

Sustainability-related disclosures

Aviva Investors – ReturnPlus Fund (the “Sub-Fund”)

For financial products that promote environmental or social characteristics, financial market participants shall publish the information referred to in Article 10(1) of Regulation (EU) EN 32 EN 2019/2088 and Articles 25 to 36 of Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022.

(a) ‘Summary’

The investment objective of the Sub-Fund is to achieve a 0.75% per annum gross return above the Secured Overnight Financing Rate (SOFR) over a three-year rolling period, regardless of market conditions.

In order to achieve its investment objective, it invests mainly in bonds from anywhere in the world, including in emerging markets. Specifically, the Sub-Fund invests at least 80% in bonds of government, and corporate bonds (including but not limited to bonds of governmental, quasi-governmental, supranational, bank or corporate issuers anywhere in the world, including up to 30% in emerging markets) rated between AAA and A by Standards and Poor’s and Fitch and between Aaa and A2 by Moody’s.

Bond investments may include mortgage-backed securities (MBS) and asset-backed securities (ABS) subject to the rating restrictions discussed above. These bonds may be secured on residential, consumer or corporate loans, among other asset types. The Sub-Fund may invest up to 20% of total net assets in securitisation, including ABS/MBS and collateralised loan obligations (excluding ancillary liquid assets, eligible deposits, money market instruments and money market funds).

The Sub-Fund may invest in floating rates notes and units of UCITS or other UCIs.

It is anticipated that the sustainability indicators reported on for this Sub-Fund will include, but not be limited to:

1. Portfolio metric of any revenue derived from excluded activity (e.g., thermal coal)
2. Portfolio metric of any exposure to companies that have materially violated the UNGC, unless there is clear evidence of any commitment to, or already existing, remediating action by the company.
3. Tiered breakdown of portfolio by ESG Sovereign Monitor rating and commentary rationale explaining any ‘exception’ below threshold
4. Additionally, the Sub-Fund will measure exposure to the Principal Adverse Impacts indicators that the Investment Manager has committed to prioritising in its Principal Adverse Impact Statement. For reference these include:
 - i. Indicators relating to Greenhouse Gas (GHG) Emissions
 - ii. Indicators pertaining to activities negatively affecting biodiversity-sensitive areas
 - iii. Indicators relating to Board Gender Diversity
 - iv. Indicators relating to Greenhouse Gas (GHG) Intensity of investee countries

The Investment Manager’s primary data usage involves revenue screening to assess the percentage of an issuer’s revenues derived from business activities that align with the Sub-Fund’s environmental characteristics, or that conflict with ESG principles, as well as mandatory principal adverse indicators. The methodologies of data providers differ significantly and therefore there may be circumstances where portfolios or companies have drastically different ESG scores/ratings amongst providers. Any unavoidable gaps in data availability are mitigated by Aviva Investors’ side-by-side qualitative assessment of ESG factors. Aviva Investors commits to reporting on the PAI’s disclosed above, in accordance with its regulatory obligations. The Investment Manager has access to multiple data sources which are constantly reviewed. The Investment Manager’s goal is to ensure it has broad and deep coverage of information to enable a sound consideration of sustainability factors. Any unavoidable gaps in data availability are

mitigated by Aviva Investors' side-by-side qualitative assessment of ESG factors. As a result, the data limitations do not affect the attainment of the Sub-Fund's Environmental and Social characteristics.

There are specific policies and procedures which provide the governance and control of the fund exclusions and where applicable related divestment activity. The Aviva Investors risk and controls framework encompasses a combination of strategies, policies, culture, governance arrangements, tools, and reporting procedures. A key part of Aviva Investors risk and control framework is the completion of independent second-line reviews.

Effective and responsible active ownership has long been part of our fundamental approach to investment at Aviva Investors. The Investment Manager believes that persistent and constructive dialogue with issuers, corporates and sovereign representatives is vital to preserve and enhance the value of assets on behalf of its beneficiaries and clients.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

(b) 'No sustainable investment objective'

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

(c) 'Environmental or social characteristics of the financial product'

Whilst the Sub-Fund may invest in underlying investments that contribute to climate change mitigation and/or climate change adaptation, the Sub-Fund does not make any minimum commitment to invest in one or more environmentally sustainable investments.

To be eligible for investment, sovereign issuers must meet the minimum standard of the Investment Manager's ESG Sovereign Assessment. Furthermore, all investments that are selected as part of the Investment Manager's ESG analysis must follow good governance practices and not be excluded by the Investment Manager's ESG Baseline Exclusions Policy. Whilst ESG factors are integrated into the investment process, the Investment Manager retains discretion over investment selection.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

This Sub-Fund promotes environmental and social characteristics however it does not have a sustainable investment objective. To be eligible for investment, sovereign issuers must meet the minimum standard of the Investment Manager's ESG Sovereign Assessment. Furthermore, all investments that are selected as part of the Investment Manager's ESG analysis must follow good governance practices and not be excluded by the Investment Manager's ESG Baseline Exclusions Policy..

The below criteria are binding on the investment process to ensure underlying investments

are inclusive of those securities promoting environmental or social characteristics:

The exclusions detailed below will be applied to this universe.

A. The Investment Manager's ESG Baseline Exclusions Policy which includes the following exclusions:

- Controversial weapons including nuclear weapons
- Civilian firearms
- Thermal Coal
- Non-conventional fossil fuels (arctic oil and tar sands)
- Material violations of the UN Global Compact ("UNGC"); and
- Tobacco.

The exclusions are based on:

1. A maximum acceptable percentage of estimated revenue derived from the specific activities; the maximum acceptable percentage of revenue thresholds are:
 - Controversial weapons 0%, including nuclear weapons
 - Civilian firearms 5%
 - Thermal Coal 5%*
 - Non-conventional fossil fuels (arctic oil and tar sands) at 10%*
 - Tobacco producers at 0% and tobacco distribution or sale at 25%

*Once companies exceed the relevant revenue thresholds, the Investment Manager may exercise discretion to allow exceptions under defined conditions, subject to internal governance review and approval. Please refer to the table under section "1. The ESG Baseline Exclusions Policy" of the Prospectus for detail on exceptions to these exclusions.

2. Companies that have materially violated the UNGC, based on our own research informed by third-party data, internal analysis and/or engagement. We take into account any commitment to remediating action by the company as part of our analysis and will seek to proactively engage with companies if we receive information regarding allegations of UNGC violations.

Further details on the Investment Manager's ESG Baseline Exclusions Policy are available at <https://www.avivainvestors.com/en-gb/about/responsible-investment/policies-and-documents/>

B. ESG Sovereign Assessment:

The Investment Manager believes providing debt financing to sovereigns supports the pivotal role they play in the transition to a more sustainable future. The Investment Manager also recognises associated sustainability risks. Effective state governance reduces those risks but, where appropriate, sovereigns are excluded from the Sub-Fund's investment universe, subject to exceptions that mitigate unintended consequences and data limitations.

Assessments are made using: the Investment Manager's proprietary sovereign ESG model (which assigns ratings on a scale of 0 to 10 where sufficient information is available) as a starting point, external data, and qualitative judgements from the Investment Manager's inhouse ESG specialists. The ESG Sovereign Monitor's quantitative scoring approach assigns a composite ESG score to over 170 countries. These scores are derived from over 400 individual data points, which form 11 composite indicators.

Following a considered review of these ESG research insights, a decision may be taken to exclude a sovereign issuer from the Sub-Fund's investment universe in order to mitigate the Investment Manager's judgement of sustainability risks and falling below the Investment Manager's minimum standard.

For more information please see the public markets ESG integration section in the Annual Reviews:

<https://www.avivainvestors.com/en-gb/about/responsible-investment/policies-and-documents/>

- C. The Corporate Good Governance Qualitative Assessment criteria as outlined in the SFDR, is considered through the lenses outlined above. For corporates, the good governance principle introduced by SFDR will be met through a combination of the UNGC (as part of the Investment Manager's ESG Baseline Exclusions Policy noted above) and a qualitative assessment as part of the investment analyst research process. For sovereigns, good governance will be covered through the ESG assessment and minimum Sovereign monitor scores. Good governance indicators form a substantial component of the Investment Manager's ESG scoring tools and ESG research.

(d) 'Investment strategy'

The investment objective of the Sub-Fund is to achieve a 0.75% per annum gross return above the Secured Overnight Financing Rate (SOFR) over a three-year rolling period, regardless of market conditions.

It invests mainly in bonds from anywhere in the world, including in emerging markets. Specifically, the Sub-Fund invests at least 80% in bonds of government, and corporate bonds (including but not limited to bonds of governmental, quasi-governmental, supranational, bank or corporate issuers anywhere in the world, including up to 30% in emerging markets) rated between AAA and A by Standards and Poor's and Fitch and between Aaa and A2 by Moody's.

Bond investments may include mortgage-backed securities (MBS) and asset-backed securities (ABS) subject to the rating restrictions discussed above. These bonds may be secured on residential, consumer or corporate loans, among other asset types. The Sub-Fund may invest up to 20% of total net assets in securitisation, including ABS/MBS and collateralised loan obligations (excluding ancillary liquid assets, eligible deposits, money market instruments and money market funds).

The Sub-Fund may invest in floating rates notes and units of UCITS or other UCIs.

The Sub-Fund may use derivatives for hedging and for efficient portfolio management. The Sub-Fund's derivatives may include futures, swap contracts, total return swaps and currency forwards.

Derivative overlays will be used to isolate the risks that the Investment Manager has identified as most rewarding and remove others. The focus will be on investing in markets where structural dislocations exist (including global credit and cross currency swap markets). This involves the use of derivative instruments to hedge currency, duration and inflation risks, such that the Sub-Fund has limited exposure to these risks. Credit risk will be the main risk taken from a diversified portfolio with low overall default risk.

Strategy & Environmental, Social and Governance (ESG) criteria: The Investment Manager actively engages with companies and uses voting rights with the aim of positively influencing company behaviour and helping to create competitive returns.

In addition, sovereign issuers must meet the minimum standard of the Investment Managers' ESG Sovereign Assessment to be eligible for investment and all investments that are selected as part of the Investment Manager's ESG analysis must follow good governance practices and not be excluded by the Investment Manager's ESG Baseline Exclusions Policy.

Whilst ESG factors are integrated into the investment process, the Investment Manager retains discretion over investment selection.

This Sub-Fund does not have a sustainable investment objective and the Investment Manager will consider the adverse impacts of an investment to the extent they are financially material.

For further information please refer to the sustainability disclosures section of the prospectus and the website www.avivainvestors.com.

Good Governance

The Investment Manager's policy considers global best practice guidelines such as the ICGN Global Corporate Governance Principles and the G20/OECD Principles of Corporate Governance but are also informed by the Investment Manager's investment philosophy and numerous years of stewardship and voting experience. The Sub-Fund will not invest in securities from issuers that are in violation of the international norms and conventions set out by the UNGC Principles. Investment in securities from issuers that fail to protect the basic

rights of investors and employees through sound management practices or that are involved in tax evasion, corruption, or other governance scandals, will be avoided, unless they have taken adequate remedial action. The good governance criteria as outlined in the SFDR will be met through a combination of the UNGC (as part of the Investment Manager's ESG Baseline Exclusions Policy noted above) and a qualitative assessment as part of the investment analyst research process. Good governance indicators form a substantial component of the Investment Manager's ESG scoring tools and ESG research.

Aviva Investors' ESG function, comprising governance and responsible investment specialists, provides analysis to support the Investment Manager's investment teams and help them in building a robust assessment of good governance practices.

(e) 'Proportion of investments'

It is expected that at least 80% of investments will be aligned with the environmental/social characteristics of the Sub-Fund where possible, as described above. Amongst the investments aligned with the environmental/social characteristics of the Sub-Fund, there will be no sustainable investments as defined under SFDR, and the Sub-Fund will not be aligning to the screening criteria set out under the EU Taxonomy.

There may on occasion be investments in financial techniques and instruments and derivatives used for hedging and efficient portfolio management purposes or liquidity holding purposes (such as ancillary liquid assets, eligible deposits, money market instruments and money market funds) which are not deemed to attain the environmental or social characteristics the Sub-Fund promotes.

Amongst the investments aligned with the environmental/social characteristics of the Sub-Fund, there will be no sustainable investments.

(f) 'Monitoring of environmental or social characteristics'

It is anticipated that the sustainability indicators reported on for this Sub-Fund will include, but not be limited to:

1. Portfolio metric of any revenue derived from excluded activity (e.g., thermal coal).
2. Portfolio metric of any exposure to companies that have materially violated the UNGC, unless there is clear evidence of any commitment to, or already existing, remediating action by the company
3. Tiered breakdown of portfolio by ESG Sovereign Monitor rating and commentary rationale explaining any 'exception' below threshold.
4. Additionally, the Sub-Fund will measure exposure to the Principle Adverse Impacts Indicators that the Investment Manager has committed to prioritizing in its Principle Adverse Impact Statement. For reference these include:
 - a. Indicators relating to Greenhouse Gas (GHG) Emissions
 - b. Indicators pertaining to activities negatively affecting biodiversity-sensitive areas
 - c. Indicators relating to Board Gender Diversity
 - d. Indicators relating to Greenhouse Gas (GHG) Intensity of investee countries

More broadly, PAIs are available in portfolio management systems, and the Investment Manager considers these indicators alongside all other relevant ESG and financial metrics that inform its assessment of sustainability risk.

(g) 'Methodologies'

The below criteria are binding on the investment process to ensure underlying investments are inclusive of those securities promoting environmental or social characteristics:

A. Aviva Investors' firm-wide baseline exclusions policy which includes the following exclusions:

- Controversial weapons including nuclear weapons
- Civilian firearms
- Thermal Coal
- Non-conventional fossil fuels (arctic oil and tar sands)
- Breaches of principles of the UN Global Compact ("UNGC"); and
- Tobacco.

The exclusions are based on:

1. A maximum acceptable percentage of estimated revenue derived from the specific activities; the maximum acceptable percentage of revenue thresholds are:

- Controversial weapons 0%, including nuclear weapons
- Civilian firearms 5%
- Thermal Coal 5%*
- Non-conventional fossil fuels (arctic oil and tar sands) at 10%*
- Tobacco producers at 0% and tobacco distribution or sale at 25%

*Once companies exceed the relevant revenue thresholds, the Investment Manager may exercise discretion to allow exceptions under defined conditions, subject to internal governance review and approval. Please refer to the table under section "1. The ESG Baseline Exclusions Policy" of the Prospectus for detail on exceptions to these exclusions.

2. Companies that have materially violated the UNGC, based on our own research informed by third-party data, internal analysis and/or engagement. We take into account any commitment to remediating action by the company as part of our analysis and will seek to proactively engage with companies if we receive information regarding allegations of UNGC violations.

ESG Sovereign Assessment on the sustainability characteristics of sovereign issuers and minimum thresholds applied across sovereign issuers based on the Investment Manager's proprietary ESG scores.

A minimum threshold ESG score for sovereigns at 2.5 is applied to the investment universe, with the aim of screening out those with the worst ESG characteristics. The scores are derived from the Investment Manager's proprietary ESG Sovereign Monitor. For issuers scoring between 2.5 and 4 an enhanced due diligence process will operate whereby such issuers will need to pass a further qualitative assessment to be included in the sub-fund.

The considerations for these lower scoring issuers, include but are not limited to, having a positive sustainable GDP gap, or where the ESG analyst considers the data is outdated, inaccurate or incomplete.

The Investment Manager believes providing debt financing to sovereigns supports the pivotal role they play in the transition to a more sustainable future. The Investment Manager also recognises associated sustainability risks. Effective state governance reduces those risks but, where appropriate, sovereigns are excluded from the Sub-Fund's investment universe, subject to exceptions that mitigate unintended consequences and data limitations.

Assessments are made using: the Investment Manager's proprietary sovereign ESG model (which assigns ratings on a scale of 0 to 10 where sufficient information is available) as a starting point, external data, and qualitative judgements from the Investment Manager's inhouse ESG specialists. The ESG Sovereign Monitor's quantitative scoring approach assigns a composite ESG score to over 170 countries. These scores are derived from over 400 individual data points, which form 11 composite indicators.

Following a considered review of these ESG research insights, a decision may be taken to exclude a sovereign issuer from the Sub-Fund's investment universe in order to mitigate the Investment Manager's judgement of sustainability risks and falling below the Investment Manager's minimum standard. More information on the Investment Manager's proprietary sovereign ESG model and the rating methodology can be found on the website: <http://www.avivainvestors.com/en-lu/responsibility/>

The Corporate Good Governance Qualitative Assessment criteria as outlined in the SFDR, is considered through the lenses outlined above. For corporates, the good governance principle introduced by SFDR will be met through a combination of the UNGC (as part of the Investment Manager's ESG Baseline Exclusions Policy noted above) and a qualitative Aviva Investors assessment as part of the investment analyst research process.

For sovereigns, good governance will be covered through the ESG assessment and minimum Sovereign monitor scores. Good governance indicators form a substantial component of the Investment Manager's ESG scoring tools and ESG research.

(h) 'Data sources and processing'

Our primary data usage involves revenue screening to assess the percentage of an issuer's revenues derived from business activities that align with the Sub-Fund's Environmental and Social characteristics, or that conflict with ESG principles, as well as the principle adverse indicators Aviva Investors has committed to prioritise as a firm, and will integrate for consideration by Fund Managers as detailed above. Issuer names captured under the Aviva Investors Baseline Exclusions Policy are updated twice a year, on a six-monthly basis. PAI data is obtained on a monthly basis. Aviva Investors commits to reporting on the PAI's disclosed above, in accordance with our regulatory obligations.

The Investment Manager has reviewed a variety of market leading ESG data providers to ensure that it has procured quality data. Aviva Investors will review its relationship with third party ESG data providers on a periodic basis, taking appropriate action or escalation where this is deemed necessary.

Aviva Investors uses third party vendors for certain data and as such rely upon their methodologies which may mean that some data is estimated. However, it does not consider estimates to be a material part of the data used in its investment process.

(i) 'Limitations to methodologies and data'

The regulatory environment and the reporting requirements for issuers are developing at different speeds and there is not always a consistent standard across jurisdictions, sectors and/or companies. Furthermore, the methodologies of data providers differ significantly and therefore there may be circumstances where portfolios or companies have drastically different ESG scores/ratings amongst providers.

The Investment Manager has access to multiple data sources which we constantly review. Its goal is to ensure it has broad and deep coverage of information to enable a sound consideration of sustainability factors. Any unavoidable gaps in data availability are mitigated by Aviva Investors' side-by-side qualitative assessment of ESG factors. As a result the data limitations do not affect the attainment of the Sub-Fund's Environmental and Social characteristics.

Data from third party data providers may be incomplete, inaccurate, or unavailable. Where Aviva Investors seeks to rely on proprietary models these may similarly rely on information, which is incomplete, inaccurate or unavailable. As a result, there is a risk that Aviva Investors may, from time to time, incorrectly assess a security, issuer or index. There is also a risk that Aviva Investors, or the third-party data providers on which it may depend, may not interpret or apply the relevant ESG characteristics correctly. Aviva Investors does not warrant the fairness, accuracy or completeness of any data used, or assessment made.

(j) 'Due diligence'

Prior to investment every company in the portfolio will undergo financial and sustainable due diligence to ensure that it is appropriate to the fund meeting its objectives and ESG characteristics. There are specific policies and procedures which provide the governance and control of the fund exclusions and where applicable related divestment activity. These policies and procedures are focussed on a specific Exclusion Policy, and the embedding of Good Governance and ESG Sovereign Assessment into the investment process.

The Aviva Investors risk and controls framework encompasses a combination of strategies, policies, culture, governance arrangements, tools and reporting procedures. Appropriate controls are developed and embedded to adequately meet business strategic goals and to minimise current and future risk to an acceptable risk exposure level. Aviva Investors has formal controls relating to due diligence on assets. Second line consists of risk and compliance functions (directly reporting to the CRO), who act as a partner to the business and whose core purpose is to independently challenge, advise and guide the business in the delivery of its strategy and plans, whilst safeguarding its customers and shareholders.

A key part of Aviva Investors risk and control framework is the completion of independent second-line reviews. Such reviews are conducted by assessing the design and completeness of key controls that are in place and will also cover thematic areas informed by the risk-based compliance monitoring programme.

(k) 'Engagement policies'

Effective and responsible active ownership has long been part of Aviva Investors' fundamental approach to investment. The Investment Manager believes that persistent and constructive dialogue with issuers, corporates and sovereign representatives is vital to preserve and enhance the value of assets on behalf of its beneficiaries and clients. This is achieved through voicing our support for more sustainable practices and gathering insights to inform investment decisions. Through written correspondence, face-to-face meetings, phone calls and more collaborative formats, The Investment Manager encourages sovereigns and companies to consider the whole picture of sustainability because this is how they will create the greatest return for investors while helping to build a better future for society.

Aviva Investors operates a fully integrated approach to investment and ownership, combining the skills of our fund managers, investment analysts and ESG specialists across asset classes. During daily, weekly and quarterly discussion forums, it will continually monitor an entity's management and performance, including developments which may have a significant impact on valuation or risk profile. As part of its analysis, Aviva Investors tracks areas of performance, including management of key ESG areas. If it feels that it does not have enough information or has identified gaps, improvements in an entity's awareness or management of their ESG risks and opportunities, the Investment Manager will establish dialogue. This dialogue will be conducted in close cooperation with, and often led by, portfolio managers and research analysts. Key insights are disseminated in written company, industry and thematic notes to feed into idea generation, analysis, forecasts and conclusions about further escalation.

(l) where an index is designated as a reference benchmark to attain the environmental or social characteristics promoted by the financial product, 'Designated reference benchmark'

An index has not been designated as a reference benchmark to meet the environmental or social characteristics promoted by the financial product.

