Vanguard

Vanguard Baillie Gifford Global Positive Impact Stock Fund

Annual Impact Report | 2025



The Vanguard Baillie Gifford Global Positive Impact Stock Fund seeks capital appreciation, with an emphasis on investing in businesses that deliver positive change by contributing toward a more sustainable and inclusive world. The Annual Impact Report contains reporting from the fund's advisor, Baillie Gifford Overseas Limited (Baillie Gifford), on the positive change achieved by the strategy.

Baillie Gifford believes that monitoring, measuring, and reporting on the impact of portfolio companies is a fundamental requirement of impact fund investing. Impact reporting not only holds a fund's managers accountable to the fund's objectives, it helps investors understand the effect of their capital.

Notes: All information contained herein, including past performance data, is for the Baillie Gifford Positive Change Strategy and not Vanguard Baillie Gifford Global Positive Impact Stock Fund. The strategy's performance is represented by Baillie Gifford's Positive Change Composite, an aggregation of one or more accounts managed according to the Baillie Gifford Positive Change Strategy, and should not be considered a proxy for the fund's performance. The performance of Vanguard Baillie Gifford Global Positive Impact Stock Fund may differ significantly from that of the Composite.

The views in this report represent those of Baillie Gifford Overseas Limited (Baillie Gifford), and not necessarily those of Vanguard.

Vanguard's externally managed portfolios are managed by unaffiliated third-party investment advisors, and proxy voting and engagement for those portfolios are conducted by their respective advisors.

The Baillie Gifford Positive Change Equities Fund (the predecessor fund) was reorganized into the Vanguard Baillie Gifford Global Positive Impact Stock Fund on July 18, 2022, and retains the same investment objective and portfolio management team.

Baillie Gifford™

Positive Change Impact Report

Year ended 31 December 2025

For professional use only.

Risk factors

The views expressed should not be considered as advice or a recommendation to buy, sell or hold a particular investment. They reflect opinion and should not be taken as statements of fact nor should any reliance be placed on them when making investment decisions.

This communication was produced and approved in June 2026 and has not been updated subsequently. It represents views held at the time of writing and may not reflect current thinking.

Potential for profit and loss

All investment strategies have the potential for profit and loss, your or your clients' capital may be at risk. Past performance is not a guide to future returns.

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The performance target is aspirational and is not guaranteed. We don't use it to compile the portfolio and returns will vary. A single performance target 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.

All information is sourced from Baillie Gifford & Co and is current unless otherwise stated.

The images used in this communication are for illustrative purposes only.

Annual past performance to 31 March each year (net%) US dollars

	2022	2023	2024	2025	2026
Positive Change Composite	-5.6	-12.2	6.2	-2.5	13.1
MSCI ACWI Index	7.7	-7.0	23.8	7.6	20.5

Annualised returns to 31 March 2026 (net%) US dollars

	1 year	5 years	Since inception*
Positive Change Composite	13.1	-0.6	14.8
MSCI ACWI Index	20.5	10.0	11.7

Annual past performance to 31 March each year (net%) sterling

	2022	2023	2024	2025	2026
Positive Change Composite	-1.1	-6.5	3.9	-4.6	10.7
MSCI ACWI Index	12.9	-0.9	21.2	5.3	18.0

Annualised returns to 31 March 2026 (net%) sterling

	1 year	5 years	Since inception*
Positive Change Composite	10.7	0.3	14.2
MSCI ACWI Index	18.0	11.0	11.2

*Inception date: 31 January 2017.

Source: Baillie Gifford & Co and MSCI. Returns have been calculated by reducing the gross return by the highest annual management fee for the composite.

Past performance is not a guide to future returns.

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Baillie Gifford™

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Letter from our managers

We are delighted to welcome you to our ninth annual impact report for Positive Change.

Positive Change is a global equity strategy with two equally important objectives – to generate attractive investment returns and to contribute towards a more sustainable, healthy and inclusive world.

Nine years in, our conviction in our dual mandate has deepened. We emphasise this because what we do has also become more challenging.

For companies, capital costs remain elevated, political pendulums swing back and forth, and conflict is unsettling the global order. At the same time, market participants have changed and time horizons have shortened. We are alert to this evolving backdrop, against which we believe the need for patient, impact-driven active investment management has only become more acute.

Amid the negativity and uncertainty that fills our newsfeeds, it is easy to miss the enormous progress taking place in addressing major social and environmental challenges. In many cases it may not be fast enough, but it fills us with hope. This year, we have seen breakthroughs in treating diseases, reports of hundreds of millions more people able to access financial services, and a surge in renewables deployment on a global scale. These are not passing themes, but enduring megatrends underpinned by fundamental technological advances.

Companies in the Positive Change portfolio are building solutions to these global challenges. The demand for what they do is structural and we remain convinced that company fundamentals and positive societal impact reinforce each other and will drive shareholder returns in the long run. The Positive Change portfolio is resilient and poised for growth.

In 2025, we added positions in eight new companies to the Positive Change portfolio. These additions reflect our commitment to identify impactful companies around the world, adding new exposure to China and Central Asia, as well as Europe and the United States. We sold positions in companies where we believed they no longer met one or both of our objectives.

The portfolio today spans continents, sectors, and businesses of differing stages of maturity. What unites every holding is our belief that they can deliver on both of our objectives. This report showcases why we hold that belief for each company in the portfolio and how we are monitoring and measuring their contributions to our impact objective.

Such companies require engaged investors with long-term horizons who care about profit and impact equally. We maintain our ambition to contribute to positive change by encouraging companies to balance those objectives, by being responsible stewards of those companies and by advocating for responsible business practices. More details of our approach to company engagement can be found in our annual **Positive Conversations** report.

We believe that impact measurement and transparent reporting are critical to successful impact investing. For example, the Positive Change Fund continues to comply with the requirements of the UK Financial Conduct Authority's (FCA) Sustainability Impact label, illustrating our commitment to our dual objectives.

We welcome the opportunity to share our 2025 Impact Report. We hope you find the report enlightening and welcome your thoughts and discussion.

Sustainability Impact

Positive Change managers



Kate Fox



Lee Qian



Thaiha Nguyen



Edward Whitten



Apricot Wilson

Our beliefs

Businesses and investors have the ability – indeed, the responsibility – to help steer our world onto a more sustainable path. Though hugely welcome, government funding and philanthropic donations will be insufficient: trillions, not billions, of investment will be required to address the numerous challenges our world is facing.

We believe therefore that impact investing is vital to creating a more equitable and prosperous future. We aim to generate attractive investment returns for our clients by investing in and supporting commercial ventures that deliver positive social and environmental impact, contributing to a better world for current and future generations.

Transformative change will take time. Complex issues such as inequality and climate change demand sustained effort and a long-term vision.

Financial capital can only drive meaningful progress if paired with patience and commitment. By investing with the future in mind, we aim to help companies make impactful choices that will benefit their business, communities, and the environment for decades to come.

That's why we believe:

- Companies whose core business activities address global challenges will experience rising demand for their products and services: they will be growth businesses.
- A subset of those companies will enjoy sustainable competitive advantages such as loyal customers and motivated employees: they will be high-quality companies.
- Owning shares of exceptional businesses whose products and services have the potential to positively impact on society is a more effective way of achieving positive change than avoiding those doing harm: we take a positive and proactive approach.

Based on these beliefs, the Positive Change Strategy has two objectives of equal importance:

01. To deliver attractive long-term investment returns (2 percent per annum ahead of the MSCI ACWI net of fees over rolling five-year periods).
02. To contribute towards a more sustainable, healthy and inclusive world.

There are no compromises – each holding must be able to deliver on both objectives. We pursue these objectives in line with the active, long-term growth investment philosophy that has been tried and tested over Baillie Gifford's history since 1908.

Core to our philosophy is a belief that investment returns and impact are complementary, so both are considered throughout our decision-making process.

Over the past nine years, we have enhanced our process and continue to seek ways to improve, but one thing that won't change is our philosophy. Our team is passionate about our dual objectives and the role that our investment strategy has in helping drive positive change.

What's in our report?

Our ninth annual Impact Report showcases the contributions made by Positive Change holdings in addressing some of the world's most significant challenges across our four impact themes:



We introduce each of the portfolio's four impact themes, identifying the enduring global challenges we are trying to address. We then highlight important solutions that can tackle these issues, as well as the portfolio holdings delivering them.

Within each theme section, we include company pages for the 37 holdings in the Positive Change portfolio as at 31 December 2025. These pages, which make up the majority of the report, set out our impact hypothesis and theory of change for each company, illustrating how we apply impact measurement and management across the portfolio. They also highlight some of the impact Key Performance Indicators that we use to test and monitor each company's 'Positive Change hypothesis'. For holdings we have owned for five years or more, we provide additional commentary on progress against both their impact and investment objectives.

To supplement the company pages, this report also provides further information on the impact of companies in the Positive Change portfolio, including:

- **Headline impact data** (**page 07**) where impact key performance indicators (KPIs) are comparable, we aggregate data for multiple portfolio companies to produce headline impact data. This indicates the scale of impact delivered by portfolio companies in 2025.
- **Significant SDG contributions** (**page 53**) for each company in the portfolio: we identify the UN Sustainable Development Goal (SDG) targets to which we believe its products and services can materially contribute. These are also found on the individual company pages. This assessment is independent of companies' own reporting of their SDG contributions.
- **Negative SDG contributions** (**page 54**) for those companies where we believe there is a risk that their products and services will also contribute to environmental or social harm. Considering impact risk and the potential negative impacts of company activities is an integral part of our impact analysis.

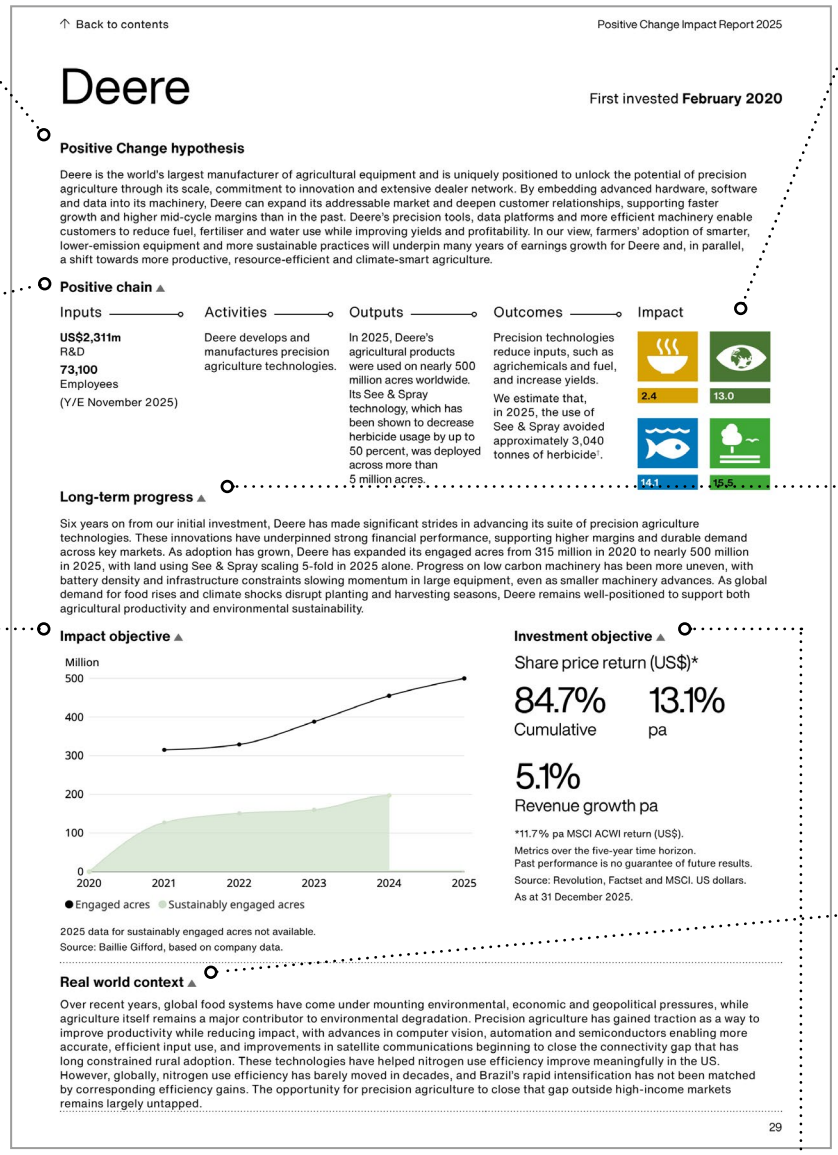
Independent Third Party Assurance

We have sought and obtained independent limited assurance from BDO LLP ("BDO") on selected information as identified with the symbol ▲ in our report. BDO's independent limited assurance engagement was performed in accordance with the International Standard for Assurance Engagements 3000 (Revised) – 'Assurance engagement other than audits or reviews of historical financial information report'. BDO has issued an unqualified report over the selected information. Their assurance report can be read **here**.

A guide to company pages

The **Positive Change hypothesis** outlines how we expect companies' products and services to deliver a positive impact and to be a good investment opportunity.

The **Positive Chain** is a logic model based on the Theory of Change, which we use to evidence a company's progress in delivering positive change. Data in this report is based on companies' publicly reported data for the financial year 2025 or through company engagement.



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Positive Change Impact Report 2025

Deere

First invested **February 2020**

Positive Change hypothesis

Deere is the world's largest manufacturer of agricultural equipment and is uniquely positioned to unlock the potential of precision agriculture through its scale, commitment to innovation and extensive dealer network. By embedding advanced hardware, software and data into its machinery, Deere can expand its addressable market and deepen customer relationships, supporting faster growth and higher mid-cycle margins than in the past. Deere's precision tools, data platforms and more efficient machinery enable customers to reduce fuel, fertiliser and water use while improving yields and profitability. In our view, farmers' adoption of smarter, lower-emission equipment and more sustainable practices will underpin many years of earnings growth for Deere and, in parallel, a shift towards more productive, resource-efficient and climate-smart agriculture.

Positive chain ▲

Inputs	Activities	Outputs	Outcomes	Impact
US$2,311m R&D **73,100** Employees (Y/E November 2025)	Deere develops and manufactures precision agriculture technologies.	In 2025, Deere's agricultural products were used on nearly 500 million acres worldwide. Its See & Spray technology, which has been shown to decrease herbicide usage by up to 50 percent, was deployed across more than 5 million acres.	Precision technologies reduce inputs, such as agrichemicals and fuel, and increase yields. We estimate that, in 2025, the use of See & Spray avoided approximately 3,040 tonnes of herbicide†.	2.4 · 13.0 · 14.1 · 15.5

Long-term progress ▲

Six years on from our initial investment, Deere has made significant strides in advancing its suite of precision agriculture technologies. These innovations have underpinned strong financial performance, supporting higher margins and durable demand across key markets. As adoption has grown, Deere has expanded its engaged acres from 315 million in 2020 to nearly 500 million in 2025, with land using See & Spray scaling 5-fold in 2025 alone. Progress on low carbon machinery has been more uneven, with battery density and infrastructure constraints slowing momentum in large equipment, even as smaller machinery advances. As global demand for food rises and climate shocks disrupt planting and harvesting seasons, Deere remains well-positioned to support both agricultural productivity and environmental sustainability.

Impact objective ▲

2025 data for sustainably engaged acres not available.
Source: Baillie Gifford, based on company data.

Investment objective ▲

Share price return (US$)*

84.7% Cumulative

13.1% pa

5.1% Revenue growth pa

*11.7% pa MSCI ACWI return (US$).
Metrics over the five-year time horizon.
Past performance is no guarantee of future results.
Source: Revolution, Factset and MSCI. US dollars.
As at 31 December 2025.

Real world context ▲

Over recent years, global food systems have come under mounting environmental, economic and geopolitical pressures, while agriculture itself remains a major contributor to environmental degradation. Precision agriculture has gained traction as a way to improve productivity while reducing impact, with advances in computer vision, automation and semiconductors enabling more accurate, efficient input use, and improvements in satellite communications beginning to close the connectivity gap that has long constrained rural adoption. These technologies have helped nitrogen use efficiency improve meaningfully in the US. However, globally, nitrogen use efficiency has barely moved in decades, and Brazil's rapid intensification has not been matched by corresponding efficiency gains. The opportunity for precision agriculture to close that gap outside high-income markets remains largely untapped.

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The company's impact through its products and services is rigorously mapped to relevant **UN Sustainable Development Goals (SDGs)** and underlying targets.

Long-term progress
For companies held for longer in the portfolio, we provide a brief commentary on how the company is progressing towards both the impact and investment objectives.

Real world context
We provide context around the global challenges that portfolio companies are helping to solve, noting progress and any ongoing challenges.

Impact objective
Performance metrics reported by the company which we monitor as evidence of positive impact. We monitor a variety of metrics for each company and include only the most relevant and comprehensive.

Investment objective
Five-year metrics for each company to illustrate the fundamental growth of the business alongside share price performance. Share price return is calculated from 01/01/2021 to 31/12/2025 (or since inception to 31/12/2025). Revenue growth metrics cover five years to 31/12/2025 using the most recently available sales figures reported prior to the report date.

Further detail about how we analyse and report on our data is included under the 'Important Notes' and in our supplementary **methodology paper**, which forms the Reporting Criteria for the report, and is available on our website.

Headline impact data▲

In 2025, through provision of products and services, companies are estimated to have:

Social inclusion and education



Provided access to education and/or training to

342 million

registered learners

Coursera	**197m**
Duolingo	**130m**
Microsoft	**15m**



Supported*

224 million

merchants and small business

Bank Rakyat Indonesia	**187m**
Grab	**1m**
Kaspi	**1m**
MercadoLibre	**9m**
Nubank	**6m**
Sea	**20m**

Environment and resource needs

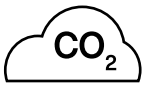


Allowed customers to save

927 billion

litres of water

Ecolab	**927bn**



Through products in use and/or sold during the year, enabled the avoidance of close to

216 million

tonnes of CO_2e

CATL	**27m**
Ecolab	**5m**
Prysmian	**1m**
Rivian	**417k**
Savers Value Village	**35k**
Schneider Electric	**183m**

*We define “support” as a product/service that enables that business to operate, grow, or access markets – including finance (loans, credit, insurance), commerce infrastructure (payments, ecommerce platforms), business management tools, or supply chain services.

Healthcare and quality of life



Provided treatment and disease management solutions to over

1 billion

patients

Dexcom	**4m**
Insulet	**1m**
Sandoz	**1bn**
Vertex	**77k**



A combined

464

medicines in clinical development

Alnylam	**28**
Sandoz	**427**
Vertex	**9**

Base of the pyramid



Provided access to financial services to

570 million

people

Bank Rakyat Indonesia	**187m**
Grab	**8m**
HDFC Bank	**97m**
Kaspi	**6m**
MercadoLibre	**78m**
Nubank	**131m**
Prudential	**17m**
Remitly	**9m**
Sea	**37m**



Enabled borrowing for

78 million

borrowers

Bank Rakyat Indonesia	**35m**
Kaspi	**6m**
Sea	**37m**

Social inclusion and education



Introduction

‘Leave no one behind’ – that’s the pledge adopted by the United Nations’ 193 member states in the 2030 Agenda for Sustainable Development.

It reflects a simple but powerful idea that progress is incomplete if large parts of society are excluded from opportunity and prosperity.

Decades of improvement in living standards have not been shared evenly. Social exclusion persists across geographies and generations, and where it goes unaddressed, its effects compound to limit opportunity, undermine health outcomes and constrain economic growth.

Addressing these challenges requires coordinated action across communities, governments, institutions and the private sector. Businesses play a distinct role through the products they develop and the populations they choose to serve.

Inequality is multidimensional, cutting across income, health, education and access to opportunity. It is rarely confined to a single group or place, and its impacts are often uneven and overlapping.

While it can be difficult to determine precisely who benefits from any one company’s activities, we focus on identifying solutions that are inclusive by design and investing in businesses that are expanding access to those solutions for more people.



2025 transactions

New buys	Complete sales
Kaspi	None
Prudential	

Positive Change – part of the solution

Positive Change aims to improve how people and communities participate in society by investing in and supporting companies whose products and services contribute to greater social inclusion. Today, this involves businesses that enable connectivity, promote financial health and resilience, expand access to education and create economic opportunities.

The challenges

The United Nations Development Programme (UNDP) identifies five key factors contributing to social exclusion. These are:

- **Discrimination** based on gender, religion, age, disability, sexual orientation, ethnicity or migratory status can entrench disadvantages and limit participation in society.
- **Geography** shapes access to essential services and infrastructure, driving inequality, both between and within countries.
- **Socio-economic status** influences income, life expectancy and educational outcomes, often reinforcing disadvantages across generations.
- **Weak governance structures**, where institutions are ineffective, unjust or unaccountable, can hinder social inclusion, even where businesses cannot directly address systemic failings.
- **Shocks and fragility**, including climate change, natural disasters, conflict and health crises exacerbate inequalities at both household and national levels.

Inclusive financial services

Inclusive financial services are a powerful tool for sustainable development and resilience in an increasingly fragile world. Access to financial services has improved significantly in recent years as digital platforms have lowered costs and expanded reach. But there is still a long way to go before the financial system works for everyone. Expanding access is only part of the challenge: vulnerable users also need protection from risks such as financial illiteracy, fraud and cybercrime.

Nubank, now serving more than 131 million customers, exemplifies this approach. As Latin America's largest digital bank, it has disrupted traditional banking models whose high fees excluded many people for decades. Through free bank accounts, innovative savings tools and efficient digital delivery, Nubank focuses on improving the long-term financial health of its lower income customers through product design and efforts to encourage usage.

MercadoLibre is expanding access to financial services across the same region, citing their potential to improve outcomes across poverty reduction, health, gender equality and education.

In India, **HDFC Bank** offers a broad range of loans, from mortgages to motorbikes to education finance. In particular, it seeks to widen access to high-quality home ownership across the economic ladder. Reducing inequalities in housing can contribute meaningfully to improved health, stability and wellbeing.

Prudential plays a complementary role through protection, health and savings products that help people in emerging markets avoid falling back into poverty following illness or other adverse events. Across its 22 inclusive insurance products, it is extending protection to some of the most underserved communities worldwide. This is particularly important in countries with limited welfare states and high out-of-pocket healthcare costs.

Expanding economic opportunities

Digital platforms can have a transformative impact on small businesses. In 2023, a survey we commissioned of small businesses in Indonesia and the Philippines found participation in digital platforms was associated with higher incomes, but also reduced stress levels and improved quality of life.

In Southeast Asia, **Grab** and **Sea** support small businesses by providing marketplaces, alongside access to payments, lending and business-management tools. **MercadoLibre** plays a similar role for small businesses in Latin America. In Kazakhstan, **Kaspi's** commerce platform hosts over 700,000 merchants, 97 percent of which are small businesses, giving them access to a broad consumer base and integrated financial services that would otherwise be difficult to obtain.

While the impact of an expanding digital economy may be greatest in low- and middle-income countries, small businesses everywhere face increasing pressure from larger competitors. **Shopify**, which began as a platform for small merchants in North America, has evolved into a global commerce infrastructure provider, enabling businesses in more than 175 countries to start, run and scale online operations.

Education for all

Inequalities in access to quality education worldwide is driven by teacher shortages, inadequate infrastructure, high costs and cultural barriers. Globally, an estimated 273 million children are out of school, and only about 60 percent complete upper secondary school education.

Online education can lower barriers to affordable education and offer new, more flexible ways to acquire skills. **Duolingo's** language-learning app helps its 130 million monthly active users learn new languages and assess their proficiency, while its English language test provides a more accessible and affordable alternative to traditional certification, improving prospects for education and employment. **Coursera's** online learning platform expands access to high-quality educational content and recognised qualifications, which are increasingly important in a rapidly changing labour market.

The New York Times has a significant opportunity to reach a global audience through its digital channels, providing trusted high-quality journalism at a time of rising polarisation and misinformation. Its role in informing the public, holding those in power to account and shaping debate on social issues is ever more important.

Enabling connectivity

Digital connectivity underpins almost all the companies in this theme.

In 2025, approximately six billion people (about 75 percent of the global population) had internet access, leaving 2.2 billion still offline. Reducing this gap will enable more people to access information, essential services and digital tools that can improve living standards.

In 2025, Microsoft surpassed its goal of connecting 100 million people in Africa to the internet, reaching 117 million. The next challenge is converting access into effective use. To support this, Microsoft is working with partners in underserved regions to address energy access, develop financing solutions and community-first artificial intelligence (AI) applications.

Further up the digital value chain, **ASML** manufactures the high-end extreme ultraviolet (EUV) lithography systems used in the world's most advanced semiconductor chips, such as those produced by **TSMC**, the world's largest chipmaker. These chips power the smartphones and connected devices through which billions of people access mobile banking, telemedicine, online education and ecommerce platforms, the foundational technologies of the UN's Sustainable Development Goals Digital Acceleration Agenda.

ASML

First invested **January 2017**

Positive Change hypothesis

ASML is the world's leading manufacturer of specialist lithography systems used to produce advanced semiconductor chips, with a near-monopoly in extreme ultraviolet technology (EUV). It is a critical enabler for chipmakers, which are seeking to pack more transistors onto a given area of silicon, enabling smaller, faster and more energy-efficient electronics. The company benefits from a relentless focus on research and development, strong relationships with customers and suppliers, and a growing installed base that drives high-margin service revenues alongside tool sales. ASML's equipment will enable the build-out of successive generations of chips that deliver more compute per unit of energy, underpinning many years of earnings compounding and enabling more capable, energy-efficient digital technologies across the global economy.

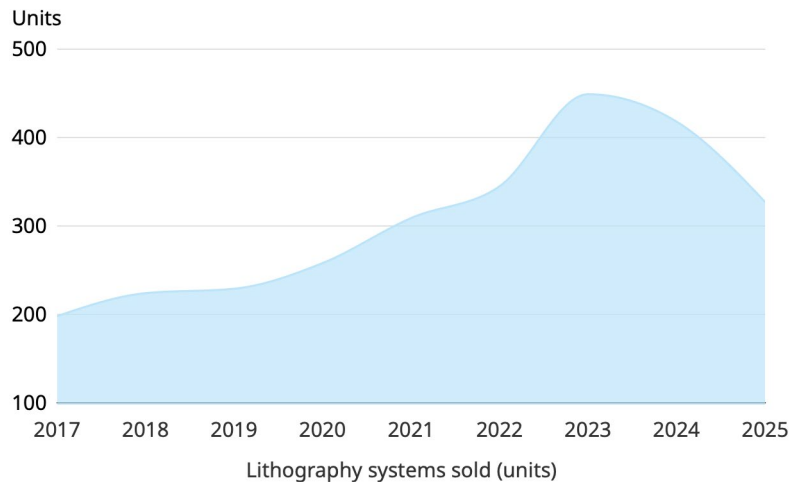
Positive chain ▲

Inputs	Activities	Outputs	Outcomes	Impact
US$4.7bn R&D **44,209** Employees (Y/E December 2025)	ASML develops lithography equipment used to manufacture semiconductors.	In 2025, ASML sold 327 lithography systems, including 48 EUV systems. By the end of 2025, customers had run more than 400,000 wafers on High NA EUV systems.	Energy use on ASML's NXE:3800E dropped 6.8 percent year-on-year to 5.5 kWh per wafer pass in 2025, reducing the energy footprint of every chip produced on the system. ASML's lithography equipment enables the printing of smaller patterns and the reduction of transistor size using shorter wavelength light, helping create increasingly smaller, more powerful and energy-efficient semiconductors.	8.2 9.5

Long-term progress ▲

ASML continues to solidify its position as the world's leading supplier of advanced semiconductor lithography equipment, compounding revenues at 17.5 percent per annum since entering the portfolio in 2017. In 2017, it shipped just 10 EUV systems – the technology that enables the most advanced chips – but by 2025 this had grown to 48. At the same time, ASML has pushed the productivity of each tool. The first high-volume manufacturing EUV system in 2018 had a throughput of 100 wafers per hour, whereas newer systems now achieve 230. The company continues to invest heavily in R&D (14 percent of revenues in 2025) to sustain this pace of innovation and drive the next generation of faster, more powerful and more energy-efficient microchips.

Impact objective ▲



Source: Baillie Gifford, based on company data.

Investment objective ▲

Share price return (US$)*

132.7% Cumulative

18.4% pa

18.2% Revenue growth pa

*11.7% pa MSCI ACWI return (US$).

Metrics over the five-year time horizon.
Past performance is no guarantee of future results.

Source: Revolution, Factset and MSCI. US dollars.

As at 31 December 2025.

Real world context ▲

Continued deflation in semiconductor prices has made technology more accessible. Innovations in chip design and manufacturing have fuelled breakthroughs in fields such as artificial intelligence, autonomous vehicles, smart infrastructure and drug discovery. The Global Innovation Index 2025 shows continued progress across technological indicators, including computing power, supercomputer efficiency, renewable energy costs and genome sequencing costs.

Coursera

First invested **March 2021**

Positive Change hypothesis

Coursera is a global online learning platform that partners with companies and universities to offer short courses, professional certificates and full degrees to learners worldwide. Its large, low-cost catalogue puts it in a strong position to benefit from the rising demand for flexible, skills-based education from individuals and employers. The business model combines a high-margin consumer marketplace with fast-growing enterprise and degree offerings, creating multiple recurring revenue streams as more learners and institutions join the platform. Deeper partnerships and wider access to affordable, high-quality courses should allow Coursera to grow revenues strongly and help millions of learners build skills that enhance their employability and lifetime earnings.

Positive chain

Inputs	Activities	Outputs	Outcomes	Impact
US$121.6m R&D **1,307** Employees (Y/E December 2025)	Coursera partners with leading universities and companies to offer educational content and credentials, including professional certificates, guided projects, and bachelor's and master's degrees.	In 2025, Coursera had 197 million registered learners, 54.4 million course enrolments, 657 million lectures watched, and 107.2 million completed assessments.	Based on Coursera's 2025 Learner Outcomes Report, we estimate 97.5 million learners have seen career benefits such as a promotion or pay increase†. 70 percent of surveyed learners said Coursera provided access to learning opportunities they would not otherwise have had.	 4.4

Duolingo

First invested **November 2021**

Positive Change hypothesis

Duolingo is a global language-learning and education platform that uses a gamified app to make learning fun, effective and accessible. Its free-to-use offering and strong brand have helped it attract hundreds of millions of learners organically, while subscriptions, advertising, and English proficiency testing provide diversified revenue streams. Duolingo's bite-sized, engaging lessons and more affordable English tests make effective education and recognised credentials available to people who cannot afford traditional courses or legacy language exams, supporting social mobility and cross-border employment. Continued user growth, growing conversion to paid subscriptions and certifications, and expansion into new subjects and markets should enable Duolingo to pair rapid, high-margin growth with an ever-larger educational impact for users worldwide.

Positive chain

Inputs	Activities	Outputs	Outcomes	Impact
US$306.3m R&D **>900** Employees (Y/E December 2025)	Duolingo's core product is a language-learning app and website through which users practise vocabulary, grammar and pronunciation. The platform has expanded into childhood literacy, music, maths and chess. Duolingo also offers the Duolingo English Test (DET), accepted by over 6,100 education programmes worldwide.	Duolingo offers over 250 language courses to more than 130 million monthly active users. English is the most popular language in 154 countries, primarily developing nations. In 2025, people from 219 countries and territories, and 148 first languages, took the Duolingo English Test.	We estimate that 600,000 Duolingo English Tests were taken in 2025††. The most common reason for learners to take the test was to pursue education, with 89 percent of test takers using the certification to gain admission for higher education. A 2026 study found Duolingo to be as effective as traditional classroom instruction for beginner language learners.	 4.5

†Methodology for calculation available on p57.
††Methodology for calculation available on p58.

Grab

First invested **February 2024**

Positive Change hypothesis

Grab is Southeast Asia's leading super-app, providing ride hailing, food delivery and digital financial services to consumers, drivers and small merchants across the region. Its multi-sided platform benefits from powerful network effects, with increasing transaction density supporting improving unit economics, and a growing contribution from higher-margin financial and advertising services. Grab expands access to income opportunities for drivers and delivery partners, and helps small businesses reach customers in underdeveloped markets; increasingly, it is also focused on financial service provision. As Grab's ecosystem matures and profitability improves in transport, deliveries and fintech, we see a sizeable profit pool emerging alongside much broader access to income opportunities for millions of drivers and small businesses across the ASEAN region.

Positive chain

Inputs	Activities	Outputs	Outcomes	Impact
US$428m R&D **12,012** Employees (Y/E December 2025)	Grab provides a super-app, used by 129 million individuals annually, in the ASEAN region. The app is active in food delivery, transport, and increasingly also provides embedded digital financial services.	In 2025, Grab onboarded 856,000 small merchants onto its platform. During the year, Grab disbursed US$3.2bn in credit to underserved groups. One in three of Grab's driver-partners have received a loan through the platform.	Grab's partners earned US$15.3bn in 2025. A 2025 study found that 68 percent of driver-partners accessed formal credit for the first time through Grab, and 50 percent of borrowers used Grab loans to avoid unlicensed payday lenders. Of those who received Grab loans, 60 percent reported improved quality of life and two-thirds reported greater financial resilience.	 8.2, 8.3

HDFC Bank

Following HDFC Ltd merger with HDFC Bank **July 2023**

Positive Change hypothesis

HDFC Bank is India's largest private-sector bank, with a nationwide branch and digital network serving retail, small business and corporate customers. Its merger with housing finance provider HDFC Ltd has created a powerful franchise in home loans, alongside deposits, payments and transactional services, underpinned by strong risk management and low funding costs. Its products can strengthen the resilience of households and micro-, small- and medium-sized enterprises (MSMEs), while expanding access to economic opportunities through financial inclusion. Extending formal banking, credit and savings to underpenetrated households and small enterprises, and supporting housing finance for India's growing middle class, should allow HDFC Bank to compound profits while making a material contribution to financial inclusion and better living standards.

Positive chain

Inputs	Activities	Outputs	Outcomes	Impact
Not reported R&D **214,521** Employees (Y/E March 2025)	HDFC Bank is India's largest private bank and mortgage provider, with 9,455 branches. A proportion of its business is dedicated to supporting India's economically weaker segments, including 235,000 rural villages across India.	In 2025, HDFC Bank served 97 million customers. Its total loan book is US$291.5bn, 33 percent of which supports priority sectors, including small businesses, renewable energy, housing and rural lending. Mortgages, which account for 32 percent of the loan book, support home ownership and residential housing growth.	HDFC Bank is advancing financial inclusion by expanding access to quality banking services in India's semi-urban and rural areas. 51 percent of branches are located in semi-urban and rural areas. The bank's gross non-performing loan rate is 1.3 percent.	 1.4  9.3  11.1

Kaspi

First invested **February 2025**

Positive Change hypothesis

Kaspi is a leading Kazakh super-app that integrates payments, ecommerce and financial services on a single technology platform. Its ubiquitous consumer reach and dense merchant network give it scale advantages and low customer-acquisition costs, and its technology enables the rapid launch of new services. Transaction fees, lending and marketplace commissions provide multiple revenue streams in underpenetrated digital markets. Kaspi helps small businesses thrive and scale, supporting Kazakhstan's efforts to diversify its economy and gradually narrow regional inequalities. As Kaspi broadens access to convenient digital payments, credit and online shopping for households and merchants, we expect it to compound revenues and cash flows over time while contributing to a more inclusive and modernised Kazakh and regional economy.

Positive chain ▲

Inputs

US$413m
R&D

14,008
Employees

(Y/E December 2025)

Activities

Kaspi is Kazakhstan's leading super-app, giving consumers access to everyday financial tools and helping small businesses sell online, accept payments and access credit. It is expanding its services into Turkey, Uzbekistan and Azerbaijan.

Outputs

Kaspi has 15.7 million monthly active users, including 6.2 million consumers with deposit accounts. Its platform serves 764,000 merchants, 97 percent of which are micro or small businesses. In 2025, Kaspi extended US$23bn in loans and financing to consumers and merchants.

Outcomes

Kaspi has helped formalise small businesses in Kazakhstan. Digital payments now represent 87 percent of payments nationwide, with Kaspi's super-app accounting for 79 percent of those digital transactions.

Its GovTech Platform also helps citizens access public services and pay taxes digitally, serving 12.2 million users and facilitating US$5,408m in tax payments.

Impact







MercadoLibre

First invested **March 2020**

Positive Change hypothesis

MercadoLibre is Latin America's leading ecommerce and financial technology platform, connecting consumers, small businesses and merchants across markets with underdeveloped logistics and financial infrastructure. Through its marketplace, logistics network and MercadoPago digital wallet, it enables more people to buy, sell, pay and access credit more easily and at a lower cost than through traditional channels. The business benefits from powerful network effects, rising take rates and operating leverage as volumes grow across commerce, payments, credit and other services. MercadoLibre's expanding ecosystem can translate the growth of ecommerce and digital finance into robust, long-term profit growth and, at the same time, provide income-generating opportunities for small businesses and access to financial services for millions of Latin Americans.

Positive chain ▲

Inputs

US$2,269m
R&D

123,670
Employees

(Y/E December 2025)

Activities

MercadoLibre operates across 18 Latin American countries, offering services such as MercadoLibre (ecommerce), Mercado Pago (payments), Mercado Crédito (loans) and Mercado Envíos (logistics).

Outputs

In 2025, MercadoLibre served 121 million unique buyers across its platform, processing US$65bn in gross merchandise volume. MercadoPago reached 78 million unique monthly users and provided US$39bn in loans to consumers and merchants. In 2024, MercadoLibre's platforms were serving 5.8 million small businesses in Brazil, 2.7 million in Argentina and 1 million in Mexico.

Outcomes

A Mercado Pago survey in Brazil found that 61 percent of small businesses saw their sales grow, and 67 percent received credit for the first time through the platform. In Mexico and Argentina, three out of five small businesses made their first financial investment through Mercado Pago.

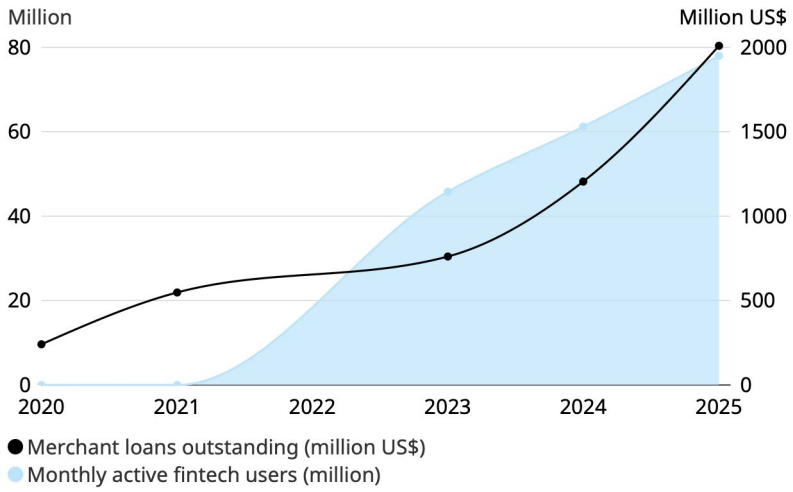
Impact



Long-term progress ▲

Since we took a holding in 2020, MercadoLibre has delivered exceptional growth in revenue. Net revenue has risen from around US$4bn in 2020 to US$28.9bn in 2025, equivalent to almost 50 percent annualised growth. The company has maintained its leading position across its core Latin American markets, while continuing to deepen its ecosystem across commerce, logistics, payments and credit. In terms of social impact, Mercado Pago has become a greater share of revenues with a credit portfolio of around US$12.5bn, up more than twenty-fold since 2020. At the same time, through surveys and studies, MercadoLibre has improved its approach to measuring and managing its impact.

Impact objective ▲



Source: Baillie Gifford, based on company data.

Investment objective ▲

Share price return (US$)*

20.2% Cumulative

3.8% pa

49.7% Revenue growth pa

*11.7% pa MSCI ACWI return (US$).

Metrics over the five-year time horizon.
Past performance is no guarantee of future results.

Source: Revolution, Factset and MSCI. US dollars.

As at 31 December 2025.

Real world context ▲

Small businesses remain central to Latin America's economy, representing 99 percent of businesses and around 60 percent of formal productive employment. In 2025, the wider environment remains challenging: growth has normalised but risks from market volatility, trade fragmentation and policy uncertainty persist. Despite their importance, small businesses contribute less to the economy than their counterparts in OECD countries, reflecting persistent productivity gaps. Financial inclusion has improved, with over 70 percent of adults now holding a formal account, but access to credit remains uneven, with fewer than half of small businesses able to obtain formal financing. Expanding access to affordable financial tools remains critical to growth and resilience.

Microsoft

First invested **October 2024**

Positive Change hypothesis

Microsoft is a global technology company whose software, cloud and productivity tools form the backbone of many organisations' information technology systems. Its broad cloud and software portfolio, together with longstanding customer relationships, gives it a powerful competitive moat and positions it to benefit from the major shifts to cloud computing and artificial intelligence. By modernising IT systems and enabling data-driven decision-making, Microsoft's platforms can drive productivity and efficiency gains globally, while its investments in digital infrastructure and connectivity in low- and middle-income countries support digital inclusion and align with the UN's Sustainable Development Goals Digital Acceleration Agenda, alongside a notable focus on the responsible deployment of AI. As more organisations adopt Microsoft's cloud and AI services, we expect strong revenue growth while helping to build a more efficient, inclusive and responsibly governed digital economy.

Positive chain

Inputs

US$32,488m
R&D
228,000
Employees
(Y/E June 2025)

Activities

Microsoft develops software tools, cloud services and digital infrastructure. Its focus is increasingly on developing and integrating AI, with an emphasis on responsible deployment, security and broad accessibility.

Outputs

Microsoft has established a Responsible AI Standard and developed 30 responsible AI tools, comprising more than 155 features to support safer, fairer AI development.

Microsoft aims to help 20 million people earn AI credentials over the next two years.

Every day, Microsoft identifies an average of 38 million potential identity risks across its global network.

Outcomes

Microsoft has provided AI training to 15 million people and helped 5 million people earn an AI credential.

Every day, Microsoft blocks 4.5 million malware attempts.

Impact



8.2



9.5, 9.a, 9.c

New York Times

First invested **November 2024**

Positive Change hypothesis

The New York Times (NYT) Company is a global news and media organisation centred on its flagship newspaper and a growing portfolio of digital products, including sport, games, cooking and audio. Its subscription-led model, strong brand and large, engaged readership provide a resilient, recurring revenue base that is less dependent on volatile advertising cycles. At a time when misinformation abounds, continued investment in high-quality independent journalism has a significant role to play in addressing misconceptions, notably in the field of climate change. The NYT's award-winning investigative journalism plays a vital role in holding institutions to account, with many high-profile scandals brought to light by its reporters. Its ability to provide trusted reporting, investigations and analysis at scale should allow the NYT to build a durable, profitable digital media franchise while playing a meaningful role in supporting healthier democratic societies.

Positive chain

Inputs

US$264m
R&D
6,000
Employees
(Y/E December 2025)

Activities

NYT writes and distributes news and information worldwide, and is renowned for its investigative journalism. In 2025, its journalists reported from more than 150 countries and every US state.

Outputs

NYT reaches a subscriber base of 12.8 million across 234 countries and territories.

NYT receives widespread acclaim for its high-quality journalism and has won more Pulitzer prizes than any other news organisation, winning three Pulitzer prizes for its journalism in 2025.

Outcomes

Stories from NYT have wide and varied outcomes, revealing information that drives significant societal change.

In 2025, 'Exposed and Expendable' revealed wildfire firefighters developing fatal cancers from unprotected smoke exposure, forcing a new federal compensation law and reversing a Forest Service mask ban.

NYT's immigration series held agencies to account for wrongful deportations and family separations, prompting judicial intervention up to Supreme Court level.

Impact



4.7



13.3



16.6, 16.10

Nubank

First invested **December 2021**

Positive Change hypothesis

Nubank is a digital bank and financial services platform serving more than 100 million customers across Brazil, Mexico and Colombia through a mobile-first, branchless model. Its low-cost technology infrastructure, strong brand and highly rated customer experience allow it to acquire and serve clients at significantly lower cost than traditional banks, while using data-driven underwriting to manage risk. As Nubank deepens relationships with existing customers, broadens its product suite and improves balance sheet efficiency, we expect it to grow revenues and profits rapidly from a still low base. Offering transparent, low-fee accounts, payments and credit to previously underserved individuals and small businesses gives Nubank the opportunity to build a sizeable, profitable franchise and to enable financial inclusion in Latin America.

Positive chain

Inputs	Activities	Outputs	Outcomes	Impact
US$1,421m R&D **10,027** Employees (Y/E December 2025)	Nubank operates primarily in Brazil, Colombia and Mexico, offering a range of financial services, such as credit and debit cards, savings accounts, insurance, payments and loans.	In 2025, Nubank served 131 million customers, with 109.3 million monthly active users on its mobile app-based financial services. Nubank provided business accounts to 5.9 million small businesses in Brazil.	A 2025 survey of Nubank's Mexican customers found that 22 percent gained access to the financial system for the first time through Nubank; 60 percent of customers saved actively through Nubank accounts and 67 percent reported greater stability and control over their finances.	 1.4  8.3, 8.10  10.2

Prudential

First invested **March 2025**

Positive Change hypothesis

Prudential is a life and health insurance group focused on fast-growing Asian and African markets, offering protection, health and savings products to households that are often underinsured. Its multi-channel distribution, strong brands and deep local franchises position it well to capture rising demand as incomes grow and social safety nets remain limited. The business combines a profitable existing book of policies with attractive opportunities to write new business at strong returns, underpinned by disciplined capital management and a strengthened management team. Extending access to affordable insurance and health cover for millions of families should help Prudential grow the long-term value of its existing policies and future profits over time, while improving financial resilience and security across its core markets.

Positive chain ▲

Inputs	Activities	Outputs	Outcomes	Impact
N/A R&D **15,338** Employees (Y/E December 2025)	Prudential offers life and health insurance, as well as asset management services, across 20 markets in Asia and Africa.	Prudential reaches over 17 million customers across its markets and added over 540,000 new customers to its health insurance business in 2025.	Prudential has 22 inclusive insurance products which have varying outcomes. These include: a simplified cancer insurance in Taiwan, helping older customers age with greater health resilience and financial security; a Shariah-compliant insurance product opening insurance to Islamic populations in the Philippines and mobile money-orientated microinsurance products in Africa expanding accessible and inclusive insurance solutions.	 1.5  3.8

Sea Limited

First invested **December 2024**

Positive Change hypothesis

Sea Limited operates digital entertainment, ecommerce and financial services platforms across Southeast Asia and Brazil. Cash flow from its gaming business has enabled the company to build a leading ecommerce franchise (Shopee) and a fast-growing financial services arm (Monee) in markets where the opportunities are large and formal retail and banking remain underpenetrated. Shopee helps small businesses reach more customers and ecommerce supports broader economic development, while Monee expands access to payments and credit so more people can participate in the formal economy. By growing ecommerce, digital payments and credit, Sea can build a durable, cash-generative franchise and expand economic opportunity across its core markets.

Positive chain

Inputs

US$1,157m
R&D

102,700
Employees

(Y/E December 2025)

Activities

Sea operates Shopee, an ecommerce platform operating in Southeast Asia, Taiwan and Brazil. Sea has a growing lending and payments business called Monee.

Outputs

Shopee is the largest ecommerce platform in Southeast Asia and Taiwan, achieving a gross merchandise value of US$127.4bn in 2025. The platform supported 20 million sellers and around 400 million active buyers. Monee registered more than 20 million unique first-time borrowers in 2025. As of December 2025, Sea had over 37 million active credit users, and consumer and small business loans principal outstanding reached US$9.2bn.

Outcomes

In a 2025 survey of its active sellers in Brazil, 30 percent said that Shopee was their first opportunity to sell online, and over 50 percent said the platform is now their main source of revenue. Their operations currently generate job opportunities for approximately 1.4 million Brazilians.

Impact



8.3



9.3



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Shopify

First invested **October 2019**

Positive Change hypothesis

Shopify provides a comprehensive suite of simple-to-use, low-cost software that helps merchants set up and scale their businesses. We believe its competitive advantages, built on platform scale and management's willingness to invest aggressively in technology to remove merchant pain points, position Shopify to benefit from secular growth in ecommerce and to take a share of the broader commerce market. The company's tools and services enable more entrepreneurs to start and expand businesses quickly, reducing inequalities of opportunity and supporting economic diversity and job creation. Helping independent merchants reach global customers, professionalise operations and compete with larger incumbents should allow Shopify to compound revenues and free cash flow over time and extend modern retail infrastructure to millions of small businesses.

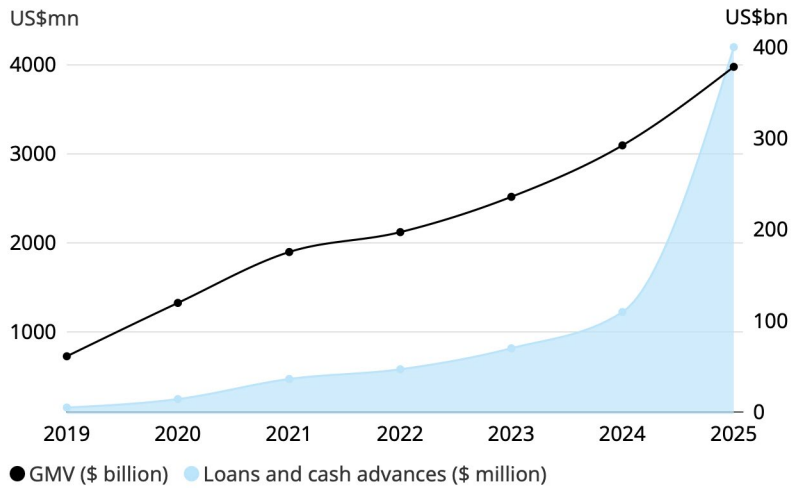
Positive chain ▲

Inputs	Activities	Outputs	Outcomes	Impact
US$1,536m R&D **7,600** Employees (Y/E December 2025)	Shopify is a global ecommerce company providing online services to support businesses, including inventory management, accounting tools, online marketing, loans and cash advances.	Shopify's platform hosts millions of small businesses in over 175 countries. In 2025, Shopify facilitated US$378.4bn in gross merchandise volume, and provided US$4.2bn in loans and cash advances to support merchants to grow and run their businesses.	Shopify empowers small businesses to set up, manage and grow online regardless of the entrepreneur's identity or circumstances, enabling inclusive employment opportunities and economic growth.	8.1, 8.2 9.3 10.2

Long-term progress ▲

Shopify's progress since 2019 is evident both in its revenue growth and in the expanding volume of sales generated by its merchants. Gross merchandise volume reached US$378bn in 2025, 3 times the level of 2020, while the company's US ecommerce market share now exceeds 14 percent. Shopify Capital has also become a more important source of merchant financing, with Shopify facilitating US$4.2bn of merchant cash advances and loans in 2025, up from US$3bn in 2024. In 2025, Shopify saw growth in international markets, offline revenue, payments, and B2B commerce. These metrics point to a platform that is helping merchants operate across more channels and geographies.

Impact objective ▲



Source: Baillie Gifford, based on company data.

Investment objective ▲

Share price return (US$)*

42.2% Cumulative

7.3% pa

34.4% Revenue growth pa

*11.7% pa MSCI ACWI return (US$).

Metrics over the five-year time horizon.
Past performance is no guarantee of future results.

Source: Revolution, Factset and MSCI. US dollars.

As at 31 December 2025.

Real world context ▲

Entrepreneurship in the US – Shopify's largest market – has remained robust, aided by digital services. New business applications have been continuing at historically elevated levels since 2021, with over five million filed annually in recent years. However, the operating environment has become more challenging. The US Chamber of Commerce highlights pressures from financing costs, inflation, and labour shortages. This dynamic is mirrored in other markets in the OECD. Businesses led by women and minority groups continue to encounter greater barriers to growth, particularly in accessing external financing, even as their participation in new business formation has increased.

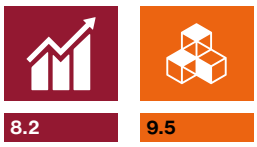
Taiwan Semiconductor Manufacturing Company (TSMC)

First invested **January 2017**

Positive Change hypothesis

TSMC is the world's largest dedicated semiconductor foundry, manufacturing chips for many of the leading fabless and integrated design companies. Its technological leadership in advanced process nodes, scale of production and manufacturing efficiency create formidable competitive advantages and high barriers to entry. Structural growth in high-performance computing, artificial intelligence, smartphones and automotive electronics underpins a long runway for volume and value-added mix growth. Continued reliance on TSMC to manufacture ever more powerful and energy-efficient chips should support many years of earnings and free cash flow compounding and enable innovation in the digital infrastructure and devices that drive social and environmental impact across many industries.

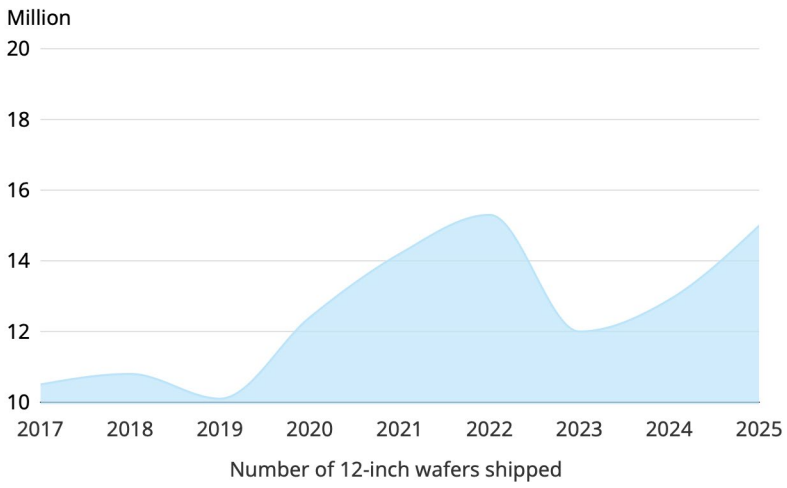
Positive chain ▲

Inputs	Activities	Outputs	Outcomes	Impact
US$7,843m R&D **90,557** Employees (Y/E December 2025)	TSMC manufactures semiconductors for a wide range of industries, from telecommunications to healthcare. Its scale and innovation have been instrumental in driving down semiconductor costs.	In 2025, TSMC shipped 15 million 12-inch equivalent wafers. It also supplied power management integrated circuits that help conserve energy. In 2025, the company manufactured 12,682 products using 305 distinct process technologies for 534 customers.	TSMC enables more computing with less power, contributing to energy efficiency and cost deflation. Its advanced semiconductors support innovation in AI, life sciences, telecommunications and the energy transition which can help to address social and environmental challenges.	

Long-term progress ▲

TSMC's long-term progress since 2020 has been defined by the increasing scale and sophistication of the services it provides to customers, and the continuation of Moore's Law. In 2020, demand was already being driven by the ramp up of its most advanced chips at the time, 5nm and 7nm. By 2025, the even more cutting-edge 3nm node alone contributed 24 percent of wafer revenue, while 3nm, 5nm and 7nm together accounted for 74 percent. This has coincided with a significant shift in end-market mix, with high-performance computing reaching 58 percent of revenue in 2025 and growing 48 percent year-on-year. Its foundry model remains central to enabling innovation across AI, digital infrastructure, automotive and smart technologies.

Impact objective ▲



Investment objective ▲

Share price return (US$)*

186.8% Cumulative

23.5% pa

21.7% Revenue growth pa

*11.7% pa MSCI ACWI return (US$).

Metrics over the five-year time horizon.
Past performance is no guarantee of future results.

Source: Revolution, Factset and MSCI. US dollars.

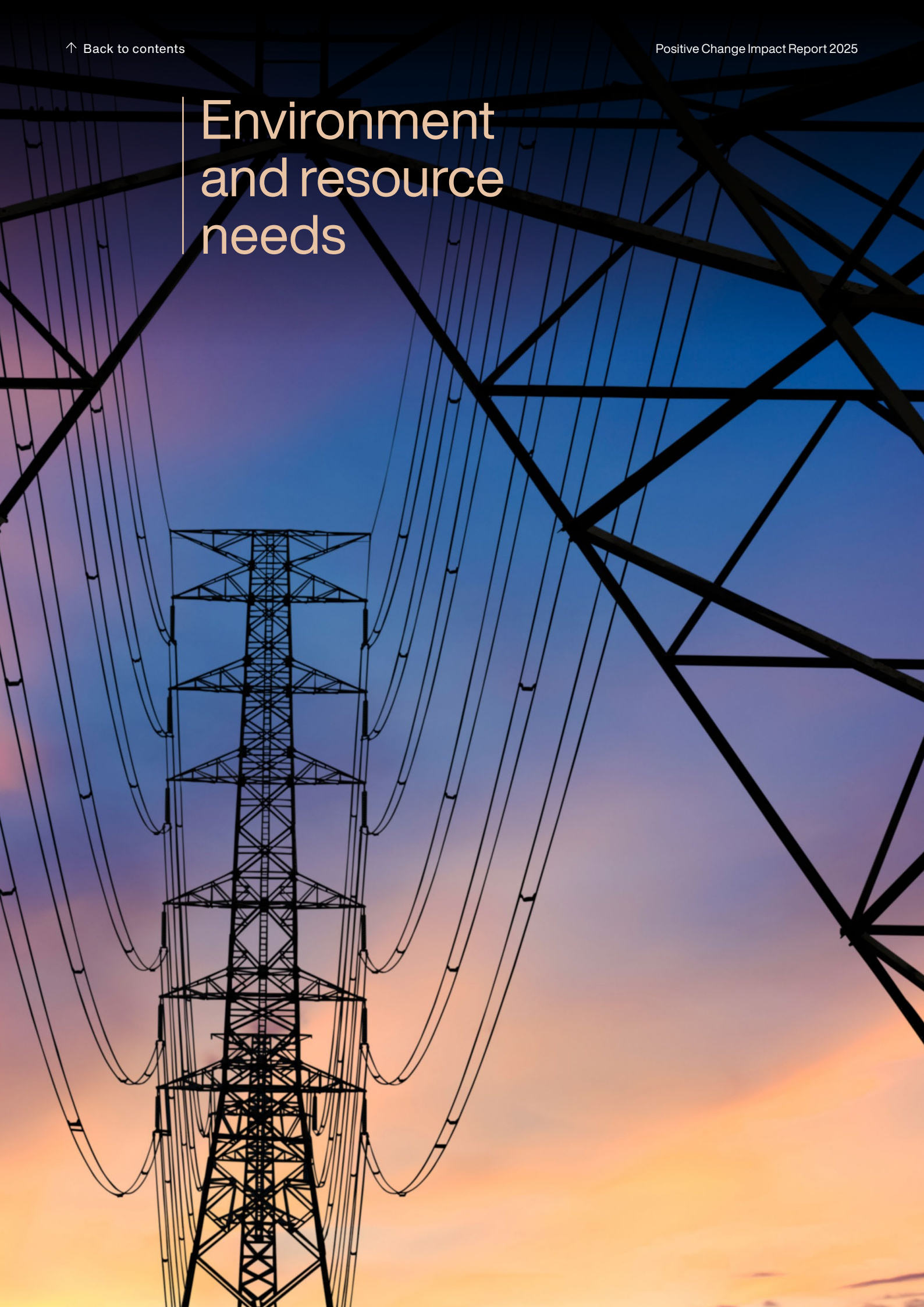
As at 31 December 2025.

Source: Baillie Gifford, based on company data.

Real world context ▲

TSMC's foundry model has been important for keeping the cost of semiconductors and computing power accessible. By 2025, the number of connected devices has surpassed an estimated 21 billion globally, highlighting the continued diffusion of computing and electrification across households, industries and infrastructure. Advances in chip design and manufacturing innovations have fuelled breakthroughs in AI, autonomous vehicles, smart infrastructure and drug discovery. The Global Innovation Index 2025 shows continued progress across technological indicators, including computing power, supercomputer efficiency, renewable energy costs and genome sequencing costs.

Environment and resource needs

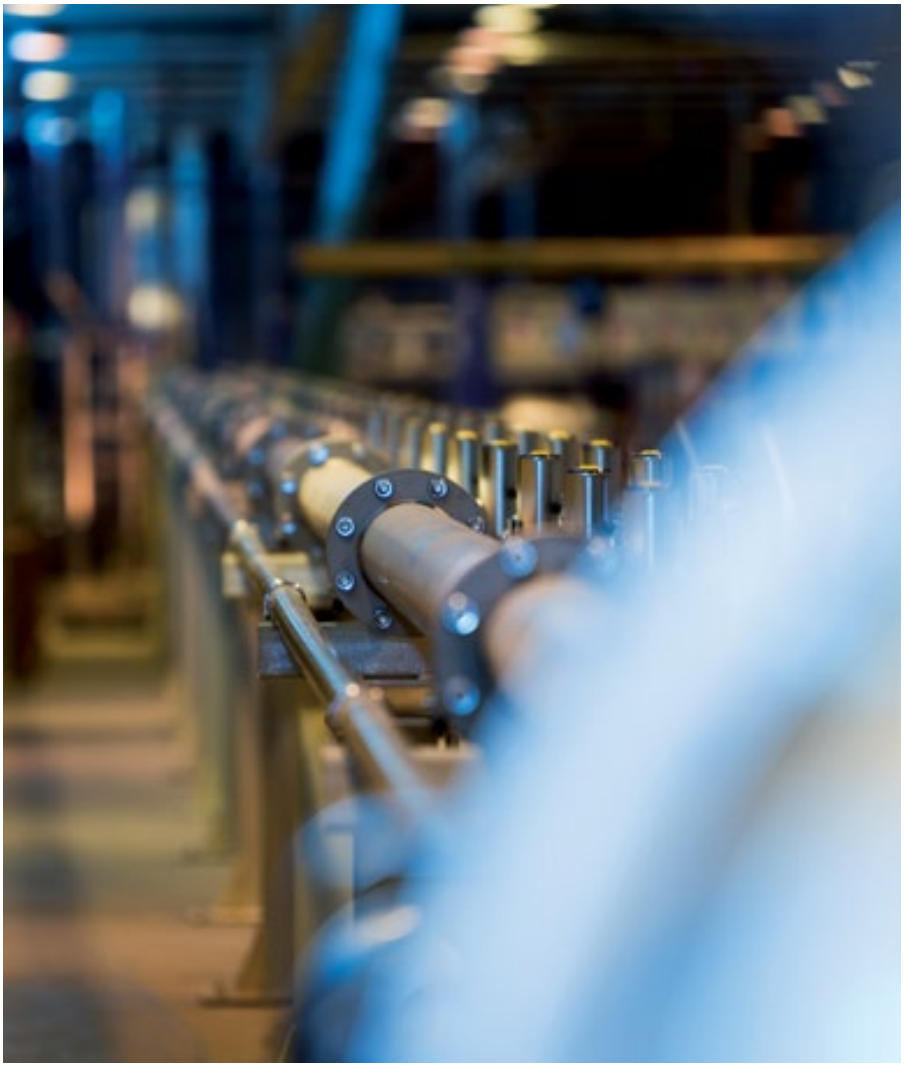


Introduction

Decades of economic activity have filled the atmosphere with greenhouse gases and placed increased strain on the Earth's natural systems.

Over the coming decades, every part of the global economy will need to decarbonise and reset its relationship with nature. This shift will unlock enormous opportunities to scale emerging technologies, transform existing industries and commercialise new ones.

Delivering such a transformation will demand unprecedented levels of investment, innovation and collective action. We are optimistic that the world has the ingenuity, knowledge and tools required to deliver it. We look for companies at the forefront of this transition, developing the technologies, infrastructure and business models that will enable the world to grow in a different, more sustainable way.



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2025 transactions

New buys	Complete sales
Prysmian	Tesla
Arm Holdings	Novonesis (Novozymes)
CATL	Xylem

Positive Change – part of the solution

The Positive Change portfolio seeks to invest in and support companies whose products and services enable the transition to a more environmentally sustainable society. This includes businesses that help reduce resource consumption and those contributing to the decarbonisation of the energy system, transport, industry, the built environment and agriculture.

The challenges

- **Since 1990, global greenhouse gas (GHG) emissions have surged by more than 65 percent** and 2025 was one of the three warmest years on record. Meeting the Paris Agreement's goal of limiting global warming to 1.5C requires nations to reduce emissions by 42 percent by 2030. Ongoing geopolitical conflict has exposed the fragility of the global energy system, both in terms of security of supply and control over critical infrastructure. This has reinforced the structural shift towards renewable electricity and spotlighted the need to invest in the networks and grid infrastructure required to deliver clean power reliably and at scale.
- **Nature is also under growing strain**. Global wildlife populations declined by an average 73 percent between 1970 and 2020, largely as a result of human activity. This rate of biodiversity loss is comparable to that seen during the last mass extinction event, 65.5 million years ago, which wiped out the dinosaurs.
- **Improving resource efficiency is essential to addressing environmental challenges**. Doing so will require technological, digital and behavioural solutions that help conserve scarce resources such as water, food, energy and critical minerals.

The energy transition

Remarkable progress has been made in renewable energy generation, but clean power alone is not enough. A decarbonised energy system must also be able to store electricity when supply is abundant, transmit it efficiently across networks, and manage demand intelligently.

As renewable generation increases, system flexibility becomes increasingly important. **CATL's** grid-scale battery systems help absorb excess generation and release it when supply tightens, supporting a more stable electricity system. That power must then be transmitted to where it is needed, and **Prysmian's** high-voltage cables and interconnectors are helping expand and reinforce the networks that connect renewable generation to end users. Meanwhile, **Schneider Electric's** technologies enable its customers to monitor, manage and use electricity more efficiently across increasingly complex energy systems.

Decarbonising transport

Transport still relies on fossil fuels for almost 95 percent of its energy use and is the second-largest source of global GHG emissions. Electrification is a critical part of the solution.

Rivian and **CATL** (noted above) are accelerating the shift to electric mobility. Rivian focuses on electrifying some of the most important segments of the US vehicle market, including pick-up trucks, sport utility vehicles (SUVs) and delivery vans. Electric battery maker CATL's scale and battery innovation helps electric vehicle (EV) manufacturers keep EV prices affordable, supporting wider adoption.

Yet cars are not the only form of transport that needs low-carbon alternatives. **Joby** is developing innovative electric vertical take-off and landing (eVTOL) aircraft and is also involved in the development of hydrogen-powered planes that will one day replace short-haul regional aircraft.

Sustainable resource use

Addressing the over-exploitation of natural resources is essential to long-term environmental and socioeconomic progress. As demand for energy, water and materials continues to rise, using them more efficiently becomes increasingly important.

Ecolab's solutions help customers to cut their water and energy use, thereby cutting GHG emissions. **Savers Value Village** supports a more circular model of consumption through its thrift stores, helping address the environmental impact of fast fashion. **Arm's** chip architectures significantly reduce central processing unit (CPU) power consumption, improving the energy efficiency of data centres and other computing-intensive applications.

Sustainable industry and buildings

Industry and buildings account for nearly 26 percent of global GHG emissions, making their decarbonisation one of the defining challenges of the transition. Addressing this will require cleaner equipment, better design and more efficient use of assets over their lifetimes.

Sunbelt and **Epiroc** are expanding access to lower-carbon equipment in construction and mining. Sunbelt helps customers adopt newer, more efficient vehicles and machinery, while Epiroc has committed to offering a fully emissions-free product range by 2030. **Autodesk** enables architects, engineers and construction teams to design buildings and infrastructure with lower energy use and reduced environmental impact.

Sustainable agriculture

Agriculture accounts for at least 11 percent of global GHG emissions each year. The challenge is to meet rising global food demand while conserving natural ecosystems and limiting biodiversity loss.

Deere's precision-agriculture technologies help farmers increase yields while reducing environmental impact. The company has set a target for 75 percent of customer acres to be farmed using sustainable practices by 2030. Its See & Spray technology can cut herbicide use by up to half. Deere is also developing fully autonomous, battery-powered electric tractors, which could reduce tailpipe emissions and other harmful side effects of farming.

Arm

First invested **August 2025**

Positive Change hypothesis

Arm develops and licenses low-power central processing unit instruction set architectures, and its designs have become the standard in mobile phones and many other edge devices. By maximising performance per watt, Arm enables device makers and datacentres to deliver more computing power with lower energy use than traditional processor architectures. Its scalable licensing and royalty model monetises a broad ecosystem of chip designers and manufacturers, underpinning high-margin, recurring revenues as Arm-based chips ship in ever greater volumes. In our view, Arm's spread from smartphones into datacentres, connected infrastructure and other compute-intensive applications will turn its energy-efficient designs into both a growing royalty base and a powerful lever for limiting the power needs of an increasingly digital economy.

Positive chain ▲

Inputs

US$2,071m
R&D

8,330
Employees
(March 2025)

Activities

Arm develops and licenses high-performance, low-power processor architectures and related technologies, enabling semiconductor companies and OEMs to design energy-efficient chips.

Outputs

Arm's partners have shipped more than 310 billion Arm-based chips worldwide, supporting energy-efficient computing across industries from smartphones and data centres to healthcare, robotics, vehicles and IoT (Internet of Things) devices.

Outcomes

Arm's energy-efficient architecture is enabling reductions in the energy intensity of high-performance computing. Compared to the previous generation (x86), Arm-based chips are delivering major efficiency gains. AWS's Graviton3 offers up to 67 percent lower carbon emissions, while Google's Axion processor achieves up to 60 percent better energy efficiency.

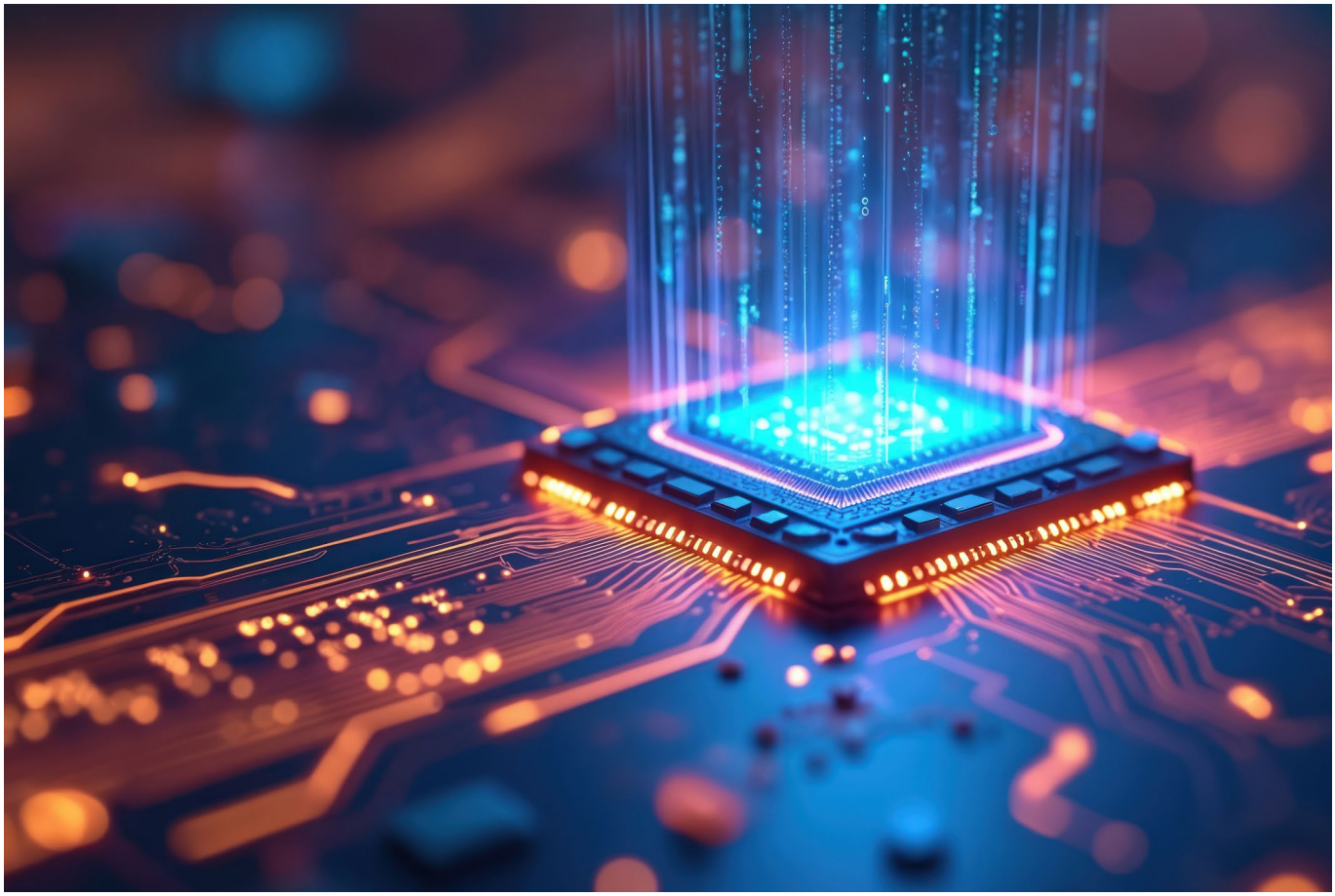
Impact



9.4



13.0



© Image generated by AI

Autodesk

First invested **December 2022**

Positive Change hypothesis

Autodesk is a leading provider of design and engineering software used in architecture, construction, manufacturing and media, with flagship products such as AutoCAD and Revit. Its shift to subscription and cloud-based offerings has created a growing base of recurring revenues supported by high switching costs and deep integration into customers' workflows. Autodesk's tools enable architects and engineers to model buildings and products in detail, optimise material use and energy performance, and coordinate complex projects digitally rather than on paper or on site. Rising use of digital design and building information modelling should allow Autodesk to pair attractive subscription growth with customers designing more resource-efficient, lower-carbon and resilient assets.

Positive chain

Inputs	Activities	Outputs	Outcomes	Impact
US$1,643m R&D **14,300** Employees (Y/E January 2026)	Autodesk provides intelligent 3D design software tools for architecture, engineering, construction and manufacturing businesses.	Autodesk has 8.3 million subscribers and provides access to over 130 products. The Autodesk Sustainability Tech Partner Program reached over 50 companies in 2025, and has developed 18 integrations that support customers in reducing the environmental impacts of their buildings.	Autodesk enables early-stage carbon analysis for the built environment, helping customers compare design options and identify lower-carbon approaches before construction. Research suggests this can reduce upfront embodied carbon by 19–46 percent at minimal cost.	

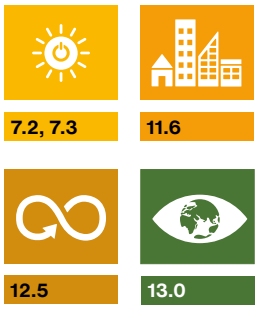
CATL

First invested **October 2025**

Positive Change hypothesis

CATL is the global leader in lithium-ion batteries, supplying cells and systems for electric vehicles and stationary energy storage systems (ESS) with a substantial global market share. Its scale, technology leadership and deep integration with automotive and energy partners allow it to innovate quickly, lower costs and tailor chemistries to different performance and price points. This positions CATL at the heart of the transition to electric mobility and renewable power, where battery demand should grow strongly for many years. CATL's growing scale and improving product mix (towards ESS) should translate into compounding earnings from a growing installed base and, at system level, faster decarbonisation of transport and power.

Positive chain ▲

Inputs	Activities	Outputs	Outcomes	Impact
US$3,163m R&D **185,839** Employees (Y/E December 2025)	CATL is the world's leading manufacturer of batteries, providing products for passenger and commercial vehicles, stationary energy storage, and emerging applications including ships and construction machinery. It is also a large recycler of battery minerals.	In 2025, CATL produced 748 GWh of batteries. Cumulatively to date, CATL's batteries have been installed in more than 24 million new energy vehicles and its systems have been deployed across approximately 2,300 energy storage projects. At the end of 2025, CATL had 1,325 electric vehicle battery swapping stations. In 2025, CATL's recycling volume of waste reached 210,000 tonnes.	We estimate that, in 2025, CATL's batteries avoided the emission of over 26.7 million tonnes of carbon dioxide equivalent (tCO_2e)†.	

†Methodology for calculation available on p56.

Deere

First invested **February 2020**

Positive Change hypothesis

Deere is the world's largest manufacturer of agricultural equipment and is uniquely positioned to unlock the potential of precision agriculture through its scale, commitment to innovation and extensive dealer network. By embedding advanced hardware, software and data into its machinery, Deere can expand its addressable market and deepen customer relationships, supporting faster growth and higher mid-cycle margins than in the past. Deere's precision tools, data platforms and more efficient machinery enable customers to reduce fuel, fertiliser and water use while improving yields and profitability. In our view, farmers' adoption of smarter, lower-emission equipment and more sustainable practices will underpin many years of earnings growth for Deere and, in parallel, a shift towards more productive, resource-efficient and climate-smart agriculture.

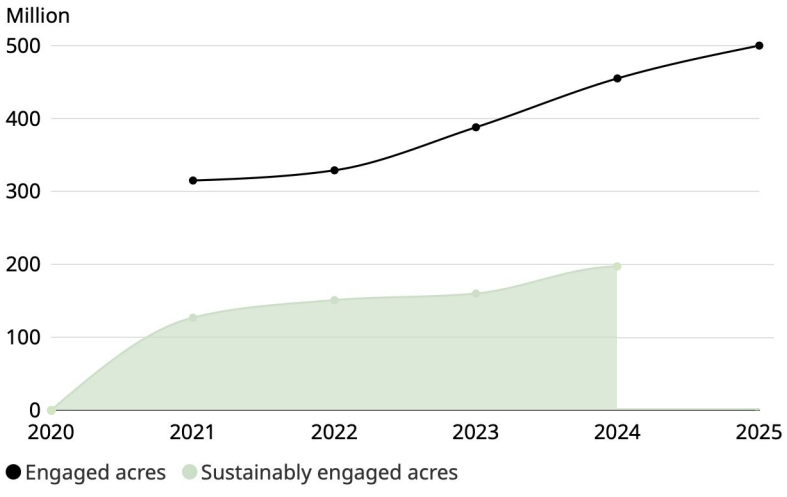
Positive chain ▲

Inputs	Activities	Outputs	Outcomes	Impact
US$2,311m R&D **73,100** Employees (Y/E November 2025)	Deere develops and manufactures precision agriculture technologies.	In 2025, Deere's agricultural products were used on nearly 500 million acres worldwide. Its See & Spray technology, which has been shown to decrease herbicide usage by up to 50 percent, was deployed across more than 5 million acres.	Precision technologies reduce inputs, such as agrichemicals and fuel, and increase yields. We estimate that, in 2025, the use of See & Spray avoided approximately 3,040 tonnes of herbicide†.	2.4 13.0 14.1 15.5

Long-term progress ▲

Six years on from our initial investment, Deere has made significant strides in advancing its suite of precision agriculture technologies. These innovations have underpinned strong financial performance, supporting higher margins and durable demand across key markets. As adoption has grown, Deere has expanded its engaged acres from 315 million in 2020 to nearly 500 million in 2025, with land using See & Spray scaling 5-fold in 2025 alone. Progress on low carbon machinery has been more uneven, with battery density and infrastructure constraints slowing momentum in large equipment, even as smaller machinery advances. As global demand for food rises and climate shocks disrupt planting and harvesting seasons, Deere remains well-positioned to support both agricultural productivity and environmental sustainability.

Impact objective ▲



2025 data for sustainably engaged acres not available.

Source: Baillie Gifford, based on company data.

Investment objective ▲

Share price return (US$)*

84.7% Cumulative

13.1% pa

5.1% Revenue growth pa

*11.7% pa MSCI ACWI return (US$).

Metrics over the five-year time horizon.
Past performance is no guarantee of future results.

Source: Revolution, Factset and MSCI. US dollars.

As at 31 December 2025.

Real world context ▲

Over recent years, global food systems have come under mounting environmental, economic and geopolitical pressures, while agriculture itself remains a major contributor to environmental degradation. Precision agriculture has gained traction as a way to improve productivity while reducing impact, with advances in computer vision, automation and semiconductors enabling more accurate, efficient input use, and improvements in satellite communications beginning to close the connectivity gap that has long constrained rural adoption. These technologies have helped nitrogen use efficiency improve meaningfully in the US. However, globally, nitrogen use efficiency has barely moved in decades, and Brazil's rapid intensification has not been matched by corresponding efficiency gains. The opportunity for precision agriculture to close that gap outside high-income markets remains largely untapped.

†Methodology for calculation available on p58.

Ecolab

First invested **January 2017**

Positive Change hypothesis

Ecolab is a global provider of water, hygiene, and infection-prevention solutions for industries ranging from food and healthcare to energy and manufacturing. Its large distribution network, data-rich service model and mission-critical products support recurring revenues, high switching costs and attractive returns on capital. Ecolab's solutions help customers reduce water and energy use, minimise waste and improve food safety and sanitation, directly supporting their sustainability and regulatory compliance efforts. Rising pressure on companies to operate efficiently and responsibly should leave Ecolab well-placed to deliver steady earnings growth as its solutions help customers cut water use, emissions and environmental contamination across their operations.

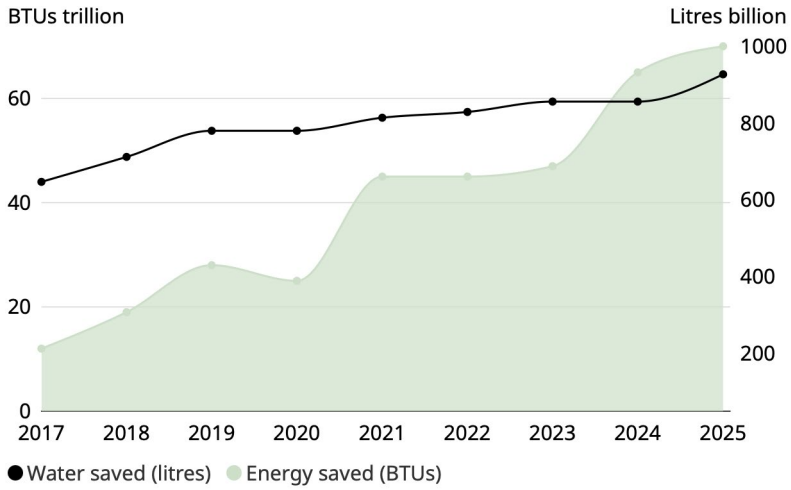
Positive chain ▲

Inputs	Activities	Outputs	Outcomes	Impact
US$202m R&D **48,000** Employees (Y/E December 2025)	Ecolab develops, produces and distributes cleaning products, water treatment solutions and digital services. It also delivers product training and consultancy services to customers in more than 170 countries.	Ecolab supports customers in more than 40 industries with their cleaning, sanitising, food safety, water and energy management needs across millions of sites globally. Its solutions help customers to optimise operational efficiency and advance sustainability.	In 2025, Ecolab enabled customers to save more than 245 billion gallons (927 billion litres) of water, more than 70 trillion British thermal units (BTUs) of energy, 4.7 million tonnes of carbon dioxide equivalent (tCO_2e) and more than 49 million lbs of waste.	2.1 3.3, 3.9 6.3, 6.4 7.3 12.2, 12.4, 12.5

Long-term progress ▲

Ecolab continues to align strong financial performance with positive impacts on public health, food security, water scarcity and climate change. It is making solid progress towards its 2030 impact targets in these areas, increasingly leveraging smart digital solutions. While revenue growth has been low over the holding period, Ecolab is well-positioned to support fast-growing water-intensive industries, such as data centres, semiconductor manufacturing and mining, in reducing their environmental footprints and operational costs. This positions the company for accelerated sales growth in the coming years. Ecolab is helping companies improve water-use efficiency, enable water reuse, and adapt to water scarcity and changes in water quality, while reducing carbon emissions.

Impact objective ▲



Source: Baillie Gifford, based on company data.

Investment objective ▲

Share price return (US$)*

28.1% Cumulative

5.1% pa

4.8% Revenue growth pa

*11.7% pa MSCI ACWI return (US$).

Metrics over the five-year time horizon.
Past performance is no guarantee of future results.

Source: Revolution, Factset and MSCI. US dollars.

As at 31 December 2025.

Real world context ▲

Water scarcity remains a growing constraint on development, food security and climate resilience. Roughly half the world's population experiences severe water scarcity for at least part of the year, while 25 countries face extremely high water stress each year. Demand is also rising from industry and energy systems, including power generation, mining, advanced manufacturing and semiconductor production, all of which depend on reliable access to water and energy. Data centres are adding to this pressure: the International Energy Agency expects their electricity consumption to more than double by 2030, reaching a level comparable to Japan's total electricity use today, largely driven by AI. These trends increase the importance of improving water productivity, reuse and energy efficiency across critical industrial systems.

Epiroc

First invested **April 2024**

Positive Change hypothesis

Epiroc supplies high-value, mission-critical equipment, tools and services to the mining and construction industries, with a large installed base of drilling rigs, loaders and rock excavation machines. Its business is anchored by a reputation for reliability, and resilient aftermarket and service revenues which provide stability and strong returns on capital through commodity cycles. Epiroc is investing in automation, digitalisation and battery-electric equipment that can improve mine safety, raise productivity and reduce fuel use and emissions for its customers. Fleet modernisation to meet tighter safety and environmental standards will support rising revenues and profitability for Epiroc and, at the same time, make the extraction of essential raw materials safer and more energy-efficient.

Positive chain

Inputs

US$213m
R&D

19,054
Employees

(Y/E December 2025)

Activities

Epiroc is a manufacturer of mining equipment and software. As a leader in electric mining equipment, it aims to offer a complete range of emissions-free products by 2030.

Outputs

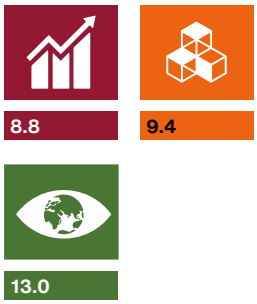
As of the end of 2025, Epiroc had sold battery electric vehicles to 40 mining sites worldwide, and the total fleet of electric drill rigs, loaders and trucks in operation exceeded 600 units. Epiroc also operates more than 3,900 driverless machines globally, including both Epiroc and non-Epiroc equipment.

Outcomes

A study conducted in Chile found that Epiroc's electric trucks reduced lifecycle greenhouse gas emissions by approximately 77 percent compared to their diesel counterparts.

In the past year, Epiroc's emissions intensity of sold products* declined by 3 percent, reflecting incremental progress in product electrification and energy efficiency improvements across the fleet.

Impact



Joby Aviation

First invested **October 2023**

Positive Change hypothesis

Joby is developing electric vertical take-off and landing aircraft. By replacing car and other fossil fuel-powered journeys with fast, shared electric flights, the service could meaningfully cut emissions. The company is still at an early stage but has a strong management team and a roadmap through certification, manufacturing, infrastructure and service design. If Joby can reach sufficient service density, we think its platform could enjoy network effects and generate substantial upside from today's valuation while helping cities move people in a cleaner and more time-efficient way.

Positive chain

Inputs

US$581m
R&D

2,559
Employees

(Y/E December 2025)

Activities

Joby is developing electric vertical take-off and landing aircraft for urban use. Aircraft are engineered to carry four passengers up to 100 miles (160 km) at top speeds of 200 mph (322 km/h).

The company aims to start commercial operations in 2026.

Outputs

In 2025, Joby's electric air taxi flew more than 9,000 miles. The company also demonstrated its Superpilot autonomous flight technology during a US Air Force exercise, logging over 7,000 miles of autonomous operations.

Outcomes

A 2022 lifecycle analysis estimated that the emissions footprint of a Joby aircraft was 1.5 times smaller, on a per-passenger mile basis, than that of an electric passenger car.

Impact



* Emissions intensity is calculated as tonnes of CO_2 equivalent (tCO_2e) from product use divided by equipment revenues.

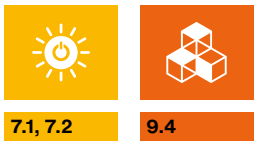
Prysmian

First invested **May 2025**

Positive Change hypothesis

Prysmian is the global leader in manufacturing and installing cables for power transmission, distribution and telecommunications, with particular strength in high-voltage submarine cables and grid infrastructure. Its scale, engineering expertise and global footprint make it a key partner for utilities and developers undertaking complex projects such as offshore wind connections and interconnectors. These structurally growing markets, together with ongoing upgrades to ageing grid infrastructure and selective acquisitions, underpin a strong order book and attractive earnings growth potential. Deploying the cables that connect renewable generation and reinforce grids positions Prysmian to compound profits over time and to be a key enabler of the energy transition and more reliable, efficient infrastructure.

Positive chain ▲

Inputs	Activities	Outputs	Outcomes	Impact
US$42m R&D **34,000** Employees (Y/E December 2025)	Prysmian supports electrification by designing, manufacturing, and installing cable systems, including offshore wind connections, long-distance electricity transmission, and grid modernisation.	In 2025, 63 percent of Prysmian's turnover qualified as EU Taxonomy-Eligible and 23 percent was Taxonomy-Aligned for climate change mitigation – predominantly from electricity transmission and distribution activities and the manufacture and servicing of electrical equipment for low-carbon grids.	Prysmian's cables and connectivity infrastructure has connected 111 million households to renewable electricity between 2022 and 2025, with 28.9 million connected in 2025 alone. Prysmian's transmission business avoided 752,321 tonnes of carbon dioxide equivalent (tCO_2e) through the installation of renewable energy solutions in 2025.	

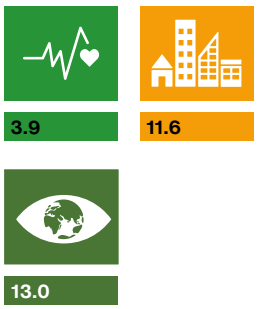
Rivian

First invested **February 2024**

Positive Change hypothesis

Rivian is an electric vehicle manufacturer focused on pickup trucks, sport utility vehicles and commercial vans. The company has strong competencies in software and manufacturing, as well as crucial support from Amazon and Volkswagen. Rivian targets attractive segments of the market where incumbent electric vehicle offerings are limited, and benefits from long-term demand for zero-emission commercial fleets and adventure vehicles. By replacing large fossil fuel-powered vehicles on the roads, its products reduce carbon emissions and significantly improve air quality. If Rivian can successfully ramp up production of its current models and launch its next-generation platforms, it has the potential to create a sizeable, higher-margin electric vehicle franchise and materially cut the lifecycle emissions of both consumer and commercial road transport.

Positive chain

Inputs	Activities	Outputs	Outcomes	Impact
US$1,668m R&D **15,232** Employees (Y/E December 2025)	Rivian designs, manufactures and sells EVs, including the R1S SUV, the R1T pickup and electric delivery van, used by Amazon and others. In 2025, Rivian began producing the R2, a mid-size SUV.	Rivian sold 42,247 vehicles in 2025. Its EVs typically have lower lifecycle emissions than internal combustion engine equivalents. The company aims to launch a vehicle by 2030 with half the lifecycle emissions of its 2022 SUV model. Its Rivian Adventure Network now includes more than 930 chargers across over 140 sites.	In 2025, Rivian's global fleet enabled customers to avoid emitting over 417,121 tonnes of carbon dioxide equivalent (tCO_2e)†.	

†Methodology for calculation available on p58.

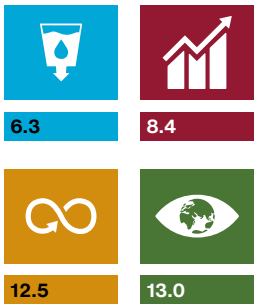
Savers Value Village

First invested **October 2024**

Positive Change hypothesis

Savers Value Village operates one of North America's largest thrift store chains, partnering with non-profit organisations to collect and resell second-hand clothing, textiles and household goods. Its circular economy model combines low-cost sourcing with a scalable store footprint and data-driven merchandising, supporting attractive store economics and the potential for continued unit growth. By extending the life of products that would otherwise be discarded, Savers helps divert material from landfill and offers an affordable alternative to fast fashion brands. Opening new stores and lifting sales density in existing locations should enable Savers to compound cash generation from a growing network and to promote a more circular, lower-waste retail model that benefits both communities and the environment.

Positive chain

Inputs	Activities	Outputs	Outcomes	Impact
N/A R&D **24,000** Employees (Y/E January 2026)	Savers operates 367 stores across the United States, Canada and Australia. Its business model promotes the sale of second-hand products, allowing what would otherwise be wasted to be re-used.	In 2025, Savers processed 1.1 billion lbs of second-hand goods. It has a strong following, with over 6.1 million active loyalty programme members.	Between fiscal years 2021 and 2025, Savers diverted over 3.6 billion lbs of goods from North American landfills. An academic study found that the impact of diverting this waste from landfill resulted in avoided emissions of over 77 million lbs CO_2e (34,900 metric tonnes CO_2e) and energy savings of 5.5 million kWh in 2024 alone.	

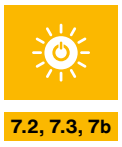
Schneider Electric

First invested **August 2024**

Positive Change hypothesis

Schneider Electric is a leading provider of electrical components used for energy management and industrial automation products and solutions. The company's products and services are essential for the expansion of energy infrastructure, and should benefit from secular growth drivers including electrification, the growth of data centres and urbanisation. The industry structure is attractive due to the importance of distributors and the fact that electrical components, while typically a small part of the overall project cost, are vital to performance. Deployment of Schneider's technologies to improve efficiency, integrate renewables and cut energy waste should underpin attractive, compounding earnings and position the company at the heart of efforts to decarbonise and strengthen global energy and building systems.

Positive chain

Inputs	Activities	Outputs	Outcomes	Impact
US$2,795m R&D **163,000** Employees (Y/E December 2025)	Schneider Electric provides low- and medium-voltage power distribution equipment. It also provides software and consultancy services, helping its customers manage energy use, integrate renewables, and improve efficiency and reliability.	Under the EU taxonomy for sustainable activities, 89 percent of Schneider's revenues stem from Taxonomy-Eligible activities, with 32 percent of revenues Taxonomy-Aligned.	In 2025, Schneider enabled its customers to save and avoid 183 million tonnes of carbon dioxide equivalent (tCO_2e). Additionally, Schneider has enabled 6.6 million people to access green electricity in the past year.	

Soitec

First invested August 2024
Sold January 2026

Positive Change hypothesis

Soitec develops advanced engineered semiconductor substrates, such as silicon-on-insulator wafers, that enable higher performance and lower power consumption in applications ranging from smartphones to data centres. Its proprietary technologies and long-term partnerships with major chipmakers provide high barriers to entry and good visibility over multi-year capacity expansions. By enabling chips that deliver more performance for less power, Soitec's engineered substrates help cut the energy required for a given level of compute and connectivity. As Soitec's engineered substrates displace conventional wafers in more devices, we expect the company to enjoy long-term revenue and profit growth and its customers to deliver more functionality with less energy across multiple end-markets.

Positive chain

Inputs

US$157m
R&D
2,200
Employees
(Y/E March 2025)

Activities

Soitec manufactures energy-efficient engineered substrates and compound wafers for the semiconductor industry. Leveraging its proprietary Smart Cut™ technology, the company transfers insulating substrate layers – primarily to silicon wafers – to enhance performance and energy efficiency.

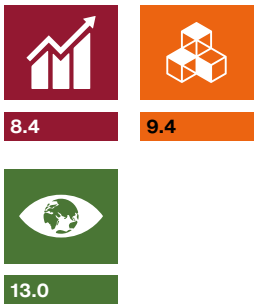
Outputs

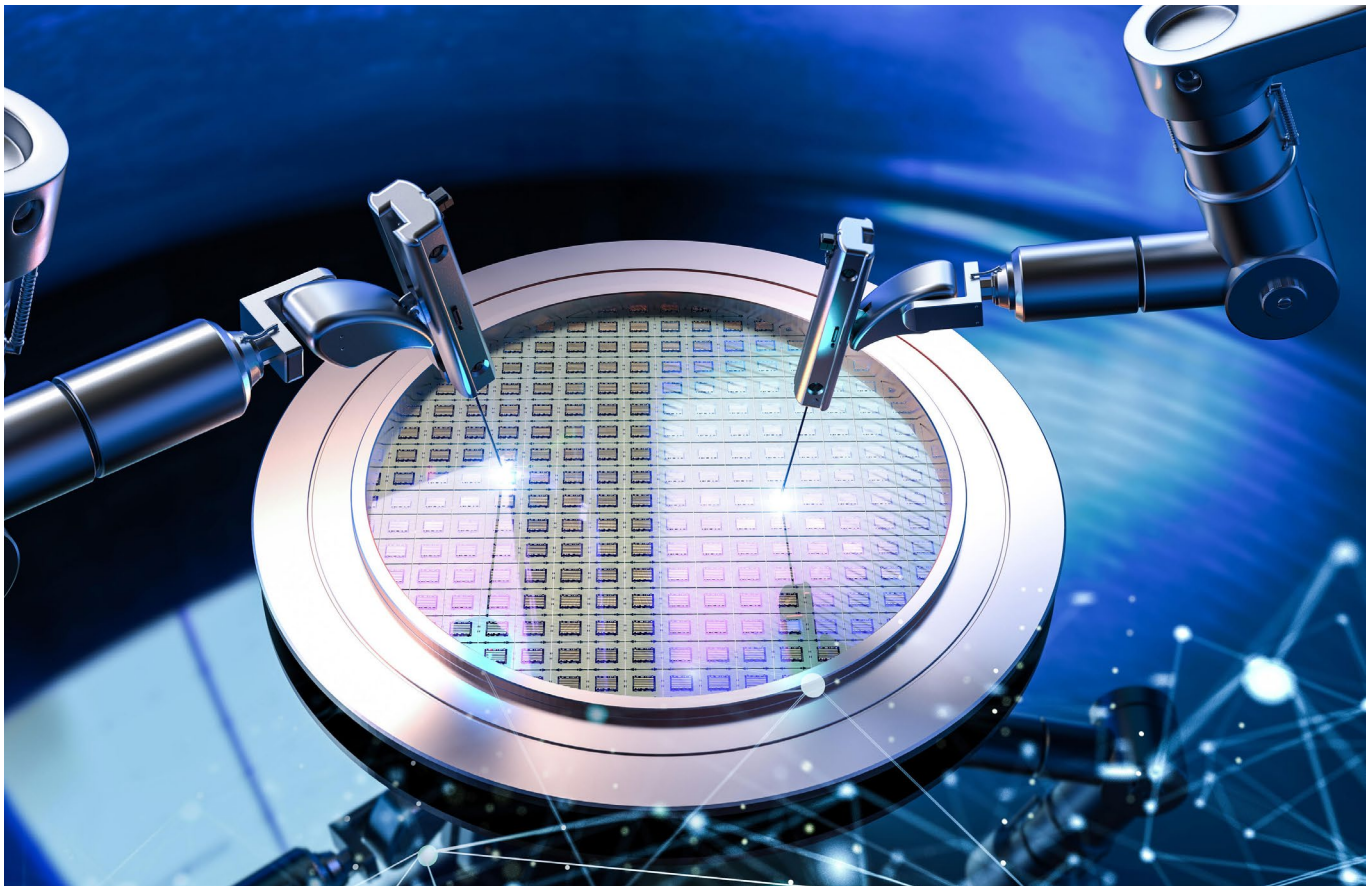
Soitec's wafers support energy efficiency across a wide range of applications, including mobile communications, smart devices, data centres and electric vehicles.

Outcomes

By replacing conventional semiconductors with those built on Soitec wafers, customers can significantly reduce emissions through improved energy efficiency. In 2023 alone, Soitec's low-carbon products contributed to avoiding approximately 1,064,000 tonnes of carbon dioxide equivalent (tCO_2e)*.

Impact





* 2025 data not yet released.

Sunbelt*

First invested **November 2024**

*Ashtead changed its name to Sunbelt in 2026

Positive Change hypothesis

Sunbelt is an equipment rental company operating mainly in North America, providing contractors and industrial customers with access to a wide range of tools and machinery. Renting rather than owning equipment improves utilisation, reduces idle assets and allows customers to upgrade more quickly to newer, safer and cleaner technologies. Structurally, we expect the shift from ownership to rental, together with Sunbelt's expanding branch network and service offering, to support attractive growth, strong returns on capital and robust free cash flow through the cycle. Expanding access to modern, fuel-efficient and lower-emission equipment should allow Sunbelt to grow rental revenues over time and, at the same time, make construction and infrastructure projects more resource-efficient and lower carbon.

Positive chain

Inputs

Not reported
R&D

25,048
Employees
(Y/E April 2025)

Activities

Sunbelt is one of the world's largest equipment rental companies, offering a full range of construction and industrial equipment including a growing fleet of electric and hybrid alternatives. Sunbelt operates over 1,560 stores across North America and the UK.

Outputs

In 2025, Sunbelt added 48 greenfield sites, helping to expand the US rental market. Sunbelt estimates its assets are 30 percent more utilised than privately owned equivalents.

Approximately 20 percent of the company's rental fleet is powered by alternatives to traditional diesel power, including battery, electric and hybrid options.

Outcomes

Sunbelt's hybrid battery storage solutions have been shown to reduce GHG emissions by 83 percent. In 2025, however, Sunbelt's downstream use of leased assets emissions intensity† increased by 25 percent, reflecting the challenge of decarbonising customer-side equipment use.

Impact





© Ashtead Group

† Emissions intensity is calculated as tonnes of CO_2 equivalent (tCO_2e) from use of leased assets divided by total rental revenue.

Healthcare and quality of life



Introduction

The global burden of disease is changing. Ageing populations, the rise of lifestyle-related conditions and persistent inequalities in access to care are placing growing strain on healthcare systems that were not designed to meet these challenges.

Yet there are many reasons for optimism. Advances in technology, deeper insight into human biology, more personalised treatments and a growing emphasis on prevention are transforming what is possible.

We invest in innovative companies pioneering these advances to improve health outcomes, plus those working to make high-quality care and treatments accessible to more people around the world.



2025 transactions

New buys	Complete sales
PROCEPT BioRobotics	AbCellera
BillionToOne	Moderna
Sandoz	Sartorius

Positive Change – part of the solution

The Positive Change portfolio aims to identify and invest in companies that improve health outcomes in multiple ways. This includes businesses advancing our understanding of disease, enabling earlier and more accurate diagnosis, developing new treatments, and helping patients manage chronic conditions more effectively.

The challenges

- **Lifestyle and age-related diseases** are rising rapidly. Each year, about 18 million people die from non-communicable diseases before the age of 70, with the vast majority of these deaths in low- and middle-income countries.
- At the same time, millions live with **diseases** for which there are few or no effective treatments. More than 55 million people worldwide are affected by dementia, for example, and there is still no known cure. Sustained research and innovation are essential if better treatments and, ultimately, cures are to be found for such diseases.
- **Rising healthcare costs** present another major challenge. The cost of care can prevent people from seeking treatment, while medical debt can trap individuals and their families in cycles of financial hardship. Each year, healthcare expenses contribute to financial stress for about two billion people globally.
- **Access remains deeply unequal**. Despite decades of progress, expansion of healthcare coverage has stalled since 2015, leaving billions without full access to essential medicines and basic health services.

Improving our understanding of diseases

Biology is complex, but a convergence of technologies is allowing it to be explored in unprecedented detail. At the heart of much of this progress is **Illumina**, whose low-cost, high-throughput genome-sequencing technology has transformed scientists' ability to read and interpret the human genome. By making sequencing faster and more affordable, Illumina has meaningfully expanded scientists' ability to identify disease risk earlier and, in some cases, to prevent or more precisely target treatment, particularly in areas such as rare cancers.

Diagnostics

A deeper understanding of biology is driving earlier diagnosis and more effective treatment of disease. Where many conditions were once detected only at advanced stages, new diagnostic tools, built in part on the sequencing capabilities **Illumina** has helped democratise, now allow clinicians to identify disease before symptoms emerge. This improves patient outcomes while reducing long-term costs for healthcare systems.

BillionToOne's UNITY test also exemplifies this shift. A single maternal blood draw can identify up to 14 conditions, reducing the need for multiple or invasive procedures. Its NorthStar tests apply similar precision in oncology, detecting genetic differences across tumour regions that may be missed by traditional tissue biopsies.

Treating diseases

New treatments should aim to either cure disease or substantially improve patient outcomes without compromising quality of life.

Alnylam uses RNA-interference technology, to develop therapies that silence disease-causing genes. It has already brought several treatments to market for serious rare diseases, including transthyretin amyloidosis (a fatal heart disease), alongside a pipeline of more than 25 programmes in development.

In addition to **Vertex's** cystic fibrosis franchise, it has launched a potentially curative gene-editing therapy for sickle cell disease and beta thalassaemia (an inherited blood disorder), as well as a new pain medicine that could help reduce reliance on opioids. Both companies represent a new generation of medicines that target the root causes of disease.

Yet access to treatment is as important as innovation. **Sandoz** manufactures more than 1,300 generic medicines across a broad range of therapeutic areas. By making proven treatments more affordable and widely available, it helps ensure that advances in medicine reach the patients beyond those who can afford the latest therapies.

PROCEPT BioRobotics' Aquablation therapy offers a further example of innovation improving outcomes. Used to treat benign prostatic hyperplasia, a condition affecting about half of men in their 60s, PROCEPT's technology combines robotic precision with real-time imaging, delivering more consistent results and fewer side effects than conventional surgery.

Managing chronic disease

For people living with chronic conditions, effective disease management can reduce complications, avoid hospitalisations and meaningfully improve quality of life.

Dexcom's continuous glucose monitoring devices enable diabetic patients to track their glucose levels in real time, enabling more informed, day-to-day decisions about their care. **Insulet's** Omnipod insulin pump complements this by simplifying insulin delivery, reducing the risk of serious complications. Together, they represent a shift in diabetes care from reactive treatment to proactive, patient-led management.

Alnylam

First invested **January 2017**

Positive Change hypothesis

Alnylam is a biotechnology company pioneering RNA interference (RNAi) therapies, a novel drug modality that can selectively silence disease-causing genes. It has built a portfolio of RNAi medicines for serious rare diseases and is increasingly working to develop treatments for more prevalent conditions, such as Alzheimer's and hypertension. With multiple approved products and a broad pipeline, we expect Alnylam to grow revenues strongly as existing drugs penetrate and new indications are launched. Over time, we expect Alnylam's expanding portfolio to translate growing use of RNAi medicines into a larger stream of product and royalty revenues and meaningful improvements in outcomes for many more patients with high-burden diseases.

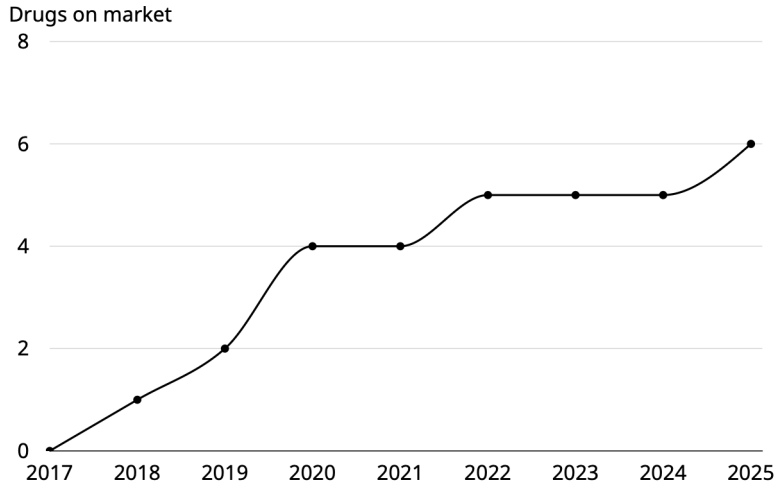
Positive chain ▲

Inputs	Activities	Outputs	Outcomes	Impact
US$1,320m R&D **2,500** Employees (Y/E December 2025)	Alnylam produces and develops therapeutics to treat rare chronic diseases. It uses RNA interference (RNAi), a technique that stops cells from making disease-causing proteins.	As of 2025, Alnylam has 6 approved drugs on the market and 28 programmes in clinical development. Between 2020 and 2025, drugs developed by Alnylam have reached approximately 500,000 patients.	Alnylam's RNAi-based medicines have been shown to significantly alleviate the symptoms of, and the prognosis for, those suffering rare diseases. An example is AMVUTTRA, which was released in 2025 for ATTR-CM, a serious heart disease; in trials, it reduced deaths and repeat heart-related events by 28 percent versus placebo.	**3.3, 3.4**

Long-term progress ▲

Alnylam has been significantly de-risked since our initial investment in 2017 and has delivered impressive revenue growth. At that time, the company had no medicines on the market; in 2025, the sixth Alnylam therapeutic, Qfitlia, was approved by the FDA for haemophilia A and B. AMVUTTRA's use was also expanded to include ATTR-CM, a rare heart condition, building on its established role in treating another form of ATTR amyloidosis. The company's pipeline includes programmes which will extend RNAi therapies into more common conditions, including diabetes, hypertension and Alzheimer's disease.

Impact objective ▲



Source: Baillie Gifford, based on company data.

Investment objective ▲

Share price return (US$)*

206.0% Cumulative

25.1% pa

51.6% Revenue growth pa

*11.7% pa MSCI ACWI return (US$).

Metrics over the five-year time horizon.
Past performance is no guarantee of future results.

Source: Revolution, Factset and MSCI. US dollars.

As at 31 December 2025.

Real world context ▲

RNAi has moved from scientific breakthrough to an established class of medicines, with Alnylam playing a pioneering role: its ONPATTRO was the world's first approved RNAi therapeutic, and six of the seven FDA-approved RNAi medicines were discovered by the company. The innovative mechanism of action, ability to target a wide range of diseases at a genetic level, and potent and durable effects are supporting growing interest in indications beyond rare genetic disease, including cardiovascular, neurological and metabolic conditions.

BillionToOne

First invested at IPO **November 2025**

Positive Change hypothesis

BillionToOne (BTO) is a diagnostics company developing liquid biopsy tests for prenatal screening and cancer, using proprietary molecular counting technology to analyse small amounts of cell-free DNA in blood. Its non-invasive prenatal tests offer broad detection of genetic conditions with no need for paternal blood sampling. It offers lower costs than many incumbent tests, which expands access for expectant parents and is appealing for clinicians. BTO is also rolling out oncology tests that can help match patients to targeted therapies and monitor treatment response using blood rather than tissue biopsies. Growing reimbursement and clinical adoption in large prenatal and oncology markets should enable BTO both to scale a high-margin, recurring testing business and to make earlier, more precise diagnoses available to far more patients.

Positive chain ▲

Inputs

US$49.4m
R&D

713
Employees

(Y/E December 2025)

Activities

BTO develops highly precise genetic diagnostic tests for use during pregnancy and in cancer care. Its tests analyse DNA from a simple blood draw, giving doctors and patients clearer answers without the need for invasive procedures.

Outputs

BTO has processed over one million tests to date, including 616,000 last year. Its UNITY prenatal testing covers up to 14 conditions including sickle cell disease and cystic fibrosis. BTO has contracts with payors covering more than 250 million lives in the United States.

Outcomes

UNITY Fetal Risk Screen detects up to 3 times more affected pregnancies than traditional screening workflows, with peer-reviewed studies demonstrating a sensitivity of 92.4 percent compared to 35 percent for traditional carrier screening.

Impact

3.2



Dexcom

First invested **January 2017**

Positive Change hypothesis

Dexcom is a leader in continuous glucose monitoring (CGM), supplying wearable sensors and software that allow people with diabetes to track their blood glucose levels in real time. This technology improves glycaemic control, reduces dangerous highs and lows and lowers the risk of long-term complications, easing pressure on patients and health systems. Dexcom generates recurring, high-margin revenues from sensor and transmitter sales, and has a long growth runway as CGM penetrates under-served patient groups and new regions. If continuous glucose monitoring becomes the standard of care across more forms of diabetes, Dexcom's growing installed base will support strong earnings growth and materially improve health outcomes and quality of life for millions of people.

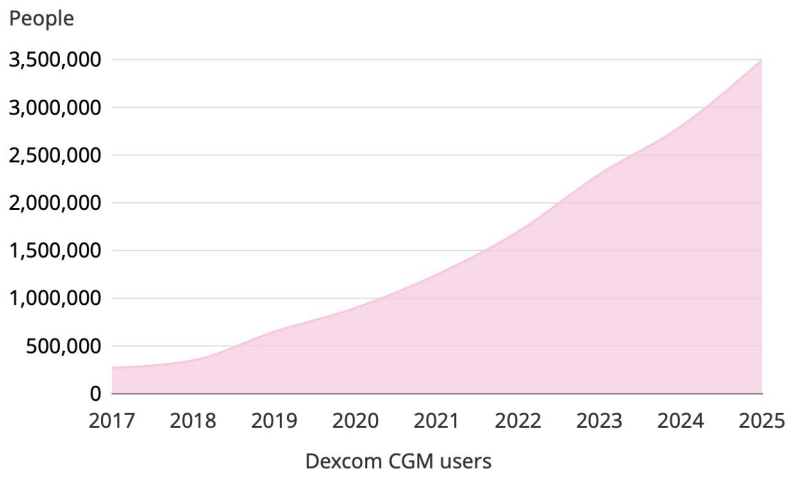
Positive chain ▲

Inputs	Activities	Outputs	Outcomes	Impact
US$599.1m R&D **11,100** Employees (Y/E December 2025)	Dexcom designs, manufactures and sells continuous glucose monitoring (CGM) systems that continuously monitor the changing glucose levels of diabetes patients.	Dexcom's systems support 3.5 million users globally in managing diabetes more effectively.	Dexcom's studies show CGMs improve daily time-in-range by 2 to 5 hours and reduce time spent in a state of hyper- and hypoglycaemia by 2.4 hours per day. Increased time-in-range has been proven to lower the risk of developing diabetes-related complications and restore years of life, particularly for type 1 diabetics.	**3.4**

Long-term progress ▲

Investor concerns over GLP-1 drug adoption, execution missteps, and sensor quality issues affecting manufacturing costs have weighed on the share price in recent years. Against this backdrop, the underlying business has continued to perform strongly through the development of sensors with clinical and economic benefits valued by key stakeholders: payors, prescribers, and patients. Since 2017, the user base has grown 13-fold to 3.5 million, and revenue has compounded at 28 percent annually over the past decade, reaching US$4.7bn in 2025. That patient population continues to expand, with three of the largest US pharmacy benefit managers covering its G7 sensor for non-insulin-intensive type 2 patients. In addition, the launch of Stelo, the first CGM available over the counter in the US, opens up the cash-pay channel for non-insulin intensive patients, prediabetics and wellness in general.

Impact objective ▲



Source: Baillie Gifford, based on company data.

Investment objective ▲

Share price return (US$)*

-28.2% Cumulative

-6.4% pa

19.9% Revenue growth pa

*11.7% pa MSCI ACWI return (US$).

Metrics over the five-year time horizon.
Past performance is no guarantee of future results.

Source: Revolution, Factset and MSCI. US dollars.

As at 31 December 2025.

Real world context ▲

An estimated 589 million adults worldwide live with diabetes, a figure projected to reach 853 million by 2050. A type 1 diabetic loses around 34 years of healthy life when their condition is not managed, and universal CGM access could save 741,000 lives by 2040. A further 635 million adults live with impaired glucose tolerance, placing them at elevated risk of developing type 2 diabetes – a population largely unreached by CGMs today, but increasingly accessible through over-the-counter devices like Stelo.

Illumina

First invested **January 2017**

Positive Change hypothesis

Illumina is the leading provider of next-generation sequencing instruments and consumables, which enable researchers and clinicians to read DNA at scale. Its technology has dramatically reduced the cost and time required to sequence genomes, opening up applications in oncology, rare disease diagnosis, reproductive health and drug development. A large installed base of sequencers and high switching costs support recurring, high-margin consumables revenues and a strong competitive position in a structurally growing market. Greater use of sequencing in clinical practice and life-sciences research should translate into significant earnings growth for Illumina and to earlier, more accurate and more personalised diagnosis and treatment for patients worldwide.

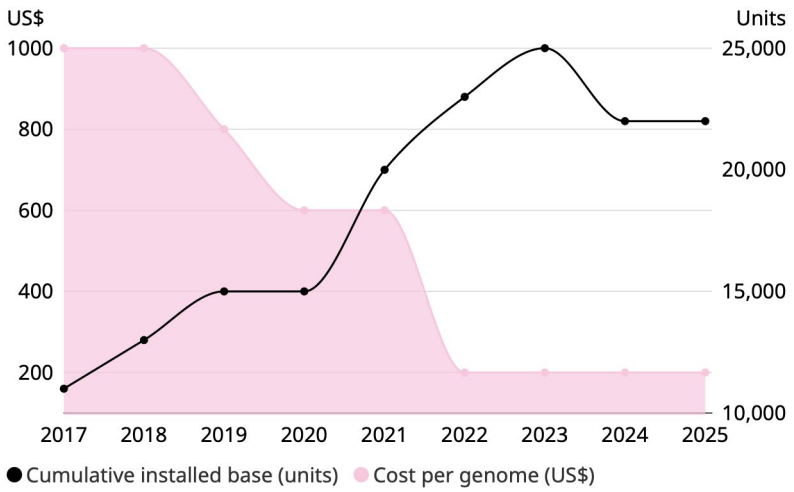
Positive chain ▲

Inputs	Activities	Outputs	Outcomes	Impact
US$967m R&D **8,600** Employees (Y/E December 2025)	Illumina designs, manufactures and markets gene sequencing machines for genetic analysis, which are used in various applications, including healthcare and agriculture.	As of 2025, Illumina has an installed base of over 22,000 gene sequencing machines in 165 countries. Through its partnerships and collaborations, Illumina is advancing personalised medicine and early cancer detection.	Illumina has been instrumental in reducing the cost of gene sequencing, which has improved our understanding of genetics, enabled more accurate disease diagnosis and facilitated research into new therapeutics. Illumina aims to expand access to genomic testing. As of 2025, 1.4 billion people have access to genomic testing through healthcare systems or reimbursable insurance policies.	2.4 3.3, 3.4 9.5

Long-term progress ▲

The company's 2021 capital allocation missteps triggered a proxy battle and a period of significant management upheaval. External headwinds have since compounded these challenges, with research funding conditions remaining difficult and export bans to China. The new management team has responded with a sharper focus on customer needs and a clear growth strategy built on three pillars: core sequencing anchored by the NovaSeq X; scaling into multiomics; and expanding services, data and software capabilities, including AI-enabled offerings. Each of these priorities expands customer capabilities and deepens Illumina's role as an enabler of genomic discovery and clinical decision-making. Early signs of operational recovery are encouraging, with operating margins improving meaningfully over the course of 2025.

Impact objective ▲



Source: Baillie Gifford, based on company data.

Investment objective ▲

Share price return (US$)*

-63.5% Cumulative

-18.3% pa

5.8% Revenue growth pa

*11.7% pa MSCI ACWI return (US$).

Metrics over the five-year time horizon.
Past performance is no guarantee of future results.

Source: Revolution, Factset and MSCI. US dollars.

As at 31 December 2025.

Real world context ▲

Illumina has been pivotal in making genomic sequencing more accessible. Successive generations of sequencing technology have dramatically reduced the cost of sequencing from around US$100m per genome in 2001 to under US$200 today with Illumina's NovaSeq X high-throughput platform. The 2024 launch of a compact benchtop instrument with room temperature reagents extends this access further, enabling smaller labs and clinical settings that previously lacked the infrastructure to run high-quality sequencing workflows. These advances have broadened the real-world impact of sequencing, from enabling earlier and more precise cancer diagnoses to supporting rare disease detection and shaping the future of personalised medicine. Looking ahead, Illumina is expanding beyond the instrument itself into multiomics assays and AI-powered informatics, deepening the potential for biological discovery and precision healthcare.

Insulet

First invested **July 2024**

Positive Change hypothesis

Insulet develops the Omnipod family of tubeless insulin pumps, which replace multiple daily injections with a small, wearable pod that automatically delivers insulin. This approach improves convenience, discretion and quality of life for people with diabetes, and can support better glucose control and fewer acute complications. Insulet's recurring revenue model is driven by disposable pods, with continued innovation and geographic expansion extending its addressable market beyond early adopters. An increasing body of clinical evidence is also expanding the population eligible for Omnipod use. Increased adoption of Omnipod by patients and clinicians should, over time, support strong revenue growth and rising profitability at Insulet and make effective, lower-burden diabetes management available to many more people.

Positive chain

Inputs	Activities	Outputs	Outcomes	Impact
US$301.1m R&D **5,400** Employees (Y/E December 2025)	Insulet designs, manufactures and sells wearable insulin pumps that deliver insulin automatically to people with diabetes throughout the day.	The company supports over 600,000 users across 25 countries, and its flagship device, Omnipod 5, is now available in 19 countries. The device integrates with continuous glucose monitors to automate insulin delivery throughout the day.	The Omnipod 5 increases users' daily time-in-range by 5.4 hours per day compared to multiple daily injections. Increased time-in-range has been proven to lower the risk of developing diabetes-related complications and restore years of life, particularly for type 1 diabetics.	 3.4

PROCEPT BioRobotics

First invested **May 2025**

Positive Change hypothesis

PROCEPT BioRobotics develops robotic systems for the treatment of benign prostatic hyperplasia, a common urological condition that can severely affect quality of life. Its Aquablation therapy combines advanced imaging, robotics and a high-velocity water jet to remove prostate tissue precisely, offering durable symptom relief with shorter procedure times and fewer side effects than many existing surgical options. The company generates attractive recurring revenues from the sale of single-use handpieces and has a long growth runway as more hospitals adopt the technology. With further expansion and the potential to become the standard of care, PROCEPT should be able to deliver strong revenue growth improving outcomes and reducing complications for men with prostate disease.

Positive chain ▲

Inputs	Activities	Outputs	Outcomes	Impact
US$71m R&D **888** Employees (Y/E December 2025)	PROCEPT BioRobotics develops and commercialises robotic systems for the treatment of benign prostatic hyperplasia (BPH).	As of December 2025, PROCEPT had an installed base of 912 robotic systems globally. These have been used to deliver treatments to over 125,000 patients.	PROCEPT's systems deliver treatment comparable to the surgical standard of care for BPH, but with substantially fewer irreversible side effects. Less than 1 percent of patients suffer from common side effects of other procedures, including urinary incontinence and erectile dysfunction.	 3.4

Sandoz

First invested **May 2025**

Positive Change hypothesis

Sandoz is a global leader in generic medicines and biosimilars, supplying cost-effective alternatives to branded drugs across a wide range of therapeutic areas, with notable expertise in antibiotics. Its scale, regulatory and distribution expertise give it a competitive edge in this competitive industry, notably in Europe. This supports resilient cash generation even as individual molecule drugs face price pressure. Ageing populations, constrained healthcare budgets and the loss of exclusivity on more biologic drugs create a long runway for volume growth in generics and biosimilars. Broadening access to essential treatments at a lower cost for health systems and patients should, over time, support growing earnings and cash flows at Sandoz and improve affordability and treatment coverage for patients worldwide.

Positive chain ▲

Inputs

US$1,050m
R&D

23,567
Employees

(Y/E December 2025)

Activities

Sandoz develops, manufactures and markets generic medicines and biosimilars. It is the world's largest biosimilar company and the global leader in generic antibiotics.

Outputs

Sandoz has a portfolio of 1,300 generic medicines with 400 under development, spanning cardiovascular, central nervous system, oncology, infectious diseases, pain and respiratory conditions. The portfolio includes 13 biosimilars products, with a further 27 in the development pipeline.

Outcomes

Sandoz reaches over one billion patients annually in more than 100 countries. It treats 40 million patients in low- and middle-income countries and covers 62 percent of the World Health Organisation's Essential Medicines List.

Sandoz's affordable medicines generate approximately US$26bn in healthcare system savings across key markets, and deliver an estimated five million quality-adjusted life years to patients.

Impact

3.3, 3.4, 3.8



Vertex Pharmaceuticals

First invested **June 2024**

Positive Change hypothesis

Vertex Pharmaceuticals is a biopharmaceutical company focused on commercialising transformative therapies for diseases with high unmet need. Vertex has a differentiated R&D approach, which is disease-led, technology agnostic and aims to commercialise both first-in-class and best-in-class treatments. Its portfolio of medicines has changed the standard of care for many patients living with cystic fibrosis, delivering durable improvements in lung function and life expectancy, while the gene therapy, Casgevy, offers a potential cure for people living with Sickle Cell Disease and Beta Thalassemia. Vertex is reinvesting its strong cash flows from cystic fibrosis (CF) medicines into treating other diseases, such as opioid use disorder, kidney disease and type 1 diabetes. Extending access to its existing franchise and bringing new therapies to market should allow Vertex to sustain attractive profit growth and materially improve outcomes and quality of life for patients with previously intractable conditions.

Positive chain

Inputs

US$3,910m
R&D

6,400
Employees

(Y/E December 2025)

Activities

Vertex Pharmaceuticals produces and develops transformative medicines for serious diseases including cystic fibrosis (CF), acute pain/ opioid use disorder, sickle cell disease (SCD) and beta thalassaemia (BT).

Outputs

Vertex has 7 approved drugs on the market and a further 9 in clinical development. In 2025, Vertex's CF medicines were used by 77,000 patients, with access agreements in over 60 countries. JOURNAVX, a treatment for acute pain, had more than 550,000 prescriptions written and filled. Approximately 300 people with SCD or BT have initiated treatment with CASGEVY.

Outcomes

Vertex's CF franchise continues to significantly improve patient health outcomes. For some, a Vertex treatment will result in a 45-year increase in their life expectancy.

Vertex's CRISPR-based gene editing therapy for SCD, CASGEVY, is potentially curative and has been shown in trials to significantly reduce hospitalisations, organ damage and severe pain events.

JOURNAVX provides effective relief of moderate-to-severe acute pain without the addictive potential of opioids.

Impact



3.4

Base of the pyramid



Introduction

Despite the significant reduction in extreme poverty over the past two centuries, progress has slowed. Around 45 percent of the world's population still live on less than US$6.85 a day, a proportion that has barely changed since 1990.

Life at the base of the pyramid is shaped by low incomes, limited access to healthcare, education and financial services, and by greater exposure to instability and insecurity.

Addressing these needs is critical to building a more prosperous and inclusive world. We look for businesses that can serve this population affordably, responsibly and at scale, and believe that doing so represents one of the most significant and underappreciated opportunities in global markets.



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2025 transactions

New buys	Complete sales
None	None

Positive Change – part of the solution

Within the base of the pyramid theme, Positive Change aims to invest in companies whose core mission is to address the challenges faced by people living on some of the lowest incomes worldwide. This often includes products that enable financial inclusion, financial health and resilience, and access to basic services.

The challenges

- Many people on low incomes live in countries where **socio-economic development is limited or unequally distributed**. Historically, inclusive economic growth has been essential for alleviating poverty.
- **Persistent poverty** is driven by a complex set of factors, including geography, poor governance, inadequate infrastructure and connectivity, and barriers to education and healthcare.
- **Physical and economic shocks** can trap individuals and households in poverty. Climate change poses significant and growing risks to low-income populations, particularly through the increased frequency and severity of extreme weather events.
- Poverty is **multi-dimensional**. Beyond low incomes, affected individuals face poor health, lack of educational opportunities and inadequate living conditions. Low-income households often pay more for basic resources and services, including higher credit costs, which further constrains their ability to build resilience.

Currently, two portfolio companies are categorised under the Base of the Pyramid theme, reflecting the fact that the majority of their beneficiaries live at the base of the global economic ladder. However, several portfolio holdings across our other impact themes also contribute to improving outcomes for this population, some of which are highlighted below.

At the portfolio level, Positive Change has a relatively high exposure to countries where much of the base of the pyramid resides. Revenues from countries in the bottom half of the Human Development Index account for 34 percent, compared with 21 percent for the MSCI ACWI.

Financial inclusion

The world has made significant progress in expanding financial inclusion, accelerated by the widespread adoption of mobile phones. Today, almost 80 percent of adults globally have access to some form of bank account. However, about 1.3 billion adults remain unbanked, while many others are underbanked. These individuals and businesses need affordable accessible financial services to manage their everyday needs.

Bank Rakyat Indonesia (BRI) is Indonesia's largest microfinance provider, operating in a country where nearly three-quarters of the population is unbanked or underbanked. BRI provides savings, credit and insurance to millions of low-income Indonesians at a reasonable cost and interest rate, with a strong focus on lending to small businesses.

More broadly, small businesses in low- and middle-income countries face an estimated funding gap of US$5.7tn. **Grab** is helping close this gap across Southeast Asia through its digital platform, disbursing more than US$3.2bn of loans to its drivers and merchants in 2025. **MercadoLibre** approved more than US$39bn of loans to over two million small businesses in Latin America in 2025. In India, meanwhile, 34 percent of **HDFC Bank's** lending supports priority areas, including small businesses and rural communities.

Financial health and resilience

Financial services that strengthen household resilience are increasingly important for low-income populations, particularly given the physical impacts of climate change and recurring economic shocks. Households' ability to absorb and recover from these shocks is a key factor distinguishing transient from persistent poverty.

Remittances play a critical role in supporting the financial health of more than a billion people worldwide. On average, remitters send around 15 percent of their income, with recipients primarily using the funds to meet their basic needs, such as food, housing and utility bills.

Remitly is a digital remittance company challenging an industry that has historically charged high and opaque fees. It aims to provide an affordable, secure and convenient money transfer service, enabling migrants, predominantly in North America, to financially support friends and family members in more than 175 countries.

Other portfolio companies supporting household financial resilience include **Sea**, which provides small-scale consumer credit in Southeast Asia; **Nubank**, which is expanding access to a growing range of financial services in Latin America; **Prudential**, which is developing accessible and affordable insurance for lower-income groups in developing countries; and **Kaspi**, whose commerce platform connects over 700,000 merchants, the vast majority of them small businesses, with consumers across Kazakhstan, including in regions historically underserved by formal markets.

Access to basic services

Many essential services remain inaccessible or unaffordable for low-income populations. However, new technologies and business models are helping to close those gaps.

Within the Healthcare and Quality of Life theme, **Alnylam** has drugs under development for hepatitis, a disease whose burden falls disproportionately on communities in South Asia and Africa. **Sandoz**, through its generics platform, helps ensure that essential medicines reach millions of patients in emerging markets at affordable prices.

In the Social Inclusion and Education theme, **Coursera** and **Duolingo** are working towards providing universal access to high-quality, low-cost education. Digital learning models reduce barriers associated with traditional education systems in low-income settings and can help improve employment prospects and economic participation. In 2025, English was the most popular language learned on Duolingo in 154 countries, primarily low- and middle-income countries.

Bank Rakyat Indonesia

First invested **January 2017**

Positive Change hypothesis

Bank Rakyat Indonesia (BRI) is a leading provider of microfinance and other basic banking services to low-income households and small enterprises across Indonesia. Its extensive branch, mobile and agent network allows it to reach rural and informal customers at low cost, supporting financial inclusion in a country where formal financial services remain underpenetrated. By combining a low-cost funding base with granular, short-tenor lending, BRI can generate attractive and resilient returns on equity while expanding access to credit and savings. Deeper relationships with underserved customers and wider digital and agent-based services should, over time, support rising earnings at BRI and strengthen households' capacity to smooth incomes, invest in businesses and build financial resilience.

Positive chain ▲

Inputs

US$27m
R&D
84,949
Employees
(Y/E December 2025)

Activities

BRI provides access to savings, lending, insurance and payment services across Indonesia, focusing on underserved and rural communities. The bank plays a leading role in financial inclusion, particularly through its micro and ultra-micro offerings.

Outputs

In 2025, BRI served more than 187 million micro and ultra-micro savings accounts; provided ultra-micro loans to 34.5 million borrowers; and offered 14 million microinsurance policies.

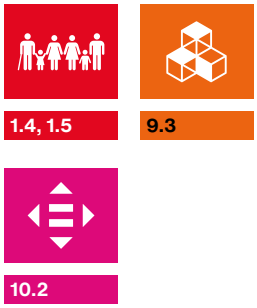
BRILink, the Bank's agency network, which covers 88 percent of Indonesia's villages, processed 1.2 billion transactions worth US$105bn.

Outcomes

In a 2025 survey of microfinance customers, BRI found evidence of positive outcomes:

- 81.7 percent of small business customers and 69.6 percent of micro finance customers reported gaining first-time access to formal finance.
- 42.8 percent of small business customers and 48.0 percent of micro finance customers reported an increase in business assets.

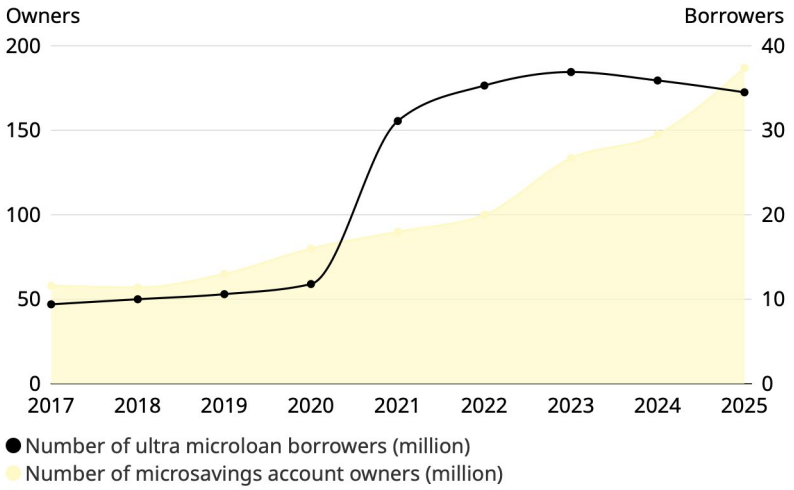
Impact



Long-term progress ▲

In 2025, BRI continued to manage asset-quality pressure, particularly in its micro and small business portfolios. The bank has prioritised healthier and more sustainable growth, with tighter credit discipline, stronger risk controls, improved loan-officer capability and enhancements to micro-lending processes. Despite the macro-economic challenges in Indonesia, BRI's role in financial inclusion remains central to the business: small business loans account for just over three quarters of the loan book and amount to US$105bn in loans.

Impact objective ▲



Source: Baillie Gifford, based on company data.

Investment objective ▲

Share price return (US$)*

3.9% Cumulative

0.8% pa

14.2% Revenue growth pa

*11.7% pa MSCI ACWI return (US$).

Metrics over the five-year time horizon.
Past performance is no guarantee of future results.

Source: Revolution, Factset and MSCI. US dollars.

As at 31 December 2025.

Real world context ▲

Indonesia has made consistent progress in poverty reduction, with the national poverty rate falling to 8.3 percent of the population in September 2025. Small businesses have been central to Indonesia's inclusive-growth story: they account for more than 99 percent of businesses, contribute 62 percent of GDP and employ 97 percent of the workforce. However, access to finance remains a major constraint with 82 percent of small businesses in the country lacking access to formal finance.

Remitly

First invested **December 2022**

Positive Change hypothesis

Remitly is a digital remittances company that helps migrant workers send money quickly, safely and transparently to family and friends in their home countries via a mobile app. Remittances have a significant role in supporting the alleviation of poverty, and the majority of remittances are spent on essential costs (including food, rent and healthcare). Remitly's focus on user experience, competitive pricing and trusted brand supports high customer loyalty in a market where many incumbents are costly, slow or inconvenient. Remitly's asset-light model allows it to scale send volumes efficiently, improving unit economics as it grows and expands into new corridors and financial services. Lowering the cost, complexity and stress of cross-border transfers for migrants should allow Remitly to combine strong revenue growth and rising profitability with improved financial wellbeing for millions of recipient households.

Positive chain

Inputs

N/A
R&D
>3,200
Employees
(Y/E December 2025)

Activities

Remitly enables customers to make person-to-person money transfers in more than 175 countries, in over 100 currencies, across over 5,300 transfer corridors, to over 5.4 billion bank accounts and mobile wallets and with approximately 490,000 cash pick-up options.

Outputs

Remitly served 9.3 million quarterly active customers in 2025, 32 percent more than in 2024. In 2025, it enabled the transfer of US$74.9bn, with over 92 percent of funds disbursed within one hour.

Outcomes

Remittances are an essential source of funds for households in low- and middle-income countries. On average, 75 percent of remittances are spent on essential costs. Remitly aims to ensure its average transaction costs fall below the Sustainable Development Goal of less than 3 percent.

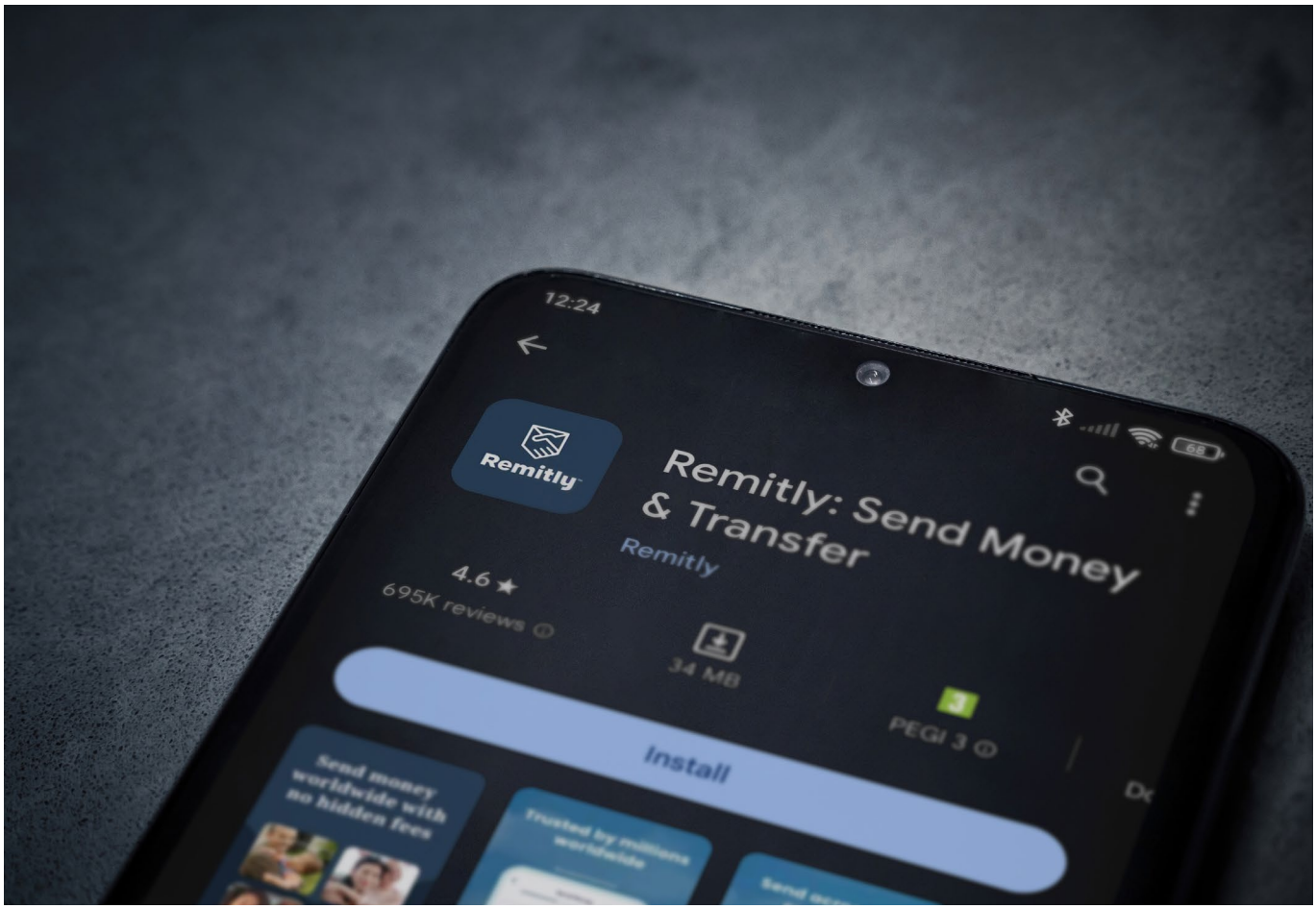
Impact



1.4, 1.5



10.b, 10.c



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Significant SDG contributions

We analyse each holding in the portfolio and map significant contributions from products and services to the UN SDGs. This allows us to represent the overall contribution of the portfolio to the SDGs.

Positive contributions

1 NO POVERTY

- Bank Rakyat Indonesia
- HDFC Bank
- MercadoLibre
- Nubank
- Prudential
- Remitly

2 ZERO HUNGER

- Deere
- Ecolab
- Illumina

3 GOOD HEALTH AND WELL-BEING

- Alnylam
- BillionToOne
- Dexcom
- Ecolab
- Illumina
- Insulet
- Procept
- Prudential
- Rivian
- Sandoz
- Vertex Pharmaceuticals

4 QUALITY EDUCATION

- Coursera
- Duolingo
- The New York Times

5 GENDER EQUALITY

No company mapped

6 CLEAN WATER AND SANITATION

- Ecolab
- Savers Value Village

7 AFFORDABLE AND CLEAN ENERGY

- CATL
- Ecolab
- Prysmian
- Schneider Electric

8 DECENT WORK AND ECONOMIC GROWTH

- ASML
- Epiroc
- Grab
- Kaspi
- MercadoLibre
- Microsoft
- Nubank
- Sea Limited
- Savers Value Village
- Shopify
- Soitec
- TSMC

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

- ASML
- Arm
- Autodesk
- Bank Rakyat Indonesia
- Epiroc
- Illumina
- Kaspi
- MercadoLibre
- Microsoft
- Prysmian
- Sea Limited
- Shopify
- Soitec
- Sunbelt
- TSMC

10 REDUCED INEQUALITIES

- Bank Rakyat Indonesia
- Nubank
- Remitly
- Shopify

11 SUSTAINABLE CITIES AND COMMUNITIES

- Autodesk
- CATL
- HDFC Bank
- Joby Aviation
- Rivian
- Sunbelt

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

- Autodesk
- CATL
- Ecolab
- Savers Value Village
- Sunbelt

13 CLIMATE ACTION

- Arm
- Autodesk
- CATL
- Deere
- Ecolab
- Epiroc
- Joby Aviation
- Rivian
- Savers Value Village
- Soitec
- Sunbelt
- The New York Times

14 LIFE BELOW WATER

- Deere

15 LIFE ON LAND

- Deere

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

- The New York Times

17 PARTNERSHIPS FOR THE GOALS

No company mapped

Negative SDG contributions

Just as important as identifying positive impacts from portfolio companies' products and services, is identifying potentially negative contributions. This is a fundamental part of our impact analysis. Here, we highlight company products and services that we deem to be significantly negatively contributing to the Sustainable Development Goals.

Arm 13.0

At least some of the energy savings enabled by Arm's efficient designs efficient designs are likely to be offset by increased overall usage. We believe this rebound effect will be contained given the constraints that hyperscalers face in terms of power availability, regulation and infrastructure capacity.

ASML 13.0

By enabling the production of leading-edge semiconductor nodes, ASML's lithography tools may support higher overall semiconductor output and compute demand, raising sector-wide energy and material footprints despite efficiency gains at the individual chip level. However, we acknowledge that ASML also enables improvements in chip efficiency, which partly mitigates this impact.

Bank Rakyat Indonesia 13.0 15.0

Bank Rakyat Indonesia (BRI) has been criticised by non-governmental organisations (NGOs) in recent years for its involvement in financing palm oil plantations and coal fired power plants. However, it must be acknowledged that the extractives and agricultural sectors in Indonesia are extremely large and therefore it is perhaps unrealistic to expect that it would not have any exposure given its role as a state-owned enterprise. We have engaged with BRI regarding its approach to environmental and social due diligence and it has confirmed it follows government guidelines regarding sustainable banking. This includes avoiding companies who are on various government 'black lists', ensuring environmental permitting is in place, and ensuring companies engaged in palm oil activities have an Indonesian Sustainable Palm Oil or a Roundtable on Sustainable Palm Oil certificate. The corporate loan book is much smaller than that for the micro segment (about two-thirds), and it is the latter that drives the positive change case for the company.

Deere 13.0 14.0 15.0

Modern agricultural practices have been linked to climate change and biodiversity loss through the use of chemical fertilisers, pesticides and equipment emissions. As a producer of agricultural equipment, Deere is complicit in enabling these impacts. However, industrial agricultural systems are central to feeding the world and we acknowledge the positive change Deere brings through its new technologies which limit these impacts, and commend them for the direction they are taking.

Ecolab 13.0

Ecolab no longer provides services for customers in energy exploration and production or any other upstream hydrocarbon processes. However, a proportion of Ecolab's revenues come from its Global Industrial segment which includes serving customers in the downstream energy, refining and petrochemical industries. In many cases, Ecolab's contribution to these industries is to improve energy and water management, improve sustainability and minimise pollution, therefore providing a positive environmental contribution. In some cases products are process aids that enable customers to profitably and reliably refine fuels and process petrochemicals. It can therefore be argued as having a negative contribution to climate change by supporting the fossil fuel industry. The breadth of positive impact that Ecolab has across the remainder of industries that it works with is considered to more than compensate for the proportion of activities within the energy industry that could be considered to be negative.

Epiroc 13.0

Last year, 4.2 percent of Epiroc's revenue related to electrification, meaning that Epiroc continues to sell diesel equipment into the mining sector and is responsible for a large amount of GHG emissions through the use of its products. However, the company is committed to increasing its range of electrified products, and has a target for fully electric versions of all products by 2030. It takes a long time for the mining industry to change, but we believe that Epiroc is driving change through being a leader in the development of electrified equipment for underground mining.

Grab 13.0

Although Grab are encouraging the development of the EV infrastructure, there is evidence showing that ride-hailing trips contribute to higher GHG emissions than private vehicles and substantially higher emissions than public transport.

HDFC Bank 13.0

HDFC Bank is exposed to the thermal coal value chain and petroleum products through the loans and credit it provides. Today, the majority of India's energy needs comes from coal as it is the most abundant fossil fuel and this is followed by petroleum-based products. By financing these industries, HDFC Bank is directly financing emissions which negatively impact efforts to combat climate change. However, HDFC Bank's direct fossil fuel loan exposure remains relatively limited.

Microsoft 13.0

Efficiency gains from Microsoft's cloud computing and AI services lower the unit cost of compute and can stimulate greater overall usage. This rebound effect may increase total energy demand and associated emissions from data centre workloads, even as emissions per individual workload improve.

Sunbelt 13.0

Sunbelt rents industrial and construction ICE (internal combustion engine) vehicles and equipment to customers and sells its post-rental inventory. The use of this equipment contributes to climate change through GHG emissions while in use. However, we expect this to fall over time as Sunbelt increases low carbon alternatives in its fleet.

TSMC 13.0

TSMC's ability to produce increasingly advanced and energy-efficient chips has helped drive expanding device volumes and greater AI and compute intensity globally. This rebound effect means lifecycle energy use and emissions across the semiconductor value chain may increase, even as energy consumption per transistor improves.

Important notes: Our SDG mapping is underpinned using the 169 targets below the 17 SDGs. SDG mapping is the output of our philosophy and process and will change as the composition of the portfolio changes. We assess that portfolio companies' products materially address 15 SDGs. Our SDG mapping incorporates significant contributions that companies are making via their products and services only. It does not encompass the business practices of our holdings. Our aim is to identify and hold companies for their positive contributions. Accordingly, the number of holdings we found to be making a significant negative contribution to the SDGs through their products and services is less than those holdings making positive contributions.

Methodology for Positive Chain estimates

This section sets out the methodologies used to calculate outcomes-level impact data for Coursera, Duolingo, Rivian, CATL and Deere. Our estimates are based on company disclosures and publicly available data, applying clear and reasonable assumptions to gauge the scale of impact.

CATL

"We estimate that, in 2025, CATL's batteries avoided the emission of over 26.7 million tonnes of carbon dioxide equivalent (tCO_2e)".

CATL is a complex business broadly selling to core product batteries for battery electric vehicles and plug-in hybrid electric vehicles, and batteries for battery energy storage systems (BESS). The company does not report and so we commissioned an expert researcher in avoided emissions accounting to produce a best effort estimate of avoided emissions for both product groups. The methodology used and core assumptions are detailed below but please request more information if required.

Approach: EV batteries

CATL's contribution to avoided emissions from its EV batteries is calculated on the basis of the avoided emissions of an electric vehicle (EV) compared to an internal combustion engine (ICE) vehicle. CATL's batteries are assumed to be used in medium sized plug in hybrid vehicles (PHEV) and battery electric vehicles (BEVs).

Step 1: Calculate the baseline emissions

Manufacturing and use phase emissions data was taken from the International Energy Agency's (IEA) EV Lifecycle Assessment Calculator for a medium sized ICE vehicle in each region.

Step 2: Calculate the emissions of the EV vehicles

Manufacturing and use phase emissions data was taken from the IEA's EV Lifecycle Assessment Calculator for a medium sized PHEV and BEV in each region.

Step 3: Multiply by the volume of vehicles

CATL report that they have a 39.2% share of the EV battery market. Industry data from the IEA on the distribution of PHEVs and BEVs across the relevant geographies from 1 January 2025 to 31 December 2025 was used to estimate the volume of each vehicle type enabled by CATL's battery production in each geography.

Step 4: Calculate avoided emissions

The lifecycle emissions associated with the PHEVs and BEVs enabled by CATL are subtracted from the lifecycle emissions associated with the equivalent number of ICEs.

This resulted in an estimate avoided emissions of 5.3 million tCO_2e (5,289,117 tCO_2e).

Approach: Battery Energy Storage Systems (BESS)

CATL's BESS products avoid emissions directly through the displacement of fossil-based electricity generation. For the purposes of this assessment, it has been assumed that the batteries are charged on solar power which would otherwise have been curtailed.

Step 1: Calculate the lifecycle emissions of the baseline electricity generation method per kWh

For BESS, the baseline depends on whether the battery is applied to a front of meter (FTM; utility) or behind the meter (BTM; commercial/residential) setting.

CATL. 2025. Annual Report.
IEA. 2025. 'Global EV Outlook 2025.'
IEA 2026. Global EV Outlook 2026
IEA. 2024. 'Batteries and Secure Energy Transitions.'
IEA. EV Life Cycle Assessment calculator.
Beuse et al. 2021. 'Comparing CO2 emissions impacts of electricity storage across applications and energy systems.' Joule, 5(6), 1501–1520.
Fett et al. 2023. 'Life cycle greenhouse gas emissions of residential battery storage systems: A German case study.' Journal of Industrial Ecology, 27(1), 182–195.

For FTM storage, the baseline is the electricity-generating peaker plant displaced in the relevant geography, which is assumed to be coal in China and open cycle gas turbines (OCGT) in the other geographies. For BTM storage, the counterfactual is the average grid electricity.

Lifecycle emissions per kWh of energy discharged for each of these technologies in their relevant geographies was obtained from academic studies.

Step 2: Calculate the lifecycle emissions of the BESS per kWh

Manufacturing and recycling emissions were drawn from academic literature and amortised over the lifetime of the battery per kWh of energy discharged. Use phase emissions from the operation of the BESS were assumed to be zero per kWh of energy discharged. Lifecycle emissions of the BESS were the same for both FTM and BTM applications.

Step 3: Multiply by the amount of kWh discharged

CATL reported total sales of 121 GWh of BESS in its 2025 annual report. This figure is adjusted to reflect the performance of the batteries over their lifetime based on a roundtrip efficiency of 90%, a depth of discharge of 80%, and a battery life of 7,000 cycles (approximately 18 years). This results in an estimate of the total energy discharged by the battery during each year of operation.

Based on IEA industry data the amount of energy discharged was attributed to FTM and BTM systems according to a split defined in IEA industry data at 65% and 35% respectively. The distribution of CATL's BESS across China, Europe, the US and the rest of the world (55/20/15/10) was also based on IEA industry data.

Step 4: Calculate avoided emissions

The lifecycle emissions associated with CATL's BESS are subtracted from the lifecycle emissions associated with the relevant baseline generation technology, depending on geography and application.

The result is that, if CATL's batteries are used to store and re-release solar power that would otherwise have been curtailed, the avoided emissions could equal approximately 21 million tCO_2e (21,443,040 tCO_2e) in 2025.

Finally, we summed the avoided emissions from the EV batteries and BESS segments to arrive at the final number of 26,732,157 tonnes of co_2e avoided.

Coursera

'We estimate, based on Coursera's Learner Outcomes Report (2025), that 97.5 million learners may have seen career benefits, such as a promotion or pay increase.'

Coursera is a global online learning platform that provides learners with access to educational content from top universities and companies.

To estimate the number of learners who may have experienced career benefits, we drew on Coursera's 2025 Learner Outcomes Report, which surveyed platform users and found that 91 percent reported receiving some form of career benefit – such as a promotion, pay increase or new job opportunity.

Coursera also reports that, as of the end of 2025, its 197 million registered learners had completed 107.2 million assessments. Since there is no public data on the number of active learners who took courses during the year, we used completed assessments as a proxy for the number of engaged learners. In other words, we assumed that each completed assessment represented one learner engaging meaningfully with course content.

Applying the 91 percent outcome rate to the 107.2 million completed assessments, we estimate that approximately 97.5 million learners may have experienced a career benefit.

Sources:

Coursera, Inc. 2025. 'Learners Outcomes Report'
Coursera, Inc. 2025. Form 10-K for the Fiscal Year Ended December 31, 2024. U.S. Securities and Exchange Commission.

Deere

'We estimate that, in 2025, See & Spray avoided approximately 3,040 tonnes of herbicide.'

Deere is an agricultural equipment manufacturer and leader in precision agricultural technologies. Its most advanced technology is named See & Spray, an implement which uses cameras and machine learning to identify weeds and spray herbicide only where it is needed. This can reduce herbicide use while maintaining crop protection.

To estimate avoided herbicide use, we used Deere's reported figure that See & Spray was deployed across more than 5 million acres in 2025. Deere also reported that customers using the technology reduced non-residual herbicide use by nearly 50 percent.

As Deere does not disclose the crop mix of those acres, we used 2025 US planted acreage across corn, soybeans and cotton as a proxy. These are large US row crops where See & Spray is most applicable. We used data from the United States Department of Agriculture to understand the average amount of herbicide used per acre for each of these crops.

Crop	Share of acreage	Estimated herbicide use per acre
Corn	52%	2.88 lbs/acre
Soybeans	43%	2.45 lbs/acre
Cotton	5%	2.62 lbs/acre

This gave a weighted average herbicide use rate of approximately 2.68 pounds per acre. Applying a 50 percent reduction across 5 million acres gives an estimated 6.7 million pounds of avoided herbicide, equivalent to approximately 3,040 tonnes.

Duolingo

'We estimate that 600,000 Duolingo English tests were taken in 2025.'

Duolingo is a language learning app and website. One of the exciting aspects of the impact case is its ability to significantly broaden access to English proficiency tests, which are often a critical requirement for accessing higher education, employment opportunities and immigration pathways.

To estimate the number of tests taken, we used Duolingo's reported 2025 revenue of US$42.00 million from its English Test segment. We then divided this by the cost of a single test, which was publicly quoted as US$70 on the Duolingo English Test website.

This gives an estimated 600,000 tests taken over the year – highlighting the scale at which Duolingo is helping learners demonstrate language proficiency in a more accessible and affordable way.

Rivian

'We estimate that in 2025, Rivian's global fleet of vehicles helped customers avoid 417,121 tonnes of carbon dioxide equivalent (tCO_2e) emissions.'

Rivian is a US-based manufacturer of electric vehicles, including the R1T pickup, R1S SUV, and a commercial Electric Delivery Van (EDV). To estimate avoided emissions, we compared the lifecycle emissions of Rivian vehicles to those of equivalent internal combustion engine (ICE) vehicles, using independent and company-disclosed lifecycle assessment (LCA) data. These assessments capture total emissions per mile over each vehicle's useful life, including manufacturing, energy use and end-of-life.

Sources:
John Deere, 2025, 'John Deere Customers Use See & Spray Technology Across Five Million Acres in 2025'
USDA National Agricultural Statistics Service, 2026, 'Crop Production 2025 Summary'
USDA National Agricultural Statistics Service, 2022, '2021 Agricultural Chemical Use Survey: Corn'
USDA National Agricultural Statistics Service, 2024, '2023 Agricultural Chemical Use Survey: Soybeans'
USDA National Agricultural Statistics Service, 2022, '2021 Agricultural Chemical Use Survey: Cotton'
https://englishtest.duolingo.com/home.
Duolingo, Inc. 2025. Form 10-K for the Fiscal Year Ended December 31, 2024. U.S. Securities and Exchange Commission.

Our avoided emissions estimate reflects the difference in lifecycle emissions per mile between Rivian's vehicles and their ICE counterparts, multiplied by the estimated number of miles driven in 2025. The calculation followed a structured, multi-step process.

Step 1: Distance driven and vehicle mix

We began by estimating the total number of Rivian vehicles on the road. Summing the company's reported deliveries from 2021 to 2025 gives a total of 165,200 vehicles:

- 2021 – 920
- 2022 – 20,332
- 2023 – 50,122
- 2024 – 51,579
- 2025 – 42,247

Rivian reported that its global fleet drove 1.8 billion miles in 2024. Based on the proportionate increase in vehicles (34%), we estimate that Rivian's global fleet drove 2.4 billion miles in 2025. We assumed that all vehicles sold prior to 2025 were Gen 1 and that they drove the same mileage in 2025 as they did last year, equivalent to 1.8 billion miles. We assumed that all vehicles sold in 2025 were Gen 2 and allocated these vehicles only to the estimated increase in mileage in 2025, equivalent to approximately 618 million miles. The fleet included 30,000 EDVs, with the remaining 135,200 vehicles split evenly between the R1T pickup and R1S SUV models.

Step 2: Emissions per mile

We used Rivian's lifecycle emissions data, which includes manufacturing, fuel or electricity use, and end-of-life processes, to estimate an average emissions per mile for each vehicle type:

- EDV: 375.5 grams of carbon dioxide equivalent per mile (gCO_2e/mile)
- R1T Gen 1: 388 gCO_2e/mile
- R1S Gen 1: 392 gCO_2e/mile
- R1T Gen 2: 345.5 gCO_2e/mile
- R1S Gen 2: 340.5 gCO_2e/mile

For Gen 2 R1T and R1S, we applied a midpoint estimate between the highest and lowest available lifecycle emissions figures for each model.

For ICE comparators, we selected the following vehicle types and applied emissions estimates drawn from academic LCAs:

- Ford Transit Van (comparator for EDV): 755 gCO_2e/mile (Farzaneh, 2023)
- ICE pickup truck (comparator for R1T): 558 gCO_2e/mile (Woody et al., 2022)
- ICE SUV (comparator for R1S): 460 gCO_2e/mile (Woody et al., 2022)

Step 3: Avoided emissions

We calculated the total lifecycle emissions generated by Rivian's fleet over the estimated miles driven in 2025, then compared this with the emissions that would have been generated by a comparable ICE fleet driving the same distance.

- Rivian fleet emissions: 913,545 tCO_2e
- ICE comparator fleet emissions: 1,330,666 tCO_2e
- Avoided emissions: 417,121 tCO_2e

Sources:

Rivian. 2025 'R1T Dual Motor Carbon Footprint'

Rivian. 2025 'R1S Dual-Motor Carbon Footprint'

Rivian. 2023. 'R1S Dual-Motor Carbon Footprint' Rivian. 2023. 'R1T Launch Edition Carbon Footprint' Rivian. 2023. 'Electric Delivery Van Carbon Footprint'

Rivian Automotive, Inc. 2025. 'Q4 2025 Rivian Shareholder Letter'

Rivian Automotive, Inc. 2025. Form 10-K for the Fiscal Year Ended December 31, 2024. U.S. Securities and Exchange Commission. Rivian Automotive, Inc. 2025. Form 10-K for the Fiscal Year Ended December 31, 2023. U.S. Securities and Exchange Commission. Rivian Automotive, Inc. 2025. Form 10-K for the Fiscal Year Ended December 31, 2022. U.S. Securities and Exchange Commission. Rivian Automotive, Inc. 2025. Form 10-K for the Fiscal Year Ended December 31, 2021. U.S. Securities and Exchange Commission.

Farzaneh, Farhad, and Sungmoon Jung. 2023. 'Lifecycle Carbon Footprint Comparison Between Internal Combustion Engine versus Electric Transit Vehicle: A Case Study in the U.S.'

Woody, Maxwell, Parth Vaishnav, Gregory A. Keoleian, Robert De Kleine, Hyung Chul Kim, James E. Anderson, and Timothy J. Wallington. 2022. 'The Role of Pickup Truck Electrification in the Decarbonization of Light-Duty Vehicles.'

Independent Third Party Assurance

We have sought and obtained independent limited assurance from BDO LLP (“BDO”) on selected information as identified with the symbol ▲ in our report. BDO’s independent limited assurance engagement was performed in accordance with the International Standard for Assurance Engagements 3000 (Revised) – ‘Assurance engagement other than audits or reviews of historical financial information report’. BDO has issued an unqualified report over the selected information. Their assurance report can be read **here**.

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Vanguard Baillie Gifford Global Positive Impact Stock Fund Top Holdings

Top 10 holdings as of December 31, 2024

Holding	Weight (%)
Taiwan Semiconductor Manufacturing Co. Ltd.	7.8
MercadoLibre Inc.	6.2
Shopify Inc.	5.4
Duolingo Inc.	5.0
ASML Holding NV	5.0
Autodesk Inc.	4.4
HDFC Bank Ltd.	4.2
Bank Rakyat Indonesia Persero Tbk PT	3.9
Alnylam Pharmaceuticals Inc.	3.7
Grab Holdings Ltd.	3.6

Source: Vanguard, as of December 31, 2024

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