

Press release

7 January 2025

Your Vote Matters: Baillie Gifford Calls on Investment Trust Shareholders to Act to Protect Their Investment

Baillie Gifford, a leading UK investment manager, is calling on shareholders of three of its investment trusts, Baillie Gifford US Growth Trust (USA:LSE), Edinburgh Worldwide Investment Trust (EWI:LSE), and Baillie Gifford Keystone Positive Change Investment Trust (KPC:LSE), to take action in the face of potential wholesale changes proposed by Saba Capital Management L.P. ('Saba'), a US-based hedge fund.

Saba has acquired significant stakes in these trusts and owns 25.2% of Baillie Gifford US Growth Trust, 21.1% of Edinburgh Worldwide Investment Trust, and 28.1% of Baillie Gifford Keystone Positive Change Investment Trust. The hedge fund is proposing to replace all current directors of the three trusts with its own two candidates. If successful, Saba would then intend to assume management of the trusts and would be expected to change each trust's investment mandate.

Shareholders will vote on the proposals at general meetings scheduled for early February 2025. If 50% of the votes are cast in Saba's favour, its proposals will pass, and the potential changes will affect all trust shareholders.

Historically, retail shareholders do not vote at general meetings, often because they invest through platforms and are unaware of how they can exercise their right to vote.

James Budden, Head of Global Marketing, Baillie Gifford, says: "We urge all shareholders to act on this occasion, to clearly understand the choices facing them, and to ensure their voices are heard. Every vote matters."

The Boards of [US Growth Trust](#) and [Keystone Positive Change](#) issued circulars on Monday 6 January strongly advising shareholders vote against all the requisitioned resolutions proposed by Saba. The [Board of Edinburgh Worldwide reiterated](#) its conviction in the trust's vision and strategy saying it will urge all shareholders to vote against the resolutions and will convene a general meeting in due course.

James Budden continued: "Saba cherry-picked data when our style of investing was out of favour to portray a narrative of poor performance and wide discounts. We recognise the past few years have been tough for the companies we invest in; however, performance has notably improved throughout 2024. Baillie Gifford US Growth Trust returned 56% and Edinburgh Worldwide returned 24% in share price terms. This outperformance has been reflected in tighter discounts. Investing in exceptional growth companies requires patience and conviction. We are confident that our investment approach can outperform over the longer term."

Baillie Gifford has managed investment trusts since 1909 and is the largest manager in the sector with a stable of 13 closed-end vehicles.

Shareholders can read the Circulars and find more information on casting their vote at;

US Growth Trust: www.bailliegifford.com/USGrowthTrust-SabaDefence

Keystone Positive Change: www.bailliegifford.com/KeystonePositiveChange-SabaDefence

ENDS

Notes to Editors

- The Board of Edinburgh Worldwide has already undertaken a [full and independent review](#) to set it on a path of renewed growth, which was [approved by shareholders](#) in December.
- The Board of Keystone Positive Change Trust had already consulted with shareholders to explore the various options open to the trust and recommended a rollover into the open-ended Baillie Gifford Positive Change fund at a price close to NAV.
- Investors who hold shares through a platform will likely need to contact their platform provider. This is straightforward, and guidance is available on the [Baillie Gifford website](#).

For further information, please contact:

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About Baillie Gifford

Baillie Gifford is an independent investment partnership founded over a century ago in Edinburgh, owned and run by 58 partners who all work at the firm. The firm's mission is to find game-changing companies (both public and private) that can sustain growth and provide returns for clients over five to ten years and sometimes longer. With 1,708 staff and assets under management of £218bn, it has offices in Edinburgh, Amsterdam, Dublin, Frankfurt, Hong Kong, London, New York, Shanghai, Toronto, and Zurich (at 30 September 2024).