

Sustainable investment labels help investors find products that have a specific sustainability goal.

Keystone Positive Change Investment Trust plc

The Trust uses a Sustainability Impact label: it invests mainly in solutions to sustainability problems with an aim to achieve a positive impact for people or the planet.

SDR sustainability-related disclosure document

Baillie Gifford & Co Limited | LEI: 5493002H3JXLXIGC563

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Sustainability Goal

The Trust aims to contribute to a more sustainable and inclusive world over rolling five-year periods (the “Impact”). The Trust will contribute to a more sustainable and inclusive world through investing (at least 90%) in public and private companies whose products and/or services contribute to the Impact by addressing critical social and/or environmental challenges in the areas that include:

i. social inclusion and education through activities that:

- a. remove barriers to access and provide affordable housing and accessible finance
- b. enable digital connectivity
- c. provide access to education and training

ii. environment and resource needs through activities that:

- a. support the energy transition (the move from fossil fuel dependency to a more sustainable global energy mix)
- b. ensure sustainable resource use
- c. transform agriculture and enable sustainable food production

iii. healthcare and quality of life through activities that:

- a. improve our understanding of diseases
- b. improve diagnostics
- c. develop new treatments
- d. prevent diseases
- e. create health system efficiency

iv. base of the pyramid (addressing the needs of the poorest four billion people in the world) through activities that:

- a. expand financial inclusion
- b. improve financial resilience
- c. provide access to basic modern services

(the “Impact Outcomes” with each of social inclusion and education; environment and resource needs; healthcare and quality of life and base of the pyramid being an “Impact Theme”).

No specific material negative environmental or social outcomes are expected as a result of the Trust pursuing its sustainability objective, however there is no guarantee that the sustainability objective will be met or that a positive impact will be achieved. Progress towards achieving the sustainability objective, and any negative contributions to UN SDGs, are reported in the [Keystone Positive Change Investment Trust Impact Report](#).

Sustainability Approach

What the Trust will invest in: The Trust will invest at least 90% in shares or other securities of companies anywhere in the world whose products and/or services contribute to Impact, divided into four Impact Themes:



All companies are assessed in line with the Manager’s (i) proprietary qualitative framework and (ii) Theory of Change¹. Companies’ products and/or services are expected to have a meaningful and real-world contribution to solving one or more social and/or environmental challenges. The Theory of Change sets out the contribution that the Manager expects both (i) the assets and (ii) its own activities will make to achieving the desired impact. There are 4 pillars to this: 1) intentional impact investment (asset contribution), 2) financial contributions, 3) impact maximising engagements, and 4) responsible stewardship.

Prior to investment in a company the Manager articulates a Positive Change Hypothesis for that company, explaining how a company will achieve both the financial objective and contribute to the relevant Impact Themes.

¹A Theory of Change is a description of how and why a desired change is expected to occur in a particular context

The Positive Change Hypotheses are published in the annual [Keystone Positive Change Investment Trust Impact Report](#). In addition, the Manager will manage the portfolio to support the goal of net zero greenhouse gas ('GHG') emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5C ("net zero"). Companies will be prioritised for engagement on the basis of their alignment to net zero.

Other assets the Trust may also invest in: Money market instruments, deposits and cash may be held in the portfolio for efficient portfolio management reasons.

Stewardship Approach: The Manager will identify specific matters or business practices it believes will either (i) increase the chances of that company achieving Impact, and/or (ii) minimise environmental and social risks from the companies' activities. Engagement may be conducted over several years and will be monitored. Engagement objective key performance indicators (KPIs) will be identified for actions prioritised for engagement. The KPIs may be qualitative or quantitative.

Sustainability Metrics

The key performance indicators (KPIs) listed below provide a measure of positive impact provided by the Trust.

The portfolio as a whole will be expected to be aligned to at least 10 out of the 17 [UN Sustainable Development Goals \(SDGs\)](#). This will be measured on an annual basis, with ongoing monitoring.



✓ As at 31 December 2023 the Positive Change portfolio aligned to 15 of the UN SDGs. Images: © United Nations Department of Public Information. Based on the Positive Change Team's views.

The KPIs display the aggregated Trust level positive impact by theme during 2023. Please see [Keystone Positive Change Investment Trust Impact Report](#), for further detail on the impact of companies in the Trust.*

Provided access to education and/or training to 227 million registered learners	Allowed customers to save close to 1.7 trillion litres of water
Provided access to online marketplaces for more than 10 million sellers	Allowed customers to save over 210,000 tonnes of waste
Contributed to healthier lifestyles for close to 41 million people	Helped farmers engage in better farming practises close to 163 million hectares of land
Enables 5.2 million people to send, save & spend money on healthcare services	Enabled the avoidance of close to 33 million tonnes of CO₂e
Provided treatment and disease management solutions to over 2.3 million patients.	Provided access to financial services to close to 523 million people
Provided close to 31,000 instruments for scientific research	Enabled borrowing for over 95 million borrowers

*Data related to healthier lifestyles, healthcare services including treatment and disease management and instruments for scientific research is presented to date, covering multiple years.

The [Annual report](#), [Impact Report](#) and [Positive Conversations](#) provide metrics and information on sustainability aspects that we consider appropriate for this Trust, and importantly these documents provide appropriate context and nuance.

More Information

For more information please refer to below relevant documents:

[KIID](#) | [TCFD](#) | [Factsheet](#) | [Impact Report](#) | [Positive Contributions](#) | [Annual Report](#)

Further information on sustainable investment labels can be found on the [FCA website](#).

For our legal notices and disclosures please visit bailliegifford.com/disclaimers.

Contact Us

For further information about the Fund or Baillie Gifford's range of OEICs, please contact our Client Relations Team on 0800 917 2113, visit our website at bailliegifford.com, or email enquiries@bailliegifford.com