

**SHINING A LIGHT ON THE.....  
Baillie Gifford Positive Change Fund**

**AT A GLANCE**

<b>Investment Objective</b>	
The fund aims to outperform (after deduction of costs) the MSCI AC World Index, as stated in Sterling, by at least 2% per annum over rolling five-year periods. The Fund will invest at least 90% in shares of companies anywhere in the world whose products or behaviour make a positive impact on society and/or the environment in the investment manager's opinion. Investments will be made in companies addressing critical challenges in areas such as, but not limited to; education, social inclusion, healthcare and the environment. The Fund will be actively managed, concentrated and will invest in shares of companies of any size, any country and in any sector.	

<b>Inception Date</b>	3 January 2017
<b>Fund Factsheet Link</b>	<a href="https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000ZB0M">https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000ZB0M</a>

<b>Management</b>	
<b>Manager Name</b>	<b>Start Date</b>
William Sutcliffe	3 January 2017
Kirsty Gibson	3 January 2017
Kate Fox	3 January 2017
Julia Angeles	3 January 2017
Lee Qian	3 January 2017

<b>Investment Style Details</b>	
<b>Equity Style</b>	
<b>Market Capitalisation</b>	<b>% of Equity</b>
Giant	25.06%
Large	36.67%
Medium	35.19%
Small	3.08%
Micro	0.00%

<b>Top 10 Holdings</b>		
<b>Total number of holdings</b>	31	
<b>Assets in Top 10 Holdings</b>	52.08%	
<b>Name</b>	<b>Sector</b>	<b>% of Assets</b>
DexCom Inc	Healthcare	7.16%
Tesla Inc	Consumer Cyclical	6.48%
ASML Holding NV	Technology	6.08%
Illumina Inc	Healthcare	5.65%
M3 Inc	Healthcare	5.55%
Taiwan Semiconductor Manufacturing Co...	Technology	5.46%
Kingspan Group PLC	Industrials	4.31%
Umicore SA	Industrials	4.15%
Alphabet Inc A	Communication Services	3.65%
Chr. Hansen Holding A/S	Basic Materials	3.60%

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Volatility Measurements	
3-Yr Std Dev (volatility)	16.71%
3-Yr Mean Return (average)	25.92%

## FUND PERFORMANCE

Performance from 3 January 2017 to 31 May 2020

	2017	2018	2019	2020
Baillie Gifford Positive Change Fund	43.10%	5.38%	25.86%	25.18%
MSCI World	9.72%	-4.87%	20.36%	-2.41%

Performance over 12 months, 3 years, and since launch:

	1 year	3 years	Since Launch
Baillie Gifford Positive Change Fund	48.69%	99.66%	137.60%
MSCI World	7.01%	17.32%	22.46%

*You should note that past performance is not a reliable indicator of future returns and the value of your investments can fall as well as rise. The total return reflects performance without sales charges or the effects of taxation, but is adjusted to reflect all on-going fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.*

## UPDATE....

**These updates have been written at the time of the Coronavirus Pandemic of 2020, which has impacted the global financial markets in a way that has never been seen before.**

Baillie Gifford as a house are very difficult to interact with. Across their fund range they have excellent funds, with excellent track records. The problem seems to be that they know this and therefore their interaction is often aloof, and this can deter investors. If you can get over that and accept them for what they are then this might be a fund to consider.

This is a global strategy which focuses on the growing inequalities within society and our planet. These inequalities bring with them challenges and the need for positive change. The four main themes for the strategy are social inclusion and education, environment and resilience needs, healthcare and quality of life and base of pyramid.

The focus is on high quality growth companies and exceptional businesses. During the recent crisis, examples where they have benefited includes drug development and helping people work from home.

Examples of companies includes:

1. John Deere who are a leader in precision agriculture, which aims to increase productivity whilst at the same time reducing the use of chemicals. This addresses the need to increase food output but reducing greenhouse emissions
2. Safaricom provides access to the banking system in Kenya. This specifically uses technology to address social challenges and improve lives by turning mobile phones into bank accounts
3. Orsted is an energy transition business moving away from fossil fuels to wind and solar

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4. Tesla – is another example of changes in energy usage and is led by an ambitious, bold and innovative and long-term management team

In summary, this fund will appeal to those investors who want to invest capital in areas where it can be used to make positive change. The team have done well since the launch of the strategy and recent events have accelerated some of the themes within the strategy. We will always struggle with Baillie Gifford as a house but if you can overcome that you have a good team, with a strong track record and a strategy making a positive difference.

*The source of information in this note has been provided by Baillie Gifford and is correct as at June 2020. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to make a decision based on these notes we cannot take responsibility for this and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.*