

AVIVA INVESTORS MULTI-STRATEGY TARGET RETURN FUND

FUND UPDATES

JUNE 2022



This notice provides updated information in relation to the Aviva Investors – Multi-Strategy Target Return Fund (ARSN 605 042 288) (Fund) which invests in a Sub-Fund of Aviva Investors Société d'Investissement à Capital Variable (Underlying Fund). This notice forms part of the ongoing disclosures in relation to the Product Disclosure Statement issued on 1 September 2019. This update is issued by The Trust Company (RE Services) Limited (ABN 45 003 278 831) (Australian Financial Services Licence No. 235150) as Responsible Entity for the Fund.

FUND UPDATE

The Board of Directors of the Underlying Fund (the “Board”) has decided to transition the Underlying Fund from Article 6 to Article 8 Funds, in compliance with Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial sector (the “Sustainable Finance Disclosure regulation” or “SFDR”).

This change will be effective on 1 July 2022 (the “Effective Date”):

- as from the Effective Date the Sub-Fund will promote environmental and/or social characteristics;
- the Board has also decided to include more information around responsible investment in a new “Aviva Investors Transition Approach and Responsible Investment policy” section in the prospectus; and
- the investment process will now include binding ESG characteristics (ESG screens and sector exclusions), the integration of ESG considerations and the investment manager’s transition philosophy into investment decisions.

The Investment Manager of the Underlying Fund aims to identify both sustainability leaders and corporate and sovereign entities that have the potential and commitment to improve. It does this by excluding companies using its Baseline Exclusions Policy and utilising a suite of ESG data tools alongside qualitative research generated by the Underlying Fund Investment Manager’s large, dedicated team of in-house ESG specialists. The Underlying Fund Investment Manager will help catalyse and drive the required transition by using a variety of levers, including voting, engagement and what it calls “macro stewardship,” which is engaging with regulators, governments and other entities to “change the rules of the game,” in favour of those businesses that are providing solutions to sustainability problems or supporting the transition to a sustainable future.

The Underlying Fund Investment Manager’s responsible investment philosophy is to invest in the transition to a more sustainable future and, in particular, to promote the relative merits of engagement over divestment. The Underlying Fund Investment Manager will therefore seek to identify and invest in companies that are either focused on delivering sustainability solutions, exhibit the highest standards of corporate behaviour (when measured against national and international norms, see below) or are transitioning and evolving to become more sustainable and responsible.

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The Underlying Fund Investment Manager believes that for the Sub-Funds that it manages, including the Aviva Investors Multi-Strategy Target Return Fund, adopting a purely exclusions-based approach or simply investing in today's sustainability leaders would limit the Underlying Fund Investment Manager's ability to shape a sustainable future and not help to enable the transition to a low carbon economy. Real change requires a radical overhaul of the world's economy and industries and investors must be willing to support and be fully engaged in the transition from "brown" to "green." Creating a "better tomorrow" means we must play our part as investors in helping "today's world" become better.

The Underlying Fund Investment Manager also notes that the rise of ESG investing with a narrow focus on "green" companies has in many cases triggered inflated valuations which may ultimately undermine sustainability objectives and generate suboptimal outcomes for clients.

Please refer to the ESG Screening Impact appendix to this notice, which provides an overview of ESG considerations that apply to the Aviva Investors Multi-Strategy Target Return Fund.

Further information on Aviva Investor's approach to Article 8 is available at the following website:

<https://www.avivainvestors.com/en-gb/capabilities/sustainable-finance-disclosure-regulation/>

More information

For further information you may contact us at **Info.au@avivainvestors.com** or on (03) 9653 6472.