



Article 10 (SFDR)

Website disclosure for an Article 8 fund

AIA Global Quality Growth Fund



Product name: AIA Global Quality Growth Fund (the "Sub-Fund")	Legal identity identifier: 5493000GIKSKLZXAXQ49
Does this financial product have a sustainable investment objective?	
☐ Yes	☒ No
☐ It will make a minimum of sustainable investments with an environmental objective: __% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ It will make a minimum of sustainable investments with a social objective: __%	☒ It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it had a proportion of 20% of sustainable investments. ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☒ with a social objective ☐ It promotes E/S characteristics, but will not make any sustainable investments



A. Summary

The Sub-Fund promotes environmental or social characteristics but does not have as its objective sustainable investment. While it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% of sustainable investments.

The Sub-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 Sub-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 the Sub-Investment Manager's ESG Principles and Guidelines document.
- Positive contribution towards the long-term interests of all stakeholders and broader society.

The Sub-Fund is actively managed and invests at least 90% in equity securities with the aim of providing above average returns over the long term by investing in companies which demonstrate long term growth prospects and good stewardship. The assessment of sustainability and good stewardship is significantly integrated into the Sub-Investment Manager's stock research framework. The Sub-Fund uses positive screening through the Sub-Investment Manager's inclusion framework, norms-based evaluation, business activity-based exclusion and active ownership to support the attainment of the promoted environmental and/or social characteristics. The Sub-Investment Manager has 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 Sub-Fund.



The Sub-Fund commits to having a minimum proportion of sustainable investments of 20% in total, 10% of which relates to sustainable investments with an environmental objective but which are not aligned with the EU Taxonomy. The remaining 10% will be allocated between other environmental and/or socially sustainable investments but with no fixed allocation as this will depend on the availability of sustainable investment opportunities.

The environmental and/or social characteristics are monitored internally and externally in a variety of ways. The Sub-Fund uses positive screening through the Sub-Investment Manager's proprietary inclusion framework, 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.

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 Sub-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 % of investments that satisfactorily meet the Investment Manager's qualitative assessment for sustainable growth prospects.

The Sub-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 Sub-Fund.

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. These limitations are mitigated primarily through the Sub-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 Sub-Investment Manager believes that the promotion of the environmental and social characteristics is not appreciably altered.

The starting point for Sub-Investment Manager's strategy 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. 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 Sub-Fund's approach. External to the Sub-Fund, ongoing due diligence is carried out by the Sub-Investment Manager across the business to monitor the commitments being made, as specified in the Monitoring section, with oversight provided by a nominated committee.

Engaging with and monitoring investments the Sub-Investment Manager makes on behalf of clients is an integral element of the investment process and core to how the Sub-Investment Manager discharges its stewardship responsibilities. All portfolio 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. On an annual basis, investments that are subject to formal engagement and monitoring processes under the Sub-Investment Manager's policy on assessing breaches of United Nations Global Compact Principles for Business will be disclosed. More information on the Sub-Investment Manager's engagement policy can be found within Baillie Gifford's ESG Principles and Guidelines document, which is publicly available on its website.



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



B. No Sustainable investment objective

This Sub-Fund promotes environmental or social characteristics, but does not have as its objective sustainable investment. While it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% of sustainable investments.

The Sub-Fund invests in activities that: (a) generate a certain level of revenues, either through products and/or services, that are aligned with the broader sustainable objectives of society as currently best defined by the United Nations Sustainable Development Goals ('SDGs') and/or (b) are reducing absolute greenhouse gas emissions, either through their products and/or services or business practices, in view of achieving the long-term global warming objectives of the Paris Agreement.

How does this financial product take into account principal adverse impacts on sustainability factors?

Upon investment and over the life of the Sub-Fund, mandatory indicators for adverse impacts in Table 1 of Annex I of SFDR Regulatory Technical Standards ('RTS') and opt-in indicators for adverse impacts selected by the Sub-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, 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 wherein 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.

Are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The Sub-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 such, all the companies in which the Sub-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.



C. Environmental or social characteristics of the financial product

What are the environmental or social characteristics promoted by this financial product?

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

1. Responsible business practices in accordance with the United Nations Global Compact Principles for Business.
2. Minimum environmental and social standards achieved through exclusion of business activities that the Sub-Investment Manager has deemed to be harmful to the environment and society.
3. Active consideration of environmental and social issues through proxy voting applied in line with the Sub-Investment Manager's ESG Principles and Guidelines document.



4. Positive contribution towards long-term interests of all stakeholders and broader society.

No reference benchmark has been designated for the purpose of attaining the environmental and social characteristics promoted.



D. Investment strategy

What investment strategy does this financial product follow and how is the strategy implemented in the investment process on a continuous basis?

The Sub-Fund is actively managed and invests at least 90% in equity securities with the aim of providing above average returns over the long term by investing in companies which have potential to deliver quality growth (e.g., growing industry market share, long-term earnings estimates exceed industry's expectations and that exhibit operating efficiency) in the long term and have the potential to deliver sustainable growth (i.e. companies capable of sustainable earnings growth over a genuinely long-time horizon, and at the same time be a force for good, making a positive difference to society by seeking to address challenges that fall within either (i) people's welfare ('People'), (ii) planet's condition ('Planet'), or (iii) broadening prosperity ('Prosperity') through what they do (i.e. sustainable products or services) or how they do it (i.e. sustainable business practices)) and do not fail any of the exclusions outlined below. The assessment of companies' quality growth prospects is significantly integrated into the Sub-Investment Manager's stock research framework. Enduring growth and making a difference are considered equally within the investment process as it is considered that both are mutually beneficial and reinforcing. Each potential investment is subject to a pre-buy qualitative analysis using the Sub-Investment Manager's proprietary inclusion framework, norms-based evaluation, activity-based exclusion and active ownership to support the attainment of the promoted environmental and/or social characteristics. These are implemented on a continuous basis through ongoing compliance.

The Sub-Fund will comply with the Sub-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 securities from (i) issuers which are coal mining and/ or coal-fired power generation companies; (ii) issuers manufacturing tobacco; and (iii) firms involved in the manufacture of cluster munitions. The Sub-Investment Manager will also exclude investments in companies that derive greater than 10% of annual revenue from any one of (i) the production or sale of alcohol; (ii) the production or sale of armaments; (iii) the production or sale of adult entertainment; (iv) oil and gas extraction and/or production; or (v) the provision of gambling services.

The Sub-Investment Manager applies a proprietary qualitative investment process ('Sustainable Growth Compass') to assess companies' sustainable growth prospects. This investment process evaluates, amongst other matters, a company's products ("Products"), business practices ("Practices"), its ambition and commitment to making a difference ("Ambition"), and the extent to which the quality and track record of its management team provide confidence that the company can and will execute on this opportunity ("Trust"). As part of this process, the Sub-Investment Manager will rate a company from 0 to 3 on these four categories. Only companies that score at least 2 on either Products or Practices will be considered for inclusion in the portfolio.

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



What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy used to select the investments to attain each of the E/S characteristics promoted by the Sub-Fund are:

- the commitment to follow the exclusion list as described;
- the commitment to only invest in companies that score at least 2 on their Products or Practices.

What is the policy to assess good governance practices of the investee companies?

SFDR requires that products promoting environmental and/or social characteristics do not invest in companies which do not follow good governance practices. As such, the Sub-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 Sub-Fund.

The Sub-Investment Manager believes that good governance works best when there are diverse skillsets and perspectives, paired with an inclusive culture and strong independent representation which should assist, advise and constructively challenge the thinking of management. However, the Sub-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, diversity of thought and experience needed to fulfil their responsibilities. More detail on the Investment Manager's policy to assess good governance practices of investee companies can be found in its ESG Principles and Guidelines document (Our Stewardship Approach: ESG Principles and Guidelines (bailliegifford.com)).

Is there a commitment to reduce by a minimum rate the scope of investments considered prior to the application of the strategy? (Including an indication of the rate)

Not applicable.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes

☐ No

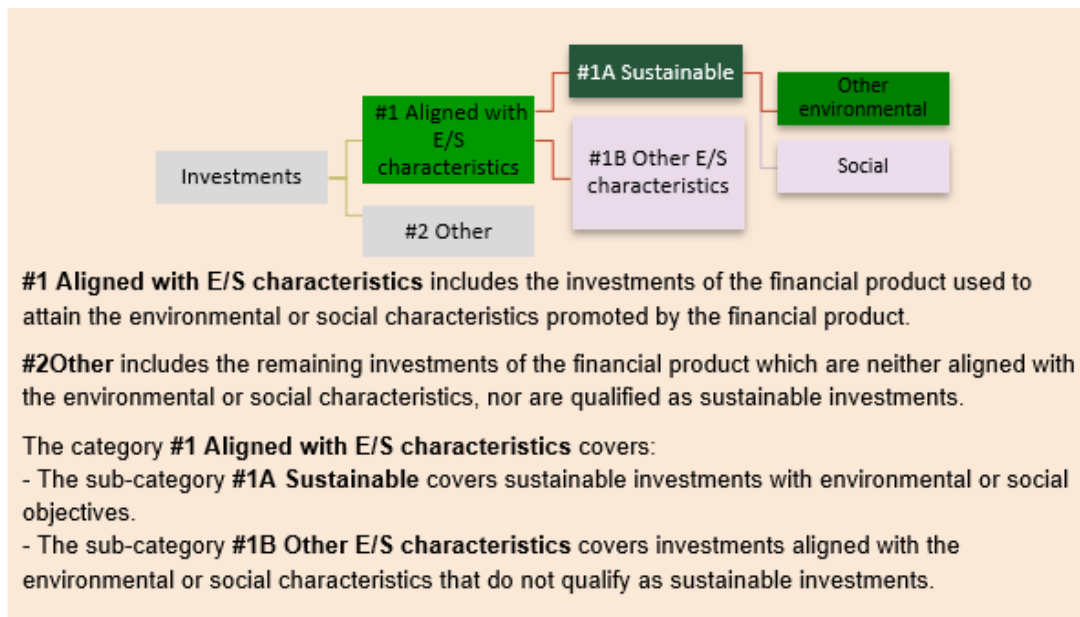


E. Proportion of investments

What is the planned asset allocation for this financial product?



To meet the environmental and/or social characteristics promoted, the Sub-Fund invests at least 90% in global equities (directly although it may also invest indirectly through eligible collective investment schemes) that are aligned with these same characteristics. This includes a minimum of 20% commitment to invest in sustainable investments with environmental or social objectives. The remaining proportion of the investments, (up to 10%) will be used for liquidity and/or efficient portfolio management purposes and will not incorporate any of the environmental and/or social characteristics promoted by the Sub-Fund.



How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not Applicable.

What is the minimum share of investments with an environmental objective aligned with the EU Taxonomy? (including what methodology is used for the calculation of the alignment with the EU Taxonomy and why; and what the minimum share of transitional and enabling activities)

The Sub-Fund does not yet commit to invest in Taxonomy aligned investments, however it cannot be excluded that among the Sub-Fund's holdings certain are Taxonomy aligned. As data becomes more available it is expected that the calculation of the alignment of this Sub-Fund with the Taxonomy Regulation will become more accurate and will be made available to investors in the periodic reporting of the Sub-Fund.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Sub-Fund commits to having a minimum proportion of sustainable investments of 20% aligned with SFDR, at least 10% of which relates to sustainable investments with an environmental objective.

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



Regulation and its Delegated Acts as it was not possible to develop criteria for all sectors where activities could conceivably make a substantial contribution.

What is the minimum share of sustainable investments with a social objective?

The Sub-fund commits to make a minimum of 20% sustainable investments. Among these, the Sub-Fund commits to make a minimum of 1% sustainable investments with a social objective.

The remaining 9% (as at least 10% relate to sustainable investments with an environmental objective) will be allocated between other environmental and/or socially sustainable investments but with no fixed allocation as this will depend on the availability of sustainable investment opportunities.

What investments are included under “#2 Others”, what is their purpose and are there any minimum environmental or social safeguards?

The investments included under '2 Other' are primarily cash and cash equivalents for liquidity purposes but may also include investments used for efficient portfolio management purposes (e.g., currency forwards to reduce currency risk) and as such, it does not affect the promoted environmental and/or social characteristics of the Sub-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.

There are no minimum environmental or social safeguards applied to investments made under “#2 Other”.



F. Monitoring of environmental or social characteristics investment objective

What sustainability indicators are used to measure the attainment of the environmental or social characteristics promoted by this financial product

The Sub-Fund uses the following sustainability indicators in order to measure the attainment of the sustainable environmental or social characteristics that it promotes:

- 1) The % of investments that comply with the Sub-Investment Manager’s policy on assessing breaches of United Nations Global Compact Principles for Business.
- 2) The % of investments that comply with the sector-based exclusions.
- 3) The % of holdings voted.
- 4) The % of investments that satisfactorily meet the Sub-Investment Manager’s qualitative assessment for sustainable growth prospects.

How are the environmental or social characteristics and the sustainability indicators monitored throughout the lifecycle of the financial product and the related internal/external control mechanism?



The environmental and/or social characteristics are monitored internally and externally in a variety of ways. The Sub-Fund uses positive screening through the Sub-Investment Manager's proprietary inclusion framework, 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 within the Sub-Investment Manager has overall responsibility for ensuring compliance with the environmental and/or social characteristics the Sub-Fund is promoting, and exceptions-based reporting is sent to this committee quarterly for challenge and oversight.

- The designated investment restrictions team within the Sub-Investment Manager 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 within the Sub-Investment Manager 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 within the Sub-Investment Manager on a daily basis, working in conjunction with ESG analysts and/or the portfolio managers within the Sub-Investment Manager and using a live third-party data feed, supplemented by internal research.
- Voting is monitored and actioned by voting analysts within the Sub-Investment Manager as and when votes are due, working in conjunction with other ESG analysts and/or the portfolio managers within the Sub-Investment Manager and reported to clients on a quarterly basis.
- The relevant Sub-Investment Manager's team meets regularly to discuss stocks and share relevant company updates, including an update on ESG factors from members of the Sub-Investment Manager's ESG team. These discussions facilitate challenge and review of the investment thesis. In addition, the Sub-Investment Manager's team proactively engages with companies to gather information and assess how companies are positively contributing to society.



G. Methodologies

What is the methodology to measure the attainment of the sustainable investment objective using the sustainability indicators?

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 Sub-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 % of investments that satisfactorily meet the Sub-Investment Manager's qualitative assessment for sustainable growth prospects.



H. Data sources and processing



What are the data sources used to attain the sustainable investment objective of the financial product including the measures taken to ensure data quality, how data is processed and the proportion of data that is estimated?

The Sub-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 Sub-Fund. The environmental and/or social characteristics promoted by the Sub-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, IiAS, and public disclosures
Investments that satisfactorily meet the qualitative assessment for sustainability	Internal proprietary research, public disclosures

Where data is extracted from third-party providers, the Sub-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, recognizing 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 Sub-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 recognized guidance and regulations. The Sub-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 Sub-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.



I. Limitations to methodologies and data

What are the limitations to the methodologies and data sources? (Including how such limitations do not affect the attainment of the sustainable investment objective and the actions taken to address such limitations)



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 Sub-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 Sub-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 Sub-Investment Manager believes that the promotion of the environmental and social characteristics is not appreciably altered.



J. Due diligence

What is the due diligence carried out on the underlying assets and what are the internal and external controls in place?

The starting point for all Sub-Investment Manager's 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 Sub-Fund 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 Sub-Investment Manager to easily compare and contrast potential new purchases with competing ideas and existing holdings.

The Sub-Fund's investment management approach is focused on stock-level research and analysis, with the assistance of dedicated sustainability, governance and risk specialists within the Sub-Investment Manager. 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 Sub-Fund's approach. This information is used primarily as an aid to engage with companies to ascertain how they are mitigating risks and maximizing 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 Sub-Fund, ongoing due diligence is carried out by the Sub-Investment Manager across the business to monitor the commitments being made, as specified in the monitoring section, with oversight provided by a nominated committee within the Sub-Investment Manager.



K. Engagement policies

Is engagement part of the environmental or social investment strategy?

☒ Yes

☐ No

If so, what are the engagement policies? (Including any management procedures applicable to sustainability-related controversies in investee companies)



Engaging with and monitoring investments the Sub-Investment Manager makes on behalf of the Sub-Fund is an integral element of the investment process and core to how the Sub-Investment Manager discharges its stewardship responsibilities. All investment managers, investment analysts and ESG analysts within the Sub-Investment Manager 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 Sub-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 Sub-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 Sub-Investment Manager's policy on assessing breaches of United Nations Global Compact Principles for Business will be disclosed.

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



L. Attainment of the sustainable investment objective

Has a reference benchmark been designated?

- ☐ Yes
☒ No

How is that index designated as a reference benchmark aligned with the environmental or social characteristics promoted by the financial product? (including the input data, the methodologies used to select those data, the rebalancing methodologies and how the index is calculated)

Not applicable.