

Toelichting op de website over het financiële product: samenvatting

Worldwide Climate Future Fund

Houd er rekening mee dat de volgende duurzaamheidsinformatie bedoeld is om u een indicatief beeld te geven van de strategie waarin u belegt. In sommige gevallen zal deze duurzaamheidsinformatie geen volledige weergave zijn van uw mandaat als u ESG-gerelateerde verplichtingen/beperkingen heeft aangepast.

Geen ernstige afbreuk doen aan de duurzame beleggingsdoelstelling

Bij beleggingen en tijdens de duur van het product worden de verplichte indicatoren voor ongunstige effecten in tabel 1 van bijlage I van de RTS (Regulatory Technical Standards, ofwel technische reguleringsnormen) van de SFDR en de door de Beleggingsbeheerder geselecteerde opt-in indicatoren voor ongunstige effecten in tabellen 2 en 3 van bijlage I van de RTS (Regulatory Technical Standards, ofwel technische reguleringsnormen) van de SFDR die worden geacht te wijzen op de aanwezigheid van een belangrijk ongunstig effect, beoordeeld en uitgesloten of er wordt toezicht op gehouden, afhankelijk van de indicator.

De Beleggingsbeheerder beoordeelt ondernemingen aan de hand van een op normen gebaseerde beoordeling en de naleving van zijn beleid inzake het beoordelen van schendingen van de beginselen van het UN Global Compact voor ondernemingen, zoals uiteengezet in het document met de principes en richtlijnen voor rentmeesterschap van Baillie Gifford.

Zie voor meer informatie de volledige toelichting.

Duurzame beleggingsdoelstelling van het financiële product

Het Fonds streeft ernaar aantrekkelijke rendementen op lange termijn te behalen door voornamelijk te beleggen in aandelen van bedrijven die bijdragen aan de beperking van en aanpassing aan klimaatverandering. De milieubijdrage kan via de producten en/of diensten van het bedrijf zijn, of via zijn bedrijfspraktijken, maar de afstemming tussen hun financieel succes en bijdrage aan de beperking van en aanpassing aan klimaatverandering is cruciaal. Hoewel de duurzame beleggingsdoelstelling van het Fonds consistent is met de klimaatdoelstellingen binnen de

EU-Taxonomie, zal het niet uitsluitend beleggen in economische activiteiten die volgens de EU-Taxonomie als ecologisch duurzaam kwalificeren.

See full disclosure for further details.

Beleggingsstrategie

Het Fonds wordt actief beheerd en richt zich op het beleggen van ten minste 90 procent in aandelen van bedrijven waarvan de producten en/of diensten of bedrijfspraktijken bijdragen aan de beperking van en aanpassing aan klimaatverandering. Het Fonds hanteert een hieronder beschreven thematische duurzaamheidsstrategie omdat het voornemens is te beleggen in bedrijven die bijdragen aan het duurzaamheidsthema van beperking van en aanpassing aan klimaatverandering. Naast de thematische duurzaamheidsstrategie gebruikt het Fonds normgebaseerde evaluatie, uitsluiting op basis van bedrijfsactiviteiten en actief eigenaarschap om de duurzame beleggingsdoelstelling te bereiken.

De Beleggingsbeheerder hanteert een beleid om praktijken goed bestuur te toetsen op gebieden zoals goede managementstructuren, betrekkingen met werknemers, beloning van het betrokken personeel en naleving van de belastingwetgeving. Ondernemingen die niet slagen voor deze toetsen, worden niet in het Fonds gehouden.

Zie voor meer informatie de volledige toelichting.

Verhouding van beleggingen

Om aan de duurzame beleggingsdoelstelling van het Fonds te voldoen, belegt het over het algemeen ten minste 90% van zijn totale activa in aandeleneffecten van bedrijven (rechtstreeks, hoewel het ook indirect kan beleggen via in aanmerking komende collectieve beleggingsregelingen) waarvan de producten en/of diensten of bedrijfspraktijken bijdragen aan de beperking van en aanpassing aan klimaatverandering. Dit omvat een minimale toezegging van 1% om te beleggen in duurzame beleggingen met een milieudoelstelling die is afgestemd op de EU-Taxonomie en 90% duurzame beleggingen met een milieudoelstelling die niet is afgestemd op de EU-Taxonomie.

Zie voor meer informatie de volledige toelichting.

Toezicht op de duurzame beleggingsdoelstelling

Er wordt zowel intern als extern toezicht gehouden op de ecologische en/of sociale kenmerken (E/S-kenmerken). Het Fonds hanteert ter ondersteuning van de gepromote ecologische en/of sociale kenmerken (E/S-kenmerken) naast de impactstrategie een op normen gebaseerde beoordeling, op bedrijfsactiviteiten gebaseerde uitsluitingen en actief eigenaarschap. Dit wordt doorlopend uitgevoerd aan de hand van naleving van en toezicht op de bindende verbintenissen. Zie voor meer informatie de volledige toelichting.

Methodologieën

De volgende indicatoren worden gebruikt om het behalen van de duurzame beleggingsdoelstelling te meten:

- Het percentage beleggingen dat bijdraagt aan de beperking van of aanpassing aan klimaatverandering zoals bepaald door het onderzoeksproces van de Beleggingsbeheerder.
- Het percentage beleggingen dat overeenstemt met het beleid van de Beleggingsbeheerder inzake het beoordelen van schendingen van de beginselen van het UN Global Compact voor ondernemingen.
- Het percentage beleggingen dat overeenstemt met de op bedrijfsactiviteiten gebaseerde uitsluitingen.

Het percentage deelnemingen waarop is gestemd. Zie voor meer informatie de volledige toelichting.

Gegevensbronnen en -verwerking

De Beleggingsbeheerder maakt gebruik van een combinatie van intern onderzoek (op basis van openbaar beschikbare bronnen die worden vermeld door de ondernemingen waarin is belegd) en gegevensbronnen van derden om alle door het Fonds gepromote ecologische en/of sociale kenmerken (E/S-kenmerken) te behalen.

Zie voor meer informatie de volledige toelichting.

Beperking van methodologieën en gegevens

Het landschap wat betreft ESG-gegevens ontwikkelt zich snel, en de kwaliteit van de gegevens evenals de methodologie hebben momenteel te kampen met uitdagingen in de hele sector, zoals ontoereikende informatieverschaffing van ondernemingen en veranderende wettelijke vereisten.

Deze beperkingen worden voornamelijk ondervangen door niet alleen intern onderzoek van de Beleggingsbeheerder en actieve betrokkenheid bij ondernemingen, maar ook door kruisvergelijkingen tussen de belangrijkste meetgegevens van verschillende gegevensverstrekkingen. Door deze ondervanging is de Beleggingsbeheerder van mening dat het promoten van de ecologische en sociale kenmerken (E/S-kenmerken) niet noemenswaardig verandert.

Zie voor meer informatie de volledige toelichting.

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Due diligence

Het uitgangspunt van alle strategieën van Baillie Gifford is bottom-up fundamenteel aandelenonderzoek. Dit proces is gericht op inzicht in elke onderneming, de sector waarin het actief is en diens benadering ten aanzien van wezenlijke of waarschijnlijk wezenlijke kwesties.

Toegang tot externe gegevens van onafhankelijke leveranciers draagt bij tot een beter inzicht in elke onderneming, en er wordt veel waarde gehecht aan het zoeken naar perspectieven en opinies van externe deskundigen en onderzoekers om de benadering van het Fonds te helpen onderbouwen.

Naast het Fonds voert de Beleggingsbeheerder doorlopend due diligence-onderzoek uit om toezicht te houden op de aangegane verbintenissen, zoals beschreven in het hoofdstuk Toezicht dat wordt overzien door een aangewezen comité.

Zie voor meer informatie de volledige toelichting.

Beleid inzake engagement

Engagement en toezicht op beleggingen die de Beleggingsbeheerder namens klanten doet, vormen een integraal onderdeel van het beleggingsproces en zijn essentieel voor de manier waarop de Beleggingsbeheerder zijn rentmeesterschapstaken vervult. Alle beleggingsbeheerders, beleggingsanalisten en ESG-analisten zijn betrokken bij dit proces. Ze vergaderen met het management en ander uitvoerend personeel, de afdelingshoofden en niet-uitvoerende bestuursleden.

Jaarlijks worden er beleggingen gemeld die zijn onderworpen aan formele engagement- en toezichtsprocessen in het kader van het beleid van de Beleggingsbeheerder inzake het beoordelen van schendingen van de beginselen van het UN Global Compact voor ondernemingen.

Meer informatie over het beleid van de Beleggingsbeheerder inzake engagement is te vinden in het document met principes en richtlijnen voor rentmeesterschap van Baillie Gifford dat openbaar beschikbaar is op de website.

Zie voor meer informatie de volledige toelichting.

Het behalen van de duurzame beleggingsdoelstelling

Er is geen index aangewezen als referentiebenchmark om de door het product gepromote ecologische en/of sociale kenmerken (E/S-kenmerken) te behalen.

Financial product website disclosure

Worldwide Climate Future Fund

This document provides the investor with detailed information about the fund in relation to the Sustainable Finance Disclosure Regulation ('SFDR'). This is a regulatory document required under SFDR. The information contained in this document is to help the investor understand the sustainability characteristics and/or objectives and risks of this fund. This document should be read in conjunction with other relevant regulatory documentation so the investor can make an informed decision to invest.

No significant harm to the sustainable investment objective

Upon investment and over the life of the Fund, mandatory indicators for adverse impacts in Table 1 of Annex I of the SFDR Regulatory Technical Standards ('SFDR RTS') and opt-in indicators for adverse impacts selected by the Investment Manager in Tables 2 and 3 of Annex I of SFDR RTS that are deemed to indicate the presence of a principal adverse impact are assessed and excluded or monitored depending on the principal adverse impact indicator. When not explicitly excluded from inclusion in the Fund's portfolio, principal adverse impacts are monitored through stewardship activities which include the following non-exhaustive actions to mitigate or reduce principal adverse impacts: (a) voting (b) dialogue and engagement and (c) collaborative activities. In instances where a sustainability objective has been agreed with the investee company as part of stewardship activities and this objective is not achieved, escalation measures (e.g. collective engagement) will be initiated. Divestment, although an action that can be taken, will be the last resort.

The Investment Manager will assess companies using norms-based evaluation and their compliance with its policy on assessing breaches of United Nations Global Compact Principles for Business as outlined in Baillie Gifford's Stewardship Principles and Guidelines document. As such, all the companies in which the Fund invests in are expected to operate in accordance

with the principles set out in the United Nations Global Compact and related standards, including the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights.

Sustainable investment objective of the financial product

The Fund aims to deliver attractive long-term returns by investing primarily in the equities of companies that are contributing to climate change mitigation and adaptation. The environmental contribution may be through the company's products and/or services, or its business practices, but alignment between their financial success and contributing to climate change mitigation and adaptation is critical. Whilst the Fund's sustainable investment objective is consistent with the climate objectives within the EU Taxonomy, it will not invest solely in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

Companies within the Fund are grouped into the following four climate categories to demonstrate climate contribution:

- **Decarbonisation** – companies are creating the products and/or services needed for decarbonised energy, industrial and food systems;
- **Efficiency** - companies are making significant changes to energy/resource efficiency of existing systems through their products and services.
- **Transition Accelerators** – companies are contributing to climate action through their system-wide influence; and
- **Adaptation** – companies are selling products and/or services that help society adapt sustainably to a changing climate.

Investment strategy

The investment strategy of the Fund is to deliver attractive long-term returns by investing at least 90 per cent. in the equities of companies whose products and/or services or business practices in the Investment Manager's opinion, contribute to climate change mitigation and adaptation.

Investments will initially be selected by the Investment Manager based on its own research. An analysis of a company's products and/or services or business practices will be conducted to assess the climate contribution. All companies in the Fund's portfolio are included because their products and/or services or business practices will accelerate the energy transition and help society adapt sustainably to a changing climate.

The Fund will comply with the Investment Manager's policy on assessing breaches of the United Nations Global Compact Principles for Business as outlined in the Investment Manager's Stewardship Principles and Guidelines and will exclude from the Fund's holdings the following companies: (i) companies that derive 10 per cent. or more of annual revenues from the production of military weapon systems and components, and provision of support systems and services for production of military weapon systems and components; (ii) companies that derive 1 per cent. or more of their annual revenues from the exploration, mining, extraction, distribution or refining of thermal coal; (iii) companies that derive 10 per cent. or more of their annual revenues from the exploration, extraction, distribution or refining of oil; (iv) companies that derive 50 per cent. or more of their annual revenues from the exploration, extraction, manufacturing or distribution of gas; (v) companies that derive 50 per cent. or more of their annual revenues from electricity generation with a GHG intensity of more than 100g CO₂ e/kWh; (vi) companies involved in the production of tobacco.

The Investment Manager deems the application of the process outlined above including the application of the Investment Manager policy on controversial weapons as outlined in its Stewardship Principles and Guidelines is in keeping with the exclusion criteria referred to in Article 12(1)(a) to (g) of Commission Delegated Regulation (EU) 2020/1818.

The Investment Manager exerts the right to vote by voting according to its Voting Policy, unless impediments occur (e.g. share blocking). The Investment Manager's Voting Policy is available publicly on its website.

SFDR requires that products promoting environmental and/or social characteristics do not invest in companies who do not follow good governance practices. As such, the Investment Manager has adopted a policy to apply 'good governance tests' on areas covering sound management structures, employee relations, remuneration of staff and tax compliance. Companies that do not pass these tests will not be held in the Fund.

The Investment Manager believes that good governance works best when there are diverse skillsets and perspectives, paired with an inclusive culture and strong independent representation to assist, advise and constructively challenge the thinking of management. However, the Investment Manager also believes that there is no fixed formula to create a constructive and purposeful board but it expects that boards have the resources, information, cognitive and experiential diversity they need to fulfil its responsibilities. More detail on the Investment Manager's policy to assess good governance practices of investee companies can be found in Baillie Gifford's Stewardship Principles and Guidelines document, which is publicly available on its website.

Proportion of investment

To meet the sustainable investment objective, the Fund generally invests at least 90% of its total assets in equity securities of companies (directly although it may also invest indirectly through eligible collective investment schemes) whose products and/or services or business practices contribute to climate change mitigation and adaptation. The remaining proportion of the investments are primarily cash and cash equivalents but may also include investments used for efficient portfolio management purposes (e.g. currency forwards to reduce currency risk). Cash is a residual element of the investment process and as such, it does not affect the promoted environmental and/or social characteristics of the Fund. The assessment of counterparties and issuers for cash management (including cash and cash equivalents) focuses on creditworthiness of these parties, which can be impacted by sustainability risks.

The expected minimum level of Taxonomy alignment is at least 1% of the Fund's investments in the equity securities of companies calculated using turnover as the key performance indicator due to the nature of companies being non-financial undertakings. This expected minimum level of Taxonomy alignment has been obtained through a combination of third-party data and investment research. At the end of the accounting period, investments made in economic activities contributing to an environmental objective aligned with the EU Taxonomy will be disclosed and those investments' compliance with the requirements

laid down under the EU Taxonomy will not be subject to an assurance or review provided by an auditor or third party. The Fund commits to having a minimum proportion of 90% sustainable investments with an environmental objective that are not aligned with the EU Taxonomy. Economic activities that are not aligned with the EU Taxonomy are not necessarily environmentally harmful or unsustainable. In addition, not all economic activities are covered by the EU Taxonomy as it is not possible to develop criteria for all sectors where activities could conceivably make a substantial contribution.

Monitoring of sustainable investment objective

The environmental and/or social characteristics are monitored internally and externally in a variety of ways. The Fund uses norms-based evaluation, business activity-based exclusions and active ownership in addition to the sustainability thematic strategy to support the attainment of the promoted environmental and/or social characteristics, and these are implemented on a continuous basis through ongoing compliance with, and monitoring of, the binding commitments. A nominated committee has overall responsibility for ensuring compliance with the environmental and/or social characteristics the Fund is promoting, and exceptions-based reporting is sent to this committee quarterly for challenge and oversight.

- The designated investment restrictions team monitors compliance with the policy on assessing breaches of United Nations Global Compact Principles for Business (norms-based evaluation), working in conjunction with ESG analysts and/or the investment managers and using a third-party data feed (which is updated quarterly), supplemented by internal research.
- Exclusion of business activities deemed harmful to the environment and society (business activity-based exclusions) is monitored by the designated investment restrictions team on a daily basis, working in conjunction with ESG analysts and/or the investment managers and using a live third-party data feed, supplemented by internal research.
- Voting is monitored and actioned by voting analysts as and when votes are due, working in conjunction with other ESG analysts and/or the investment managers and reported to clients on a quarterly basis.

Methodologies

The following indicators are used to measure the attainment of the sustainable investment objective:

- The % of investments that contribute to climate change mitigation or adaptation as determined through the Investment Manager's research process.
- The % of investments that comply with the Investment Manager's policy on assessing breaches of United Nations Global Compact Principles for Business.
- The % of investments that comply with the business activity-based exclusions.
- The % of holdings voted.

Ethical Exclusions – Norms- and Business Activity-Based Exclusions

The Fund minimises the existence of adverse impacts by formally excluding companies from its investable universe by applying ethical screens: a norms-based evaluation of investee companies, and business activity-based exclusions. Initial negative screening is done using a variety of third-party data sources (such as Sustainalytics and MSCI), supplemented by additional research from ESG analysts and/or investment managers as required.

See the Investment Strategy section for further details on the business activity-based screening applied to the Fund. Holdings which are inconsistent with the business activity-based exclusions will be excluded.

Norms-based evaluation: The Fund will assess equities using a norms-based evaluation which is based on the ten principles of the United Nations Global Compact, which cover areas including human rights, labour rights, environmental safeguards and combating bribery and corruption. If a holding is identified as having breached the Principles, based on the Investment Manager's judgement, supported by internal research alongside data feeds from third-party sources, a formal engagement and monitoring process will be implemented. Material improvement is expected within a reasonable timeframe (a maximum of three years), and should a company fail to demonstrate progress then the Fund will divest.

Voting The Voting team oversee voting analysis and execution in conjunction with investment managers and use voting as a tool to consider environmental and/or social issues via stewardship. Unlike many peers, the Investment Manager does not outsource the responsibility for voting to third-party suppliers. Research from proxy advisers is used for information only. The Investment Manager analyses all meetings in-house and endeavours

to vote every clients’ holdings in all markets (when given voting rights and in line with the Voting Policy outlined in Baillie Gifford’s Stewardship Principles and Guidelines document).

Data sources and processing

The Investment Manager uses a combination of internal research (informed by publicly available sources disclosed by investee companies) and third-party data sources to attain each of the environmental and/or social characteristics promoted by the Fund. The environmental and/or social characteristics promoted by the Fund are listed below as well as the data sources.

Investments that contribute to climate change mitigation or adaptation	Internal proprietary research
UN Global Compact exclusions policy	Internal proprietary research, Sustainalytics, MSCI
Business activity-based screens	Internal proprietary research, MSCI
Holdings voted in line with Baillie Gifford’s Stewardship Principles and Guidelines document	Internal proprietary research, aided by Glass Lewis, ISS, BoardEx, ZD Proxy, IiAS, and company disclosures

Where data is extracted from third party providers, the Investment Manager evaluates their methodology and coverage at the outset (initial due diligence) and then carries out spot checks of the data each month, escalating issues to the third-party provider where necessary.

A dedicated team is tasked with ensuring effective relationships and operational interactions with key third-party providers, recognising that effective use of third-party vendors can support client service and stewardship activities. The level of oversight depends on the nature of the services provided.

Providers of critical or important services and those that have access to sensitive data are subject to a vendor management framework.

The Investment Manager is regularly adding more automated quality checking of third-party data. Data metrics required for reporting are currently calculated in house in line with recognised guidance and regulations. The Investment Manager is actively improving data processing, introducing automation where possible and looking for ways to receive and ingest data from a wider set of data providers.

However, there is sometimes a reliance on estimated data when it comes to the business activity-based exclusions. Third party-providers occasionally make estimates of revenue exposures relating to business activity-based exclusions where disclosure is lacking; proportionally, less data is estimated than not.

Due to this the Investment Manager is wary of using third-party data sources as the sole input. Third-party data sources are used to flag any potential issues and to focus work on companies or issues that warrant further attention, at which point thorough analysis is conducted to ensure there is a detailed understanding of the company’s current position and its direction of travel towards necessary improvements.

Limitation to methodologies and data

The ESG data landscape is rapidly developing, and data quality and methodology currently face industry-wide challenges such as lack of corporate disclosures and evolving regulatory requirements. Specifically, the data used in the Fund may be provided by third-party sources and is based on backward-looking analysis, while the subjective nature of ESG criteria means a wide variety of outcomes are possible. There is a risk that the data provided may not adequately address the underlying detail around material ESG considerations. The analysis is also dependent on companies disclosing relevant data and the availability of data can be limited.

These limitations are mitigated primarily through the Investment Manager’s own in-house research and active engagement with companies, as well as cross-referencing key metrics against different data providers. Due to this mitigation, the Investment Manager believes that the promotion of the environmental and social characteristics is not appreciably altered.

Due diligence

The starting point for all Baillie Gifford strategies is bottom-up fundamental stock research. This process focuses on understanding each company, the sector it operates in and their approach to material or likely to be material issues. Investment ideas for inclusion in the strategy will undergo a critical assessment in the form of a question framework that will seek to capture the pertinent investment considerations. Supporting this are bespoke pieces of investment and ESG research that allows the investment managers to easily compare and contrast potential new purchases with competing ideas and existing holdings.

The Fund’s investment management approach is focused on stock-level research and analysis, with the

assistance of dedicated sustainability, governance and risk specialists working across the firm. Access to

external data from independent providers helps add further detail to understanding each holding, and great value is placed on seeking the perspectives and insights of external experts and researchers to help inform the Fund's approach. This information is used primarily as

an aid to engage with companies to ascertain how they are mitigating risks and maximising opportunities. If it is felt that companies are not making enough progress in mitigating risks, then the option of exercising voting rights in shareholder resolutions and ultimately divesting holdings is retained.

External to the Fund, ongoing due diligence is carried out by the Investment Manager across the business to monitor the commitments being made, as specified in the Monitoring section, with oversight provided by a nominated committee.

Engagement policies

Engaging with and monitoring investments the Investment Manager makes on behalf of clients is an integral element of the investment process and core to how the Investment Manager discharges its stewardship responsibilities. All investment managers, investment analysts and ESG analysts are involved in this process. It meets with management and other executive staff, heads of divisions and non-executive board members.

As a patient, active owner, the Investment Manager aims to engage with the companies in which it invests on behalf of its clients, encouraging a long-term focus and meaningful change when needed. Engagement is preferable to divestment, which is typically the tool of last resort. . There are three primary reasons for engaging with a company: to fact find, to assess progress, and to influence. It is important to note that influence is only one of these aims.

The Investment Manager firmly believes in taking time to understand companies and making its own, long-term agenda known to management. This is an important foundation of being responsible holders and over time makes it easier to advocate for changes, as both sides have a better understanding of and appreciation for what the other party is trying to achieve.

On an annual basis, investments that are subject to formal engagement and monitoring processes under the

Investment Manager's policy on assessing breaches of United Nations Global Compact Principles for Business will be disclosed.

More information on the Investment Manager's engagement policy can be found within Baillie Gifford's Stewardship Principles and Guidelines document, which is publicly available on its website.

Attainment of the sustainable investment objective

No specific index has been designated as a reference benchmark for the purpose of attaining the sustainable investment objective.

