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 EQUITY FUND**

Luxembourg, 26 April 2024

Dear Shareholder,

We would like to inform you that the Board of Directors of the Fund (the "**Board**") has decided to amend the ESG disclosures in the description of *Aviva Investors – Climate Transition Global Equity Fund* (the "**Sub-Fund")** in the prospectus of the Fund (the "**Prospectus")** and in the Sub-Fund's Annex III - Pre-contractual Disclosures.
This includes amendments to the "Asset Selection Framework" section in the Sub-Fund's description in the Prospectus and the Annex III - Pre-contractual Disclosures.

The Board has decided to amend the "Asset Selection Framework" section and the Annex III - Pre-contractual Disclosures in order to reflect the following changes:

- to allow the use of both internal and external data sources for the assessment of the Climate Risk Management Score, thus ensuring a better outcome for investors;
- to align the description of the transition risk framework of the Sub-Fund as already described in the Sub-Fund' Prospectus under the paragraph "Transition" in the Annex III- Pre-contractual Disclosures;
- to allow more flexibility in the Investment Manager's proprietary framework for taking the principal adverse impact indicators into account by clarifying that the Investment Manager might make exceptions to the process in place;
- to allow more flexibility in the Investment Manager's assessment of companies' progress , which is one of the metrics used to measure progress against the Sub-Funds' sustainable investment objective, by enabling a nuanced view on the progress companies are making;
- by removing one of the metrics used to measure progress against the Sub-Funds' sustainable investment objective as the Investment Manager feels that the connection between the Sustainable Finance Centre for Excellence's activity and the Sub-Funds' sustainable investment objective lacks robustness and that shareholders would not benefit from the activity performed by the Sustainable Finance Centre for Excellence's activity since it does not help the Sub-Funds' achieve their sustainable investment objective.

As from 30 May 2024 (the "**Effective Date**"), the following changes will apply to the Sub-Fund's "Asset Selection Framework" section in the Prospectus and to the Sub-Fund's Annex III – Pre-contractual Disclosures, as detailed below.

1. Asset Selection Framework in the Sub-Fund's description in the Prospectus

The Sub-Fund's Asset Selection Framework is currently as follows:

"*Transition*

By using the "Transition" eligibility criteria the Investment Manager identifies companies that are supporting the transition towards a net zero economy by reducing their negative impact, or positively *aligning to and orientating their business models to be resilient in a warmer climate and a low carbon economy, and, in doing so, better managing their environmental risks and opportunities. Companies will be assessed as satisfying the "Transition" eligibility criteria using the Investment Manager's proprietary Transition Risk Model which comprises two core elements: Transition Risk and the Climate Risk Management Score. Transition Risk seeks to measure the exposure of certain sub-industries (covering 8 sectors, 24 industries and 159 sub-industries) 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" eligibility 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. Any company attaining a CDP score of D- or below will not be eligible for investment. Outputs from the Transition Risk Model will be refreshed annually.

Further details can be found in the Annex III – Pre-contractual disclosure."

The Board has resolved to amend the Asset Selection Framework section in order to allow the use of both internal and external data sources for the assessment of the Climate Risk Management Score (currently only provided by the Carbon Disclosure Project), thus ensuring a better outcome for investors, as follows:

"*Transition*

*~~By using~~ **For** the "Transition" eligibility criteria the Investment Manager identifies companies that are supporting the transition towards a net zero economy by reducing their negative impact, or positively aligning to and orientating their business models to be resilient in a warmer climate and a low carbon economy, and, in doing so, better managing their environmental risks and opportunities. Companies will be assessed as satisfying the "Transition" eligibility criteria using the Investment Manager's proprietary Transition Risk Model which comprises two core elements: Transition Risk and the Climate Risk Management Score. Transition Risk seeks to measure the exposure of certain sub-industries ~~(covering 8 sectors, 24 industries and 159 sub-industries)~~ 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~~ **created** 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~~*

using multiple data points sourced *from ~~A-D- providing an assessment of the quality of climate risk management in place at the company~~* ***third parties or created internally.***

The Transition Risk ~~Model currently operates so that the Transition Risk~~ rating and the ~~CDP score~~ ***Climate Risk Management Score*** *are combined to determine whether a company satisfies the "Transition" eligibility 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. ~~Any company attaining a CDP score of D- or below will not be eligible for investment. Outputs from the Transition Risk Model will be refreshed annually.~~*

Further details can be found in the Annex III – Pre-contractual disclosure."

2. Annex III – Pre-contractual Disclosures

a. The Sub-Fund's Annex III – Pre-contractual Disclosures currently details the following disclosures to the question "What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective", as follows:

"What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

(…)

Back transition

Alongside applying the solutions criteria, the Investment Manager will also apply the binding "transitions criteria" to identify a pool of companies eligible for investment as "transition companies". This binding criteria requires that companies pass the fund's T-Risk framework or Climate pillar deep dive, and therefore positively contribute to the sustainable investment objective through their operations. A Transition company is defined as one supporting or driving the sustainable transition. It does not refer to companies who in themselves are transitioning or transitional (…)"

The Board has resolved to amend the disclosures to the question "What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective" in the Sub-Fund's Annex III – Pre-contractual Disclosures" section, in order to align the description of the transition risk framework of the Sub-Fund as described in the Prospectus under the paragraph "Transition" (detailed under point I above), by adding details regarding the transition risk framework of the Sub-Fund, as follows:

"What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

(…)

Back transition

Alongside applying the solutions criteria, the Investment Manager will also apply the binding "transitions criteria" to identify a pool of companies eligible for investment as "transition companies". This binding criteria requires that companies pass the fund's T-Risk framework or Climate pillar deep dive, and therefore positively contribute to the sustainable investment objective through their operations.

Companies will be assessed as satisfying the "Transition" eligibility criteria using the Investment Manager's proprietary Transition Risk Model which comprises two core elements: Transition Risk and the Climate Risk Management Score. Transition Risk seeks to measure the exposure of certain 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 created by using multiple data points sourced from third parties or created internally.

The Transition Risk rating and the Climate Risk Management Score are combined to determine whether a company satisfies the "Transition" eligibility 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 to be deemed as eligible for investment by the Sub-Fund.

A Transition company is defined as one supporting or driving the sustainable transition. It does not refer to companies who in themselves are transitioning or transitional. (…)"

b. The Sub-Fund's Annex III – Pre-contractual Disclosures currently details the following disclosures to the question "How have the indicators for adverse impacts on sustainability factors been taken into account?", as follows:

"How have the indicators for adverse impacts on sustainability factors been taken into account?

(…)

Where applicable, the Investment Manager has assigned red flag to issuers which are considered to cause significant harm to an environmental or social objective. These issuers will be excluded from the investment universe for this sub-fund.

Furthermore, due diligence will be carried out on every company by portfolio managers and ESG analysts.(…)"

The Board has resolved to amend the disclosures to the question "How have the indicators for adverse impacts on sustainability factors been taken into account?" in the Sub-Fund's Annex III – Pre-contractual Disclosures' section, in order to allow more flexibility in the Investment Manager's proprietary framework for taking principal adverse impact indicators into account by clarifying that the Investment Manager might make exceptions to the process in place, as follows:

"How have the indicators for adverse impacts on sustainability factors been taken into account?

(…)

Where applicable, the Investment Manager has assigned red flag to issuers which are considered to cause significant harm to an environmental or social objective. These issuers will be excluded from the investment universe for this sub-fund. ***Any exceptions to this process will be rare and will be independently verified.***

Furthermore, due diligence will be carried out on every company by portfolio managers and ESG analysts. (…)"

c. The Sub-Fund's Annex III – Pre-contractual Disclosures currently details the following disclosures to the question " What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?", as follows:

"What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product ?

(…)
2. Active ownership

(…) Progress against asks will be systematically monitored, by conducting an annual assessment of companies ranking them on a scale from one to five. There is also an escalation pathway ultimately leading to divestment if engagement asks are not met. The Investment Manager will report on both these aspects, as well as any successful engagements, as part of its annual outcomes report. (…)"

The Board has resolved to amend the disclosures to the question "What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product ?" in the Sub-Fund's Annex III – Pre-contractual Disclosures' section, in order to allow more flexibility in the Investment Manager's assessment of companies' progress , which is one of the metrics used to measure progress against the Sub-Funds' sustainable investment objective, by enabling a nuanced view on the progress companies are making, as follows:

"What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product ?

(…)
2. Active ownership

(…) Progress against asks will be systematically monitored, by conducting an annual assessment of companies ranking them on a scale from one to five. There is also an escalation pathway ultimately leading to divestment if ~~engagement asks are not met~~ ***the company fails to make sufficient progress****. The Investment Manager will report on both these aspects, as well as any successful engagements, as part of its annual outcomes report. (…)"*

d. The Sub-Fund's Annex III – Pre-contractual Disclosures currently details the following disclosures to the question " What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?", as follows:

"What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product ?

There is no single metric to adequately measure progress against the Sub-Fund's sustainable investment objective, so measurement and reporting will consist of a suite of metrics across the following three areas:
(…)
3. Market reform
Aviva Investors' Sustainable Finance Centre for Excellence ("SFC4Ex") works in partnership with clients, policymakers and regulators, sharing knowledge and collaborating to build a sustainable future.
The SFC4Ex supports attainment of the Sub-Fund's sustainable investment objective by planning campaigns

linked to the objective. The annual outcomes report will report on the SFC4Ex's activity and what was achieved that supports attainment of the sustainable investment objective."

The Board has resolved to amend the disclosures to the question "What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product ?" in the Sub-Fund's Annex III – Pre-contractual Disclosures' section, by removing ones of the metrics used to measure progress against the Sub-Fund's sustainable investment objective, as the Investment Manager believes that the connection between the Sustainable Finance Centre for Excellence's activity and the Sub-Fund's sustainable investment objective lacks robustness and that shareholders would not benefit from the activity performed by the Sustainable Finance Centre for Excellence's activity since it does not help the Sub-Fund to achieve its sustainable investment objective, as follows:

"What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product ?

There is no single metric to adequately measure progress against the Sub-Fund's sustainable investment objective, so measurement and reporting will consist of a suite of metrics across the following three areas:
(…)
~~3. Market reform~~
~~Aviva Investors' Sustainable Finance Centre for Excellence ("SFC4Ex") works in partnership with clients, policymakers and regulators, sharing knowledge and collaborating to build a sustainable future.~~
~~The SFC4Ex supports attainment of the Sub-Fund's sustainable investment objective by planning campaigns linked to the objective. The annual outcomes report will report on the SFC4Ex's activity and what was achieved that supports attainment of the sustainable investment objective.~~"

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If you do not agree with 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 29 May 2024, under the conditions described in the Prospectus.

An updated version of the Prospectus reflecting the changes 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: Aviva.TA.LUX@bnymellon.com.

Yours sincerely,

Martin Bell

On behalf of the Board