AVIVA INVESTORS
Société d'Investissement à Capital Variable
Registered office: 2 rue du Fort Bourbon, L-1249 Luxembourg
R.C.S. Luxembourg B 32 640
(the "Fund")

NOTICE TO SHAREHOLDERS OF **AVIVA INVESTORS – CLIMATE TRANSITION GLOBAL CREDIT FUND**

Luxembourg, 6 February 2023

Dear Shareholder,

We would like to inform you that the Board of Directors of the Fund (the "**Board**") has decided to restructure the sub-fund *Aviva Investors – Climate Transition Global Credit Fund* (the "**Sub-Fund**") in order to remove the use of Credit Default Swaps (CDS) and increase the exposure to high yield bonds. The changes, as detailed below will become effective on 7 March 2023 (the "**Effective Date**").

Please also note that the "Asset Selection Model" for the Sub-fund which was previously included under the "Responsible Investment" section in the general part of the Prospectus has been re-allocated to the Sub-Fund's description section and re-named "Asset Selection Framework". Amendments to this section are also detailed below.

1. Change of investment policy

The current investment policy of the Sub-Fund is the following:

"Investment Policy

The Sub-Fund invests at least 70% of total net assets in bonds of companies from anywhere in the world (including emerging markets) responding to climate change which meet the Investment Manager's eligibility criteria as described below (the "core investment).

In this core investment the Sub-Fund excludes fossil fuel companies and has two investment sleeves:

- *A Solutions sleeve, which will invest in corporate bond issuers whose goods and services provide solutions for climate change mitigation and adaptation;*
- *A Transition sleeve, which allocates to companies positively aligning to a warmer climate and a low-carbon economy and orientating their business models to be resilient in a warmer climate and and a low-carbon economy.*

The Sub-Fund will also aim to provide additional returns by investing in a risk-neutral long short sleeve using Credit Default Swaps (CDS) which aims to capture the divergence between names providing climate solutions or facilitating transition and those which do not.

The Sub-Fund may invest up to 20% of the total net assets in government bonds. Bond investments may include asset-backed securities (ABS) and mortgage-backed securities (MBS) which are typically invested in European and North American markets. Underlying assets of ABS and MBS may include rental income on commercial real estate, shopping centers and pubs. The Sub-Fund may invest up to 5% of the NAV in ABS/MBS. The Sub-Fund may also invest up to 5% of the NAV in unrated securities, up to 5% of the NAV in high yield bonds and up to 5% of the NAV in distressed securities.

The expected average rating of the portfolio will be A3/Baa1 or in line with the average rating of the underlying index.

In case of downgrade of the rating of a security after its acquisitation, any decision on whether to continue to hold such assets would be made with a view to the wider credit rating of the portfolio as a whole along with standard investment analysis on the future of the asset itself."

With effect from the Effective Date, the Board has resolved to change the investment policy of the Sub-Fund so to read as follows:

"*Investment Policy*

The Sub-Fund invests at least 70% of total net assets ***(excluding derivatives for efficient portfolio management)*** *in bonds of companies from anywhere in the world (including emerging markets) responding to climate change which meet the Investment Manager's eligibility criteria as described below (the "core*__"__ *investment).*

In this core investment the Sub-Fund excludes fossil fuel companies and has two investment sleeves:

- *A* ***"****Solutions****"*** *sleeve, which will invest in corporate bond issuers whose goods and services provide solutions for climate change mitigation and adaptation;*
- *A* ***"****Transition****"*** *sleeve, which allocates to companies positively aligning to a warmer climate and a low-carbon economy and orientating their business models to be resilient in a warmer climate and and a low-carbon economy.*

~~*The Sub-Fund will also aim to provide additional returns by investing in a risk-neutral long short sleeve using Credit Default Swaps (CDS) which aims to capture the divergence between names providing climate solutions or facilitating transition and those which do not.*~~

The Sub-Fund may invest up to 20% of the total net assets in government bonds ***(excluding derivatives for efficient portfolio management)****. Bond investments may include asset-backed securities (ABS) and mortgage-backed securities (MBS) which are typically invested in European and North American markets. Underlying assets of ABS and MBS may include rental income on commercial real estate, shopping centers and pubs. The Sub-Fund may invest up to 5% of the NAV in ABS/MBS.* ***The Sub-Fund may invest up to 5% in contingent convertible bonds. For full details of the risks applicable to investing in these bonds, please refer to the section "Risk description"****. The Sub-Fund may also invest up to 5% of the NAV in unrated securities, up to ~~5~~* ***15****% of the NAV in high yield bonds and up to 5% of the NAV in distressed securities.*

The Sub-Fund may invest up to 10% of total net assets (excluding derivatives for efficient portfolio management) in companies that do not form part of the core investment.

The expected average rating of the portfolio will be ~~A3/Baa1~~ ***investment grade*** *or in line with the average rating of the underlying index.*

In case of downgrade of the rating of a security after its acquisitation, any decision on whether to continue to hold such assets would be made with a view to the wider credit rating of the portfolio as a whole along with standard investment analysis in the future of the asset itself. (…)"

2. Change of derivatives and techniques

The current use of Derivatives and Techniques of the Sub-Fund is the following:

"The Sub-Fund may use derivatives for investment purposes by creating both long and synthetic covered short positions.
The Sub-Fund's derivatives may include futures, options, swap contracts, swaptions, currency forwards, and foreign exchange options, interest rate futures, credit default swaps, interest rate swaps and total return swaps.The Sub-Fund may also use derivatives for hedging and for efficient portfolio management.
Derivative usage will either form part of the core Investment, and therefore apply look through to the eligibility criteria, or form part of the Sub-Fund's other holdings which are not subject to the eligibility criteria.

Securities lending
Expected level: 10% of total net assets; maximum: 20%.
Underlying securities in scope: bonds.
Total Return Swaps
Expected level: 0% of total net assets; maximum 30%
Underlying securities in scope: individual credit securities and credit indices."

With effect from the Effective Date, the Board has resolved to amend the use of Derivatives and Techniques of the Sub-Fund so to read as follows:

"The Sub-Fund may use derivatives for investment purposes. ~~by creating both long and synthetic covered short positions.~~
The Sub-Fund's derivatives may include futures, options, swap contracts, swaptions, currency forwards, and foreign exchange options, interest rate futures, credit default swaps, interest rate swaps and total return swaps.The Sub-Fund may also use derivatives for hedging and for efficient portfolio management ***(EPM).***
Derivative usage ***(other than for EPM purposes)*** *will either form part of the core Investment, and therefore apply look through to the eligibility criteria, or form part of the Sub-Fund's other holdings which are not subject to the eligibility criteria.*

Securities lending
Expected level: 10% of total net assets; maximum: 20%.
Underlying securities in scope: ~~bonds.~~ ***limited to assets permitted by the Sub-Fund's investment policy.***
Total Return Swaps
Expected level: 0% of total net assets; maximum 30%
Underlying securities in scope: individual credit securities and credit indices."

3. Strategy

In order to reflect the removal of the use of CDS, as from the Effective Date the Sub-Fund's Strategy will be amended as follows:

"The Sub-Fund is actively managed. The Investment Manager believes that the risks associated with climate change are currently mispriced. Those companies which are responding to climate change and

are currently undervalued present an opportunity to benefit from increases in value over the long term. ~~Equally, those companies which are not responding to climate change and incorporating this into their corporate strategy may be overvalued and the Investment Manager will seek to exploit this through the CDS sleeve.~~
Companies will be identified as eligible for core investment if they satisfy the "Solutions" or "Transition~~s~~" criteria and are not excluded on the basis of their fossil fuel activities. The Investment Manager excludes fossil fuel companies from the core investment universe using the following criteria:

- *> 0% revenues from thermal coal, unconventional fossil fuels, Arctic gas & oil production or thermal coal electricity generation;*
- *> 0% Thermal Coal Reserves (metric tonnes);*
- *> 0% Unconventional Oil and Gas reserves (mmboe);*
- *>/= 1000 Total Oil and Gas reserves (mmboe);*
- *>/=10% revenues from oil & gas extraction and production* and liquid fuels electricity generation;*
- *>/=15% revenues from natural gas electricity generation**;*
- *>/= 75% revenues from Oil and Gas Distribution & Retail, Equipment & Services, Petrochemicals, Pipelines and Transportation, Refining or Trading.****

The Investment Manager will also exclude direct investments in companies which manufacture products that seek to do harm when used as intended. This would include:

- *Companies manufacturing tobacco products.*

*Further details on the "Solutions" and "Transition~~s~~" criteria can be found in the section "~~Responsible Investment~~ **Asset Selection Framework**" ~~in~~ **of** the **Sub-Fund's description** ~~Prospectus~~."*

4. Asset Selection Model

In order to reflect the move of the section "Asset Selection Model" from the Responsible Investment section of the Prospectus into the Sub-Fund's description, as from the Effective Date the Sub-Fund's Asset Selection Model will be amended as follows:

*~~"Climate Transition funds:~~ Asset Selection ~~Model~~ **Framework***

The Investment Manager's "Solutions" or "Transition~~s~~" criteria are described as follows:

~~"~~Solutions~~"~~

*By using the "Solutions" **eligibility** criteria**,** the Investment Manager will identify a pool of companies eligible for investment by the Sub-Fund~~s~~, assessed as providing products and services to support climate Mitigation and Adaptation themes.*

- *Mitigation themes seek to mitigate the risk of climate change, **and includes,** for example, sustainable transport, energy efficiency, or renewable energy.*
- *Adaptation themes seek to help communities to adapt to the adverse physical impacts of climate change, **for example, water, health, forestry and agriculture.***

*Using a variety of data sources including the Investment Manager's own research, broker analysis, and ~~MSCI ESG research on clean technology solutions~~ **third-party data providers**, companies will initially be assessed as providing "Solutions" if they derive at least 20% of their revenue from such themes. Companies meeting this initial revenue threshold are then subject to additional assessment using the Investment Manager's proprietary analysis which further examines revenue sources by business segment. Only companies satisfying both the revenue threshold and the detailed assessment will be regarded as "Solutions" providers and be eligible for investment by the Sub-Fund~~s~~. The assessment is refreshed on an ongoing basis.*

~~"~~Transition~~s"~~
*By using the "Transition~~s~~" criteria**,** the Investment Manager identifies companies positively aligning to and orientating their business models to be resilient in a warmer climate and a low carbon economy. There are strong links between carbon emissions and global warming. As a result, the UN Paris Agreement on climate change aims for economies to remove as many emissions as they produce (be "Net zero") by 2050, with the aim of keeping the increase in global average temperatures within 1.5C above preindustrial levels.*

Companies will be assessed as satisfying the "Transition~~s~~" criteria using the Investment Manager's proprietary Transition Risk Model which comprises two core elements: Transition Risk and the Climate Risk Management Score. ~~Further details on these elements are described below:~~
Transition Risk seeks to measure the exposure of certain subindustries (covering 8 sectors, 24 industries and 159 subindustries) to climate change risk, taking into account how exposed they are to the adverse physical impacts of climate change, and how exposed they are given the ambition to transition to a lower carbon economy. This analysis results in the sub-industries being allocated a Transition Risk rating, ranking as either high, medium or low.
The Climate Risk Management Score seeks to measure the quality of climate governance in place at individual companies.

The score is provided by external industry recognised bodies and is currently provided by CDP (previously known as the Carbon Disclosure Project). CDP is a global authority on assessing corporate climate, water and forest risk management practices. CDP issue an annual questionnaire to the world's largest companies (6000 in 2018), and the responses are scored from A-D- providing an assessment of the quality of climate risk management in place at the company.

The Transition Risk Model currently operates so that the Transition Risk rating and the CDP score are combined to determine whether a company satisfies the "Transition" criteria.
*For example, companies in sub-industries rated as having a high Transition Risk (e.g. chemicals and automobiles) will have to demonstrate high climate risk management processes (e.g. a CDP score of B or above) to be deemed as eligible for investment by the Sub-Fund~~s~~. Any company attaining a CDP score of D- or below will not be eligible for investment **under the Transition criteria**. Outputs from the Transition Risk Model will be refreshed annually.*
Further details can be found in the Annex II – Pre-contractual Disclosure. *~~Outputs from the Transition Risk Model will be refreshed annually.~~*"

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If you do not accept these changes, you may request free of charge redemption or conversion of your shares into any of the other sub-funds of the Fund until 6 March 2023, under the conditions described in the Prospectus.

An updated version of the Prospectus dated February 2023 reflecting the change referred to above will soon be available, free of charge, upon request, at the registered office of the Fund.

Capitalised terms not defined herein shall have the meaning given to them in the Prospectus of the Fund.

Should you require further information about the changes mentioned above, please contact the following email address: csaviva@rbc.com

Yours sincerely,

Paula Concordea

Paula Concordea
On behalf of the Board of Directors