

Fund objective

To outperform (after deduction of costs) the MSCI ACWI Index, as stated in sterling, by at least 2% per annum over rolling five-year periods. The Fund also aims to contribute to a more sustainable and inclusive world through investing in companies whose products and/or services contribute to impact themes addressing critical social and/or environmental challenges, measured over at least a five-year period.

The manager believes this is an appropriate target given the investment policy of the Fund and the approach taken by the manager when investing. In addition, the manager believes an appropriate performance comparison for this Fund is the Investment Association Global Sector.

There is no guarantee that this objective will be achieved over any time period and actual investment returns may differ from this objective, particularly over shorter time periods.

Investment proposition

The Fund invests in an actively managed portfolio of 25-50 global high quality growth companies which can deliver positive change in one of four current areas: Social Inclusion and Education, Environment and Resource Needs, Healthcare and Quality of Life; and Base of the Pyramid (addressing the needs of the world's poorest populations). The Positive Change Decision Makers generate ideas from a diverse range of sources. With a focus on fundamental in-house research, the team complete a two stage analysis of all holdings, looking at both the financial and positive change aspects case for each stock using a consistent framework. The output is a high conviction and differentiated portfolio. We aim for a low turnover, around 20% per annum over the long run.

Periodic performance

	3 Months	1 Year	3 Years (p.a.)	5 Years (p.a.)
Class B-Acc (%)	8.1	19.3	10.6	5.0
Index (%)*	9.7	17.4	16.2	13.1
Target (%)**	10.2	19.8	18.6	15.4
Sector Average (%)***	7.2	12.1	11.9	9.5
Sector Ranking	219/566	67/547	313/496	371/422

Annual discrete performance

	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
Class B-Acc (%)	36.2	-30.8	4.5	8.6	19.3
Index (%)*	22.7	-3.7	11.0	20.4	17.4
Target (%)**	25.2	-1.8	13.3	22.9	19.8
Sector Average (%)***	23.2	-8.9	7.8	16.2	12.1

Source: FE, Revolution, MSCI. Total return net of charges, in sterling.

Share class returns calculated using 10am prices, while the Index is calculated close-to-close.

*MSCI ACWI Index.

**MSCI ACWI Index (in sterling) plus at least 2% per annum over rolling five-year periods.

***IA Global Sector.

Fund facts

Managers	Kate Fox* / Lee Qian / Apricot Wilson / Thaiha Nguyen / Ed
Fund launch date	03 January 2017
Fund Size	£1,470.91m
IA Sector	Global
Active share	93% [†]
Annual turnover	32%
Guideline number of holdings	25-50
Number of holdings	38
Structure	OEIC

*Partner.

[†]Relative to MSCI ACWI Index. Source: Baillie Gifford & Co, MSCI.

Top ten holdings

Holdings	% Total assets
TSMC	7.4
MercadoLibre	5.6
ASML	5.0
Microsoft	4.9
Alnylam Pharmaceuticals	4.5
Shopify	4.3
Grab	3.8
Deere & Co	3.8
Sea Limited	3.7
Autodesk	3.7







**Sustainability
Impact**

The Positive Change portfolio

We look for companies for whom delivering a positive impact is core to their business. In order to focus efforts, the portfolio is divided into four broad impact themes.

Four impact themes

 Social Inclusion and Education		 Environment and Resource Needs		 Healthcare and Quality of Life		 Base of the Pyramid	
Building a more inclusive society through business practices or products and services		Improving our resource efficiency and reducing the environmental impact of our economic activities		Actively improving the quality of life in developed and developing countries		Addressing the basic aspirational needs of people at the bottom of the global income ladder	
Holding	%	Holding	%	Holding	%	Holding	%
TSMC	7.4	Deere & Co	3.8	Alnylam Pharmaceuticals	4.5	Bank Rakyat Indonesia	3.0
MercadoLibre	5.6	Autodesk	3.7	Sandoz Group AG	2.4	Remitly Global	2.1
ASML	5.0	Ecolab	3.1	Dexcom	2.4	Total	5.1
Microsoft	4.9	Novonesis	2.6	Insulet Corporation	2.3		
Shopify	4.3	Schneider Electric	2.4	Illumina	1.9		
Grab	3.8	Ashtead	2.3	Vertex Pharmaceuticals	1.3		
Sea Limited	3.7	Epiroc	2.0	AbCellera Biologics	0.9		
Nu Holdings	3.6	Savers	1.8	PROCEPT BioRobotics	0.3		
HDFC Bank	3.2	Prysmian	1.5	Abiomed CVR Line	0.0		
Duolingo	3.1	Arm Holdings	1.5	Total	15.9		
New York Times Co	2.4	Joby Aviation	1.2				
Prudential	2.3	Rivian Automotive	0.5				
Coursera	1.4	Soitec	0.4				
Kaspi.kz	0.7	Total	26.8				
Total	51.5						

Source: Baillie Gifford & Co. As at 30 September 2025. Cash 0.7%. Totals may not sum due to rounding.

Market environment

As has been the case for much of 2025, volatility and uncertainty continued to be a feature during the third quarter. Geopolitics and US trade policy continued to be influential. In the US, the Federal Reserve cut interest rates, which was well received by the market. The market remains at historic levels of concentration, with returns dominated by companies in the artificial intelligence value chain.

The Positive Change Fund delivered strong returns, slightly behind those of the benchmark for the quarter. However, on a year-to-date basis Positive Change continues to outperform its benchmark. Amid the more volatile backdrop we believe an active approach is essential. We continue to have conviction that our philosophy, based on bottom-up stock selection can deliver market beating returns, especially amid the more uncertain backdrop.

Performance

The top contributors over the quarter were Alnylam, TSMC and Shopify.

Alnylam

Biotech company, Alnylam was a strong positive contributor, buoyed by an impressive second-quarter earnings release. Net product revenues grew 64 percent year-on-year to \$672 million, and management materially raised full-year sales guidance, reflecting the accelerating uptake of its transthyretin (TTR) franchise. The launch of AMVUTTRA in cardiomyopathy showed rapid momentum, supported by fresh country approvals that broaden geographic reach. Longer-term, encouraging data from clinical trials underpins the cardiovascular benefit of the therapy. Together, these developments enhance confidence in Alnylam's path to sustained growth and eventual profitability.

TSMC

TSMC, the leading manufacturer of semiconductors, continued to benefit from its unique position at the centre of the global artificial intelligence build-out. Demand for advanced-node wafers remains exceptionally strong, with utilisation close to full capacity. Management guided to around 30 percent revenue growth in 2025, supported by investment in AI infrastructure. Market share gains, coupled with improved pricing, reinforced TSMC's industry leadership and financial resilience.

Shopify

Ecommerce platform, Shopify's shares appreciated as the company reported broad-based strength across its commerce platform. Gross merchandise value and revenues rose by more than 30% in the second quarter, with particularly strong growth in international expansion and business-to-business sales. Adoption of Shop Pay continues to increase, now accounting for nearly two-thirds of platform transactions. Product innovation

continues to be rolled out, with new features including AI-enabled tools to help merchants grow their business.

Bottom Contributors

The companies that detracted from performance notably over the quarter included Duolingo, Dexcom and MercadoLibre.

Duolingo

Education app developer, Duolingo, detracted as growth expectations were tempered by signs of slower daily active user growth. Concerns have also risen around potential competitive pressure from large technology platforms integrating AI-driven translation and tutoring tools. While near-term sentiment has softened, we remain encouraged by Duolingo's continued focus on product innovation and its mission to expand access to affordable education globally. It continues to have a platform that it can build on to expand its market and has demonstrated its ability to grow its customer base and hold their attention once they sign up. There is no change in conviction in the holding.

Dexcom

Dexcom, the manufacturer of continuous glucose monitors for diabetics, saw its shares come under pressure following negative publicity from a short-seller report raising questions around the design and regulatory oversight of its G7 continuous glucose monitoring system. This coincided with management changes, fuelling investor uncertainty. In addition, increased pricing pressure competing products has weighed on sentiment around Dexcom's competitive position. Despite these challenges, we continue to believe Dexcom plays an important role in improving diabetes care and outcomes over the long term. It has emerging opportunities that offer attractive long term growth potential. We are monitoring developments following changes noted above, but retain conviction in the impact and investment case.

MercadoLibre

MercadoLibre the ecommerce and fintech platform, was another detractor, reflecting a challenging operating environment in Latin America. While the company delivered robust revenue growth across both e-commerce and fintech, margins were compressed by foreign-exchange losses in Argentina and increased marketing spend in Brazil to defend market share. Broader regional volatility, alongside heightened competition from global peers, continues to cloud the near-term outlook. Nevertheless, we see the company's strong ecosystem, deep regional knowledge, and commitment to financial inclusion as important drivers of long-term impact and growth.

Impact

We are pleased to highlight the publication of our latest *Impact Report*, a cornerstone of our strategy's dual objectives. Structured around our four impact themes, Social Inclusion and Education, Environment and Resource Needs, Healthcare and Quality of Life, and Base of the Pyramid, the report offers detailed insights into how our companies are contributing to a more

sustainable and inclusive world. This year's highlights include over 268 million learners reached, 1,856 litres of water saved, 3.3 million patients treated, and providing access to financial services to close to 469.2 million people.

Notable transactions

We reduced the position sizes of biotech company **Alnylam** and semiconductor lithography equipment manufacturer, **ASML** on valuation grounds.

The proceeds of the above transactions funded the purchase of **Arm Holdings** a leading developer of Information Set Architectures (ISAs) used in CPUs. The International Energy Agency ([IEA](#)) specifically highlights Arm-based CPUs in its report on energy and AI, as one of the low power processing technologies which can be a significant tool for generating energy savings in data centres.

Market Outlook

Positive Change remains a strategy committed to impact and a bottom-up approach to stock picking. The strategy does not look to make predictions on macroeconomic or geopolitical developments. While it is clear we are in a more uncertain and volatile market environment, we remain optimistic that innovation will deliver a more positive future over the long term. We are committed to our equally important dual objectives. It remains core to our philosophy that companies providing much needed solutions to global challenges will deliver attractive returns. The Positive Change Fund is composed of companies that are tackling some of the most pressing global challenges, climate resilience, financial inclusion, equitable healthcare, and digital education. These are not fleeting trends but structural imperatives. We believe that companies that are exposed to these structural imperatives will not be prevented from delivering attractive returns by the more challenging market environment.

Stock level attribution

Top and bottom ten contributors to relative performance

Quarter to 30 September 2025

Stock name	Contribution %
Alnylam Pharmaceuticals	1.2
Shopify	0.7
TSMC	0.5
ASML	0.5
Grab Holdings	0.4
Prysmian	0.4
Joby Aviation Inc	0.3
Savers Value Village	0.3
Coursera Inc	0.3
Nu Holdings Ltd.	0.3
Duolingo Inc	-1.1
MercadoLibre	-1.1
Dexcom Inc	-0.9
Deere & Co	-0.7
Novonosis (Novozymes) B	-0.6
Alphabet	-0.6
Apple	-0.6
HDFC Bank Ltd	-0.5
Remitly Global Inc	-0.5
NVIDIA	-0.4

One year to 30 September 2025

Stock name	Contribution %
Shopify	2.5
Alnylam Pharmaceuticals	1.5
TSMC	1.1
Grab Holdings	1.0
SEA Ltd	0.9
Duolingo Inc	0.8
Tesla Inc	0.8
Joby Aviation Inc	0.7
Prysmian	0.5
Prudential	0.4
Moderna Inc	-1.8
Bank Rakyat Indonesia	-1.6
NVIDIA	-1.2
Illumina	-1.1
Novonosis (Novozymes) B	-0.9
Broadcom Inc	-0.6
Soitec - Silicon On Insulator	-0.6
Alphabet	-0.6
Vertex Pharmaceuticals Inc	-0.6
Xylem	-0.4

Source: Revolution, MSCI. Baillie Gifford Positive Change Fund relative to MSCI ACWI Index.

Some stocks may only have been held for part of the 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. See the List of Holdings section of this report for the stocks held.

Transactions from 01 July 2025 to 30 September 2025.

New Purchases

Stock name	Transaction rationale
Arm Hdgs ADR	Arm is a leading developer of Information Set Architectures (ISAs) used in CPUs. The International Energy Agency (IEA) specifically highlights Arm-based CPUs in its report on energy and AI, as one of the low power processing technologies which can be a significant tool for generating energy savings in data centres. Due to greater energy efficiency relative to its primary competitor x86, Arm has captured a monopoly position in the mobile phone end market. However, as AI becomes more prevalent, we believe this superiority will translate to share gains in other markets, including servers and computers. At the same time, Arm should be well-positioned for emerging areas like robotics and autonomous vehicles. In addition to volume growth, Arm will increase monetisation through higher royalty rates and expansion into adjacencies, such as supporting tech companies in designing chips in-house. Over the next decade, we believe Arm's growth will accelerate and revenue could increase multiple-folds.

There were no complete sales during the period.

Sector

	Fund (%)	Index (%)	Difference (%)
Information Technology	27.2	27.2	0.0
Industrials	17.1	10.7	6.4
Consumer Discretionary	16.1	10.7	5.5
Health Care	15.9	8.5	7.4
Financials	14.9	17.4	-2.5
Materials	5.7	3.6	2.2
Communication Services	2.4	8.8	-6.5
Cash	0.7	0.0	0.7

Geography

Top ten locations	Fund (%)	Index (%)	Difference (%)
United States	40.5	64.7	-24.2
Brazil	9.2	0.5	8.7
Singapore	7.6	0.4	7.2
Taiwan	7.4	2.1	5.3
UK	6.1	3.2	2.9
Canada	5.2	2.9	2.2
Netherlands	5.0	1.1	3.9
India	3.2	1.6	1.6
Indonesia	3.0	0.1	2.9
France	2.8	2.4	0.5
Total	90.0	78.9	-

Source: Baillie Gifford & Co, MSCI. Index: MSCI ACWI Index. As well as cash in the bank, the cash balance includes unsettled cash flows arising from both shareholder flows and outstanding trades. Therefore, a negative balance may arise from timing differences between shareholder flows and security trading and does not necessarily represent a bank overdraft.

Portfolio characteristics

	Fund	Index
Market Cap (weighted average)	GBP 257.5bn	GBP 664.7bn
Price/Book	5.6	3.5
Price/Earnings (12 months forward)	25.2	19.1
Earnings Growth (5 year historic)	13.8%	11.7%
Return on Equity	20.1%	18.3%
Predicted Beta (12 months)	1.2	N/A
Standard Deviation (trailing 3 years)	15.9	10.0
R-Squared	0.7	N/A
Delivered Tracking Error (12 months)	9.3	N/A
Sharpe Ratio	0.9	1.1
Information Ratio	0.2	N/A
Number of geographical locations	15	N/A
Number of sectors	7	N/A
Number of industries	21	N/A

Source: FactSet, Revolution, APT, Baillie Gifford & Co, MSCI. Index: MSCI ACWI Index. We have provided these characteristics for information purposes only. In particular, we do not think index relative metrics are suitable measures of risk. Fund and Index figures are calculated excluding negative earnings.

Voting activity

Votes cast in favour		Votes cast against		Votes abstained/withheld	
Companies	4	Companies	2	Companies	None
Resolutions	53	Resolutions	5	Resolutions	None

Company engagement

Engagement type	Company
Environmental	ASML Holding N.V., Alnylam Pharmaceuticals, Inc., Microsoft Corporation, Prysmian S.p.A., The New York Times Company
Social	Prysmian S.p.A., Rivian Automotive, Inc., Savers Value Village, Inc., Shopify Inc., The New York Times Company
Governance	Alnylam Pharmaceuticals, Inc., Ashtead Group plc, DexCom, Inc., Joby Aviation, Inc., Novozymes A/S, Schneider Electric S.E., Shopify Inc., Soitec SA, The New York Times Company
Strategy	Arm Holdings plc, Autodesk, Inc., Coursera, Inc., Deere & Company, DexCom, Inc., Grab Holdings Limited, Joby Aviation, Inc., Microsoft Corporation, Novozymes A/S, Prysmian S.p.A., Remitly Global, Inc., Rivian Automotive, Inc., Savers Value Village, Inc., Shopify Inc., The New York Times Company, Vertex Pharmaceuticals Incorporated

For further details on company engagement please contact us. You can also find further information on how we integrate environmental, social and governance (ESG) matters into our investment approach, [here](#).

Asset name	Fund %
TSMC	7.4
MercadoLibre	5.6
ASML	5.0
Microsoft	4.9
Alnylam Pharmaceuticals	4.5
Shopify	4.3
Grab	3.8
Deere & Co	3.8
Sea Limited	3.7
Autodesk	3.7
Nu Holdings	3.6
HDFC Bank	3.2
Ecolab	3.1
Duolingo	3.1
Bank Rakyat Indonesia	3.0
Novonosis	2.6
Schneider Electric	2.4
Sandoz Group AG	2.4
New York Times Co	2.4
Dexcom	2.4
Ashtead	2.3
Prudential	2.3
Insulet Corporation	2.3
Remitly Global	2.1
Epiroc	2.0
Illumina	1.9
Savers	1.8
Prysmian	1.5
Arm Holdings	1.5
Coursera	1.4
Vertex Pharmaceuticals	1.3
Joby Aviation	1.2
AbCellera Biologics	0.9
Kaspi.kz	0.7
Rivian Automotive	0.5
Soitec	0.4
PROCEPT BioRobotics	0.3
Abiomed CVR Line*	0.0
Cash	0.7
Total	100.0

Please note the fund information contained within this document is proprietary information and should be maintained as such and not disseminated. The content is intended for information purposes only and should not be disclosed to other third parties or used for the purposes of market timing or seeking to gain an unfair advantage.

*Abiomed was acquired in December 2022 by Johnson and Johnson. Holders received a cash allocation plus non-tradable contingent value rights (CVRs).

Share class	Share class inception date	ISIN	SEDOL	Annual management fee (%)	Ongoing charge figure (%)
Class B-Acc	03 January 2017	GB00BYVGKV59	BYVGKV5	0.50	0.53
Class B-Inc	03 January 2017	GB00BYVGKX73	BYVGKX7	0.50	0.53

The table displays the primary shares classes. Other share classes may be available for those investors who have a separate arrangement. Charges will reduce the value of your investment. Please refer to the Prospectus and Key Investor Information Document for further details.

The Ongoing Charges Figure ('OCF') may be lower than previous declarations as a result of a revision to how the indirect fees associated with closed-ended investment companies need to be shown. This does not necessarily mean that fund expenses have gone down rather that we have reverted to how they have been calculated until 30 June 2022 to reflect the revised Investment Association's Guidance on Disclosure of Fund Charges and Costs (July 2020, updated January 2022, revised November 2023). A more detailed Costs and Charges disclosure is available upon request.

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Additional geographical location information

Israel: This Report, as well as investment in the Fund described herein, is directed at and intended for Investors that fall within at least one category in each of: (1) the First Schedule of the Israeli Securities Law, 1968 ("Sophisticated Investors"); and (2) the First Schedule of the Investment Advice Law ("Qualified Clients").

The Fund's share price can be volatile due to movements in the prices of the underlying holdings and the basis on which the Fund is priced.

As with any investment, the clients' capital is at risk. Past performance is not a guide to future returns.

Throughout the report all figures are rounded, so any totals may not sum. Not all stocks mentioned may be held by the portfolio.

All information as at 30 September 2025 and source is Baillie Gifford & Co unless otherwise stated.

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