

Oko-Institut e.V.
Yifaat Baron
P.O. Box 17 71
D-79017 Freiburg
Germany

21 December 2015

Dear Ms. Baron,

Response to 2015 Consultation 3: Joint Revaluation of Two Requests for Exemption, First Reviewed in 2013-2014, Related to Cadmium Quantum Dot Applications

Baillie Gifford & Co, founded in 1908, is one of the UK's largest independent investment management firms with assets under management of £120bn¹. Our business remains relatively simple: our predominant activity is managing long-only equity mandates for a variety of institutional clients. We also manage investments in multi-asset and fixed income strategies for a smaller number of clients. Our main client type now is UK and North American pension funds, though increasingly, we invest assets on behalf of other financial and sovereign institutions in Europe, Asia, Australia, the Middle East and Africa.

As an investment management firm focused on investing in companies for the long term, our research focuses on identifying sustainable businesses; companies that take their environmental, social and governance responsibilities seriously. Consistent and reliable regulation is therefore extremely important and this is the basis for our letter. We feel it is appropriate to comment on the joint revaluation of these two requests for exemption of extension of use of Cadmium-based quantum dots in lighting and display systems.

We believe these Exemption requests should be dismissed on basis of availability of safer and cleaner alternative technology. We have been following the development of the quantum dots market for over five years, primarily through our involvement with one of our investee companies, Nanoco, which we have long admired for its strong commitment to bring Cadmium-free quantum dots to the market. We believe that the innovation and competitiveness of such companies should not be hampered by regulation that sets back the new technology that was developed in order to bring to consumers safe and environmentally friendly products. Cadmium-free quantum dot technology is a fine example of cutting edge science that puts the European innovation in a leading position when competing with other manufacturers of quantum dots.

¹ As at 31st October, 2015

However, the requests for exemption are at odds with this proposition despite overwhelming evidence that safer, market ready and proven alternatives exist to the use of toxic cadmium in quantum dot displays. A whole line of TVs based on this technology is already on offer by well-known major retailers through the European market.

Given the significant environmental and health risks that cadmium poses, we believe the electronics industry should refocus on the development and manufacture of RoHS compliant quantum dot materials. We would like to once again underline our opposition to the renewal of Exemption 39, as it is no longer justified.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Kave Sigaroudinia', with a long horizontal flourish extending to the right.

Kave Sigaroudinia

Partner, Baillie Gifford & Co

A handwritten signature in black ink, appearing to read 'Marianne Harper Gow', with a long horizontal flourish extending to the right.

Marianne Harper Gow

Director of Corporate Governance, Baillie Gifford & Co