint, largely attributable to its server network, but does not yet disclose Scope 3 emissions, where we expect the majority to lie. Cloudflare has been working to estimate these figures since 2021 and plans to include them in its next ESG report. The company believes the eventual Scope 3 figures will be smaller than we anticipate, given the structure of its co-located data centres with larger hyperscalers, where responsibility for energy procurement is shared across sites. Cloudflare also intends to set Science Based Targets initiative (SBTi) goals in autumn 2025.</p> <p>The head of ESG highlighted the potential benefits of moving from on-site servers to a cloud-based Cloudflare network, with estimated emissions savings of 78-92 per cent. While he acknowledged that evidencing these figures is difficult, anecdotal feedback from customers suggests they are experiencing meaningful benefits. We concluded by asking about the impact of AI on emissions. Cloudflare has noted some increase from the use of its own GPUs, which it intends to continue to monitor.</p> <p>Outcome: We were encouraged to hear that Cloudflare is on track to improve its emissions disclosures and to publish climate targets. As the role of AI increases demand for data centre energy, meeting these targets may become more challenging, and we will monitor Cloudflare's progress appropriately.</p>
Contemporary Amperex Technology Co., Limited	<p>Objective: We sought to deepen our understanding of CATL's strategy to navigate the challenges and opportunities in the global battery market over the coming five years and beyond. We spent nearly a full day at CATL's headquarters in Ningde, China, in broad-ranging discussions with the board secretary, investor relations, a process engineer, and a special technology officer responsible for lithium battery product development, plus we toured CATL's automated smart factory.</p> <p>Discussion: Recognising that CATL's leading-edge electric vehicle (EV) batteries already charge in as little as five minutes and offer range as far as 800km, further improvements in charging time and range will likely contribute little meaningful additional value for customers. As such, CATL is now directing its relentless focus on innovation to target price-sensitive customers. This could unlock significant volume growth. We discussed several levers via which CATL could achieve this strategy. For instance, our tour of the factory was notable in that throughout the entire manufacturing process, from raw materials to finished products, humans were involved in only two steps at the final quality inspection stage. Given CATL's sheer scale and its decades of proprietary production data, artificial intelligence (AI) and robotics are setting new precedents in enhancing efficiencies - e.g. new production lines are three times faster and have reduced manufacturing unit cost by a third. Additional examples of cost-reducing innovations for customers include battery swapping (i.e. leasing a battery rather than buying it) and recycling (CATL already has industry-leading recycling rates and aims to increasingly derisk its supply chain by using recycled raw materials).</p> <p>Outcome: Against the backdrop of challenging geopolitics and a slowdown in EV penetration in several Western markets, this far-ranging discussion was valuable in deepening our knowledge of CATL's strategic direction. The company is not only relentless in its product innovation; it is also innovating its business model.</p>

Company	Engagement Report
Datadog, Inc.	<p data-bbox="517 427 1437 537">Objective: We met with Datadog's legal, investor relations, and sustainability leads to assess how the company is managing its growing carbon footprint, regulatory preparedness, and client expectations, and to discuss potential next steps beyond its newly disclosed Scope 1-3 emissions inventory.</p> <p data-bbox="517 562 1493 748">Discussion: Datadog published full Scope 1, 2, and 3 emissions data for the first time last year. Over 97 per cent falls within Scope 3, split roughly one-third cloud (primarily Amazon Web Services (AWS)), one-third business travel, and the remainder other upstream activities. The AWS third comes from Datadog's use of AWS data centres, which stems primarily from energy use and the infrastructure associated with this service. AWS sources a large amount of renewable energy and Datadog's decarbonisation will be tied to their supplier's ability to continue doing this.</p> <p data-bbox="517 772 1485 907">On the whole, climate is not positioned as a strategic priority; action to date has been driven mainly by Californian regulation and anticipated, but now shelved, Securities and Exchange Commission (SEC) rules. The SEC had planned to implement mandatory scope 1 and 2 and 3 reporting for large businesses in the US, but were held up by push back on the scope 3 element. This was then squashed by the new administration.</p> <p data-bbox="517 931 1485 1176">The Datadog team is focused on what it can directly control, offsetting all operational emissions through Watershed-sourced (a reputable carbon consultancy that we also use at BG) renewable energy certificates and removals. Engagement with cloud providers on their own decarbonisation efforts is minimal, and sustainability credentials rarely influence procurement decisions, aside from a small number of European clients. Only a few customers and some ESG-focused investors have pushed for formal targets. Internally, interest is uneven: climate resonates with some employees, but rapid post-Covid headcount growth has driven up travel emissions. While Datadog's monitoring suite can help clients track cloud energy use, adoption remains limited.</p> <p data-bbox="517 1200 1461 1308">Outcome: Despite progress in emissions disclosure, Datadog remains behind peers in setting targets and in materially addressing Scope 3 emissions. We are supportive of its pragmatic focus on operational emissions and encouraged greater transparency on scenario analysis, particularly in light of Californian regulatory requirements.</p>

Company	Engagement Report
Joby Aviation, Inc.	<p>Objective: We visited Joby's initial production and test flight facility in Marina, California, and met with founder and chief executive officer (CEO) JoeBen Bevirt. The purpose was to deepen our understanding of the company's readiness to launch commercial electric vertical take-off and landing (eVTOL) operations, as well as its longer-term strategic direction.</p> <p>Discussion: The degree of vertical integration across the company was striking during the visit, and could prove to be a key source of competitive edge. From bespoke carbon fibre and 3D-printed titanium components through to final assembly, much of the process is designed in-house. JoeBen pointed to hardware peers such as SpaceX and BYD as evidence that deep vertical integration can create a meaningful advantage, though it remains to be seen whether this proves an edge over competitors such as Archer. The strong presence of shareholder Toyota was also notable; Toyota staff are embedded across the process, helping to deliver efficiency gains and shape production methods. Their influence will likely deepen with the transition to Joby's larger Ohio facility, which is situated close to a major Toyota plant.</p> <p>We also gained a greater appreciation of the regulatory complexity. Every component, process, and operation is subject to Federal Aviation Administration (FAA) approval, creating high barriers to entry but also slowing development timelines. Joby appears to be well engaged with regulators, and JoeBen spoke positively about the FAA's openness to exploring autonomy. Joby will be aided on this front by its recent XWing acquisition, which is helping accelerate progress in autonomous flight capabilities. Beyond manufacturing, the influence of ex-Uber Elevate staff is evident in Joby's work on developing a slick and reliable consumer-facing booking platform, which will be critical once services are live.</p> <p>Longer-term initiatives include exploring hydrogen power, new vehicle form factors, and predictive maintenance capabilities, which are seen as the 'holy grail' of aviation.</p> <p>Outcome: The visit reinforced our sense of the scale and complexity of building a new aviation form factor in a highly regulated industry. Joby's comprehensiveness, deep vertical integration, and Toyota's strong presence all increase the likelihood of eventual success.</p>
Meituan	<p>Objective: To support the company in enhancing its sustainability management and increasing its influence on sustainable practices within the industry.</p> <p>Discussion: Following our responses to Meituan's stakeholder surveys in July, the company's Investor Relations (IR) initiated this meeting to explore potential improvements in its sustainability governance and communication with investors. We began by discussing our internal assessment criteria and expectations for holdings across various strategies, focusing on how net-zero efforts are evaluated. Specifically, we addressed Meituan's most material sustainability areas and identified opportunities for further improvement. Meituan expressed a desire to increase its visibility and voice regarding sustainability practices within the industry and sought our advice. We recommended the upcoming 2025 ESG Global Leaders Conference, led by the State Council, as an excellent starting point for exchanging valuable industrial experiences with peers.</p> <p>Outcome: We appreciate Meituan's approach to seeking our sustainability advice, recognising us as true long-term supportive investors. This meeting reinforced our positive relationship built over the past five years, and we are committed to continuing this constructive dialogue.</p>

Company	Engagement Report
Rivian Automotive, Inc.	<p>Objective: We met with the chief executive officer (CEO) of Rivian, RJ Scaringe, in New York to deepen our understanding of Rivian's priorities as it prepares to scale production of the R2 and strengthen its position in software and autonomy.</p> <p>Discussion: Scaringe believes the two most important opportunities and challenges for Rivian over the next five years are scaling the R2 and reinforcing its technology leadership. At a sub-\$50k price point, the R2 is positioned to attract cost-sensitive customers, including those considering switching from the Tesla Model Y. Considerable groundwork is being laid through expanded service centres, showrooms, and supply chain readiness. Lessons from the R1, particularly around supplier negotiations, are informing the rollout, while the Volkswagen partnership should deliver greater supply chain and cost-efficiency benefits over time. Encouragingly, pressures around sourcing rare earth materials have begun to ease, while on the battery side, LG's new Arizona capacity is expected to support the R2 launch.</p> <p>Rivian is also focused on its software and autonomy platform, which RJ sees as the company's most under-appreciated strength. The firm's clean-sheet architecture contrasts favourably with incumbents that are weighed down by legacy systems. Rivian is investing in high-spec hardware to offset its smaller data pool, and its upcoming Autonomy Day is expected to showcase these capabilities.</p> <p>Outcome: The meeting reinforced our view that Rivian remains differentiated through its combination of accessible EV design and advanced software capabilities. We were also reassured that management bench strength has improved with the arrival of chief operating officer Javier Varela, who is bringing greater operational discipline. Execution on R2 production and continued progress on its technology platform will be key going forward.</p>
Shopify Inc.	<p>Objective: We engaged with Shopify's chief executive officer (CEO), Tobi Lütke, to assess strategic direction and outlook for sustained growth. Our focus was on Shopify's artificial intelligence (AI) initiatives, evolution of the checkout process, and the broader positioning in global commerce.</p> <p>Discussion: Lütke highlighted eight consecutive quarters of around 20 per cent growth across core metrics, underpinned by Shopify's pivot to an asset-light model after exiting the logistics business. This has reinforced partnerships and allowed management to concentrate on core strengths. Lütke's hands-on oversight of strategic roadmaps ensures alignment in a rapidly evolving landscape. Shopify's AI ambitions centre on agentic commerce; AI-driven shopping journeys where consumers set constraints and the system executes transactions. By connecting with OpenAI and using new common standards, Shopify is making it possible for customers to easily find products and complete purchases directly within AI-powered apps and tools. The company has also executed a significant overhaul of its checkout process, balancing compliance with merchant flexibility. New initiatives such as the Global Catalogue application programming interface and a universal search index will enhance discovery and merchant reach. In advertising, Shopify is aligning with merchant needs by enabling constraint-driven campaigns, part of a broader shift toward attention-based commerce. Success in enterprise sales is being accelerated by AI tools and headless commerce solutions, offering merchants customisation and scalability.</p> <p>Outcome: This engagement reaffirmed conviction in Shopify's strategic execution and innovation. Its focus on AI, flexible commerce infrastructure, and global reach positions the business well for continued growth. We remain optimistic on Shopify's ability to capture value from the evolution of commerce.</p>

Company	Engagement Report
Spotify Technology S.A.	<p>Objective: Our engagement with Spotify's leadership aimed to understand how the company intends to grow sustainably while balancing user experience, fair creator compensation, and responsible adoption of new technologies.</p> <p>Discussion: Chief executive officer (CEO) Daniel Ek underlined Spotify's ambition to expand well beyond its current 700 million users, with growth driven by higher premium conversion rates, expansion in emerging markets, and more flexible pricing. Importantly, Spotify remains committed to being a subscription-led platform, prioritising user value over time-spent metrics common in social media.</p> <p>The company is also exploring new verticals such as audiobooks and education, with the latter potentially offering certified learning credentials. Ek noted that record labels could outsource more services to Spotify, positioning the company to play a larger role in supporting creators. Operationally, Spotify has streamlined its workforce to prepare for AI integration, which management believes will drive efficiency while reshaping how both employees and creators engage with the platform.</p> <p>Outcome: The meeting informed our conviction in Spotify's ability to deliver sustainable growth while maintaining a consumer-first culture. The company's emphasis on sensible monetisation, creator support, and healthier digital engagement aligns with our expectations.</p>
Symbolic Inc.	<p>Objective: During our wide-ranging discussions with founder chief executive officer (CEO) Rick Cohen, chief financial officer (CFO) Carol Hibbard, chief technology officer (CTO) James Kuffner, and senior vice president (SVP) of commercial Brian Alexander, plus a tour of Symbolic's automated facilities near Boston, we sought to learn more about financial reporting, recent management changes, and succession planning.</p> <p>Discussion: Hibbard informed us of the progress made since auditors last year had noted material weaknesses in controls, leading to a restatement of accounts at that time. An enterprise resource planning (ERP) system has been rolled out, improvements made in supply chain management, one standard supplier contract has been introduced to help mitigate against complexity, a single specialist team now oversees all receipts and payments, and considerable new talent has been brought into the company with relevant expertise. In fact, even more controls have been put in place than the auditor suggested. Consequently, the auditors have not raised any new issues over recent quarters and Hibbard sounded hopeful the 'material weakness' designation would be removed soon.</p> <p>Separately, we also spent time with Rick Cohen. Despite being in his seventies, he is still very much hands-on and chairs the early morning management team meeting seven days a week. He has focused deeply over the past year on upgrading certain talent in the company, such as finding an appropriate CTO with sufficient software and robotics expertise. Nevertheless, Cohen believes he will have failed if he does not find a good long-term successor for his own role.</p> <p>Outcome: We were encouraged by progress in Symbolic's financial reporting and talent upgrades. However, the company announced shortly after our meeting that Carol Hibbard would be replaced. We will monitor developments on this front, in addition to Cohen's longer-term succession plans.</p>

Company	Engagement Report
Titan Company Limited	<p data-bbox="515 427 1495 562">Objective: We sought to outline our approach to integrating climate-related issues into our investment analysis to Titan's ESG team, and to learn more about Titan's own management of emissions across its operations, supply chain, and physical climate risks. In addition, we shared insights from our previous work on physical risk in India conducted on other holdings.</p> <p data-bbox="515 591 1495 936">Discussion: Titan has only recently begun reporting climate emissions, but doesn't yet have any formal targets in place. Its operational emissions stem primarily from offices and some production, but the largest share is likely to fall under Scope 3, particularly purchased goods (raw materials) and supplier-related energy use, which remain undisclosed. Titan already has a strong corporate social responsibility agenda, with philanthropic initiatives such as afforestation projects in northern India and the restoration of water bodies in the south. It also offers a sustainable product line, using 100 per cent recycled gold, and has professionalised the recycling process. Supply chain engagement remains a significant challenge given the fragmented nature of vendors and artisans, however, Titan is actively working to strengthen this area. This complexity also makes assessing physical climate risks difficult: while the company has reviewed flood risk for its own operations, extending the same analysis to its supply chain is far more challenging. It is in the process of developing a new ESG strategy.</p> <p data-bbox="515 965 1495 1068">Outcome: Titan expressed interest in learning more about our work on physical risk, and we plan to follow up once its new ESG strategy is released. The company has made promising initial progress, though further work on Scope 3 would be valuable for assessing supply chain risks and determining their materiality to the business.</p>

New Purchases

Stock Name	Transaction Rationale
Rocket Lab Corp	The costs to access space are falling, opening a new space economy to commercial players. Rocket Lab is a highly vertically-integrated space company which launches rockets and builds satellites. While SpaceX has led the way in this new economy, Rocket Lab has a huge opportunity as the clear second player. We believe that neither governmental nor commercial clients would be willing to tolerate a monopoly in this market. Beyond Rocket Lab's proven ability to repeatedly and successfully deliver payloads to orbit (an extremely difficult feat that many competitors fail to replicate), the company has several exciting growth opportunities ahead. For example, Rocket Lab also has ambitions to operate its own space services and applications for customers. Furthermore, Rocket Lab is a founder-run company which has managed to succeed with far fewer resources than peers.

Complete Sales

Stock Name	Transaction Rationale
Enphase Energy Inc	When we first invested in Enphase in 2023, we believed the company's microinverters (the 'brains' of residential and small-scale industrial solar module systems) would provide a long-term growth opportunity as consumers sought to increase energy independence and reduce reliance on fossil fuels. While the company has demonstrated its adaptability in an extremely challenging industry (e.g. rapidly changing its supply chain to qualify for different US local production incentives), several variables largely outside of Enphase's control have ultimately overwhelmed our investment thesis. For instance, proposed US legislation to phase out investment tax credits for residential solar appears poised to present a material headwind to demand. Meanwhile, Sunnova, one of Enphase's most important sales channels, has filed for bankruptcy and we suspect there is heightened likelihood that some other installers also go bust in coming years. Considering the heightened materiality of these exogenous factors to our investment case, and the intense competition for capital in the portfolio, we have decided to move on.

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