

# Informativa web sul prodotto finanziario: sintesi

## Worldwide US Equity Alpha Fund

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### **Nessun obiettivo di investimento sostenibile**

Questo prodotto finanziario promuove caratteristiche ambientali o sociali, ma non ha come obiettivo un investimento sostenibile.

### **Caratteristiche ambientali e/o sociali**

Il Fondo promuove le seguenti caratteristiche ambientali e/o sociali:

- Pratiche commerciali responsabili in conformità ai principi del Global Compact delle Nazioni Unite per le imprese.
- Standard ambientali e sociali minimi raggiunti escludendo le attività aziendali che il Gestore degli investimenti ha ritenuto dannose per l'ambiente e la società.
- Considerazione attiva delle tematiche ambientali e sociali mediante voto per delega esercitato in conformità al documento ESG Principles and Guidelines (Principi e linee guida ESG) di Baillie Gifford.
- Gestione dell'intensità delle emissioni di gas a effetto serra, misurata mediante il calcolo dell'intensità di carbonio media ponderata ("WACI") del Fondo, con l'obiettivo di avere un'impronta di carbonio inferiore a quella dell'indice.

Sebbene il Fondo si prefigga di avere un profilo di intensità di carbonio media ponderata (WACI) inferiore all'indice, tale indice non viene utilizzato come indice di riferimento per misurare il rispetto delle caratteristiche ambientali e/o sociali promosse, in quanto le caratteristiche ambientali e/o sociali del Fondo non sono in linea con quelle dell'indice.

### **Strategia d'investimento**

Il Fondo è gestito attivamente e investe principalmente in titoli azionari quotati sui mercati statunitensi con l'obiettivo di realizzare rendimenti superiori alla media tramite la crescita del capitale e il reddito da dividendi nel lungo termine. La valutazione della sostenibilità è integrata nel processo di ricerca dei titoli del Gestore degli investimenti, nell'ambito del quale il Gestore degli investimenti prenderà in considerazione l'allineamento del management e degli stakeholder nonché il contributo più ampio apportato dall'azienda alla società. Ciò include una valutazione delle principali implicazioni, positive e negative, della crescita futura per gli stakeholder interessati. Il Fondo utilizza una valutazione basata sulle norme, criteri di esclusione basati sull'attività aziendale e l'esercizio dell'azionariato attivo per garantire il rispetto delle caratteristiche ambientali e/o sociali promosse. Il Gestore degli investimenti adotta una politica volta a condurre verifiche di buona governance in termini di strutture di gestione solide, relazioni con il personale, remunerazione del personale e rispetto degli obblighi fiscali. Le società che non superano queste verifiche saranno escluse dal Fondo.

Per ulteriori dettagli, si rimanda all'informativa completa.

### **Quota di investimenti**

Al fine di soddisfare le caratteristiche ambientali e/o sociali promosse, il Fondo investirà principalmente in titoli azionari (direttamente, benché possa anche investire indirettamente tramite organismi di investimento collettivo ammissibili) che siano in linea con le stesse caratteristiche. La quota rimanente degli investimenti verrà utilizzata a fini di liquidità e/o di gestione efficiente del portafoglio e non incorporerà alcuna caratteristica ambientale e/o sociale promossa dal Fondo.

Per ulteriori dettagli, si rimanda all'informativa completa.

### **Monitoraggio delle caratteristiche ambientali e/o sociali**

Le caratteristiche ambientali e/o sociali sono monitorate internamente ed esternamente in diversi modi. Il Fondo utilizza una valutazione basata sulle norme, criteri di esclusione basati sull'attività aziendale e l'esercizio dell'azionariato attivo al fine di garantire il rispetto delle caratteristiche ambientali e/o sociali promosse, le quali sono attuate su base continuativa attraverso il rispetto costante e il monitoraggio degli impegni vincolanti assunti.

Per ulteriori dettagli, si rimanda all'informativa completa.

### **Metodologie**

Per misurare il conseguimento delle caratteristiche ambientali e/o sociali promosse vengono utilizzati i seguenti indicatori di sostenibilità:

- La % di investimenti conformi alla politica del Gestore degli investimenti relativa alla valutazione di eventuali violazioni dei principi del Global Compact delle Nazioni Unite per le imprese.
- La % di investimenti conformi ai criteri di esclusione basati sull'attività aziendale.
- La % di partecipazioni votate.
- L'intensità di carbonio media ponderata (WACI) del Fondo è inferiore a quella dell'Indice.

Per ulteriori dettagli, si rimanda all'informativa completa.

### **Fonti e trattamento dei dati**

Per conseguire ciascuna delle caratteristiche ambientali e/o sociali promosse dal Fondo, il Gestore degli investimenti si avvale di una combinazione di ricerca interna (basata su informazioni pubblicamente accessibili divulgate dalle imprese beneficiarie degli investimenti) e fonti di dati esterne.

Per ulteriori dettagli, si rimanda all'informativa completa.

### **Limiti delle metodologie e dei dati**

Alla luce del rapido sviluppo dell'universo dei dati ESG, la metodologia e la qualità dei dati devono confrontarsi con una serie di difficoltà a livello di settore, tra cui la mancanza di informative aziendali e la continua evoluzione dei requisiti normativi.

Tali limiti sono mitigati principalmente attraverso la ricerca interna del Gestore degli investimenti e l'impegno attivo con le società, nonché tramite il confronto delle principali metriche con i dati di diversi provider. Per effetto di questa mitigazione, il Gestore degli investimenti ritiene che la promozione delle caratteristiche ambientali e sociali non subisca sostanziali modifiche.

Per ulteriori dettagli, si rimanda all'informativa completa.

### **Due diligence**

Il punto di partenza di tutte le strategie di Baillie Gifford è un approccio alla selezione dei titoli basato sulla ricerca fondamentale bottom-up. Questo processo mira a fornire una migliore comprensione di ciascuna società, del settore in cui opera e del suo approccio a questioni rilevanti o potenzialmente tali.

L'accesso a dati esterni provenienti da provider indipendenti contribuisce ad approfondire la comprensione di ciascuna partecipazione e si attribuisce grande valore ai punti di vista e agli insight forniti da esperti e ricercatori esterni ai fini della definizione dell'approccio del Fondo.

Al di fuori del Fondo, il Gestore degli investimenti svolge un'attività di due diligence costante in tutta l'azienda al fine di monitorare gli impegni assunti, come specificato nella sezione Monitoraggio, con la supervisione di un comitato designato.

Per ulteriori dettagli, si rimanda all'informativa completa.

### **Politiche di coinvolgimento**

Il coinvolgimento e il monitoraggio degli investimenti effettuati dal Gestore degli investimenti per conto dei clienti sono elementi essenziali del processo di investimento e del modo in cui il Gestore degli investimenti assolve le proprie responsabilità di gestione. Tutti i gestori degli investimenti, gli analisti degli investimenti e gli analisti ESG sono coinvolti in questo processo. Si svolgono riunioni con il management e altri membri del personale direttivo, con i responsabili delle divisioni e con i membri non esecutivi del consiglio di amministrazione.

Gli investimenti oggetto di processi formali di coinvolgimento e monitoraggio ai sensi della politica del Gestore degli investimenti relativa alla valutazione di eventuali violazioni dei principi del Global Compact delle Nazioni Unite per le imprese saranno resi noti con cadenza annuale.

Per maggiori informazioni sulla politica di coinvolgimento del Gestore degli investimenti, si rimanda al documento ESG Principles and Guidelines (Principi e linee guida ESG) di Baillie Gifford, disponibile al pubblico sul suo sito web.

Per ulteriori dettagli, si rimanda all'informativa completa.

### **Indice di riferimento designato**

Non è stato designato alcun indice come indice di riferimento al fine di rispettare le caratteristiche ambientali e/o sociali promosse dal prodotto.

## Financial product website disclosure

### Worldwide US Equity Alpha Fund

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**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 sustainable investment objective**

This financial product promotes environmental or social characteristics but does not have as its objective a sustainable investment.

#### **Environmental or social characteristics of the financial product**

The Fund promotes the following environmental and/or social characteristics:

- Responsible business practices in accordance with the United Nations Global Compact Principles for Business.
- Minimum environmental and social standards achieved through exclusion of business activities that the Investment Manager has deemed to be harmful to the environment and society.
- Active consideration of environmental and social issues through proxy voting applied in line with Baillie Gifford's ESG Principles and Guidelines document.
- Managed greenhouse gas emissions intensity as measured by the Fund's Weighted Average Carbon Intensity ('WACI') and an aim for this to be lower than the index.

Whilst the Fund aims to have a WACI lower than the index, this index is not used as a reference index to attain the promoted environmental and/or social characteristics as the Fund does not align its environmental and/or social characteristics with that of the index.

#### **Investment strategy**

The investment strategy of the Fund is to invest primarily in equity securities which are listed on U.S. markets with the aim of providing above average returns comprising capital growth and dividend income over the long term. Stocks with the relevant characteristics are selected on an individual stock selection basis by a dedicated team of portfolio managers, drawing on their own research and that of other investment teams at Baillie Gifford. The assessment of sustainability factors is integrated into the Investment Manager's stock research framework in which the Investment Manager will consider management and stakeholder alignment and the company's broader contribution to society. This includes an assessment of the key positive and negative implications of future growth on relevant stakeholders.

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 Baillie Gifford's ESG Principles and Guidelines document and will exclude companies that derive (i) more than 10% of annual revenues from the production or distribution of armaments; (ii) more than 30% of annual revenues from the production or distribution of thermal coal and; (iii) more than 5% of annual revenues from the production of tobacco.

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.

The Fund's WACI will be measured against the Index, with an overall aim to have a WACI that is lower than the Index. Details of the measurement of the Fund's WACI against that of the Index will be provided in the annual report and will include an explanation should this aim not be achieved.

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 ESG Principles and Guidelines document, which is publicly available on its website.

### Proportion of investment

To meet the environmental and/or social characteristics promoted, the Fund primarily invests in equity securities which are listed on the U.S. markets that are aligned with these same characteristics. 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.

### Monitoring of environmental or social characteristics

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 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.

The Fund's WACI is calculated and monitored against the index on a monthly basis.

### Methodologies

The following sustainability indicators are used to measure the attainment of the promoted environmental and/or social characteristics:

- 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.
- The Fund's WACI is lower than the Index.

The methodologies in relation to these indicators are outlined below:

**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** ESG analysts 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 ESG Principles and Guidelines document).

**Greenhouse Gas Intensity** The Fund's weighted average carbon intensity is calculated and measured against the weighted average carbon intensity of the Index, allowing for the greenhouse gas intensity to be managed. Only those investments for which the Investment Manager has estimated or reported figures from its third-party data provider will be included in the calculation of the Fund's weighted average carbon intensity, covering Scope 1, 2 and 3 emissions. Scope 3 emissions will be included in line with PCAF guidance which include a schedule for Scope 3 measurement and disclosure prioritising certain sectors (e.g. oil, gas and mining sectors) ahead of other sectors consistent with the approach of the Supplementing Regulation for EU Climate Transition Benchmarks and EU Paris-Aligned Benchmarks. As this metric is based on a weighted average, the relevant Fund's portfolio might include single companies with higher intensities provided they do not breach any business activity-based exclusions particularly if these companies represent a small weight within the portfolio.

## 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.

UN Global Compact policy	Internal proprietary research, public disclosures, Sustainalytics, MSCI
Business activity-based exclusions	Internal proprietary research, public disclosures, Sustainalytics, MSCI
Holdings voted in line with Baillie Gifford's ESG Principles and Guidelines document	Internal proprietary research, aided by Glass Lewis, ISS, BoardEx, Si2, ZD Proxy, IAS, and public disclosures
WACI	MSCI, FactSet

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 and WACI commitments of the Fund. 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. Regarding WACI, a large proportion of data is estimated by third-party providers due to general lack of disclosure of Scope 3 emissions.

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 focussed 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 four primary reasons for engaging with a company: to fact find, to assess progress, to support the management team and to influence. It is important to note that influence is only one of these four 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 ESG Principles and Guidelines document, which is publicly available on its website.

### **Designated reference benchmark**

No index has been designated as a reference benchmark to attain the environmental and/or social characteristics promoted by the product.

**Baillie Gifford™**

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