Aviva Stewardship

Report covering Aviva's Stewardship Fund Range over the 12 months to end of March 2023

Contents

Please note that the Stewardship Funds are now known as the Sustainable Stewardship Funds.

Please note that the name of the Sustainable Outcomes Team, which is covered in the Appendix and mentioned on pages 4 and 6 and 17, is now called the Sustainable Investment Team.

Foreword

Traditionally we start our annual reviews with a short review of the past year from a macro-economic or political perspective. Inevitably though there is a danger of claiming every year has been unique – invariably they are, but we do seem to be experiencing a particularly volatile period relative to recent history. The Ukraine/Russia war continues at significant human cost but has become slightly overshadowed by the situation in Gaza…possibly a more politically fractious situation (if that is possible), but no less tragic for those caught up in it. Economically it seems that (at the time of writing) inflation and consequently interest rates may have peaked, and we have started to see confidence return to the markets. However, the projections for growth remain muted compared to what we experienced before the Covid-19 pandemic.

Against this backdrop, there has been a continued backlash against so-called environmental, social and governance, and therefore ESG funds. Particularly as recent equity returns were initially dominated by the oil majors and then by the "magnificent seven" tech companies. The term ESG has become heavily politicised, to the extent, particularly in the US, that there is no middle ground between the "for and against." The reality is that the pure premise of ESG in investing has been forgotten – to understand how environmental and social issues MIGHT affect a company's long-term value. That is something that should be considered in all investments. Concurrently, there has also been an increasing regulatory push to distinguish between ESG funds and Sustainable funds. 'ESG' and 'Sustainable' are not the same thing – the first is about portfolio risk management, the second is about delivering real world sustainable outcomes.

Why is this relevant to the Stewardship funds? 2023 saw the biggest single change to the investment objectives of the funds since their inception in the early 1980s. The funds have to this point been regarded as "ethical" funds not ESG funds; they were after all the first ethical funds of their kind when they launched in 1984. This reflects the funds precluding investment in sectors or activities against the values of the fund range.

However, we would stress that the actual philosophy of the funds has also been about investing for good – for so long that has meant not investing in those things deemed harmful to society or the environment, in adapted from the originally Quaker faith-led exclusions. With this in mind, since taking on the management of the Funds in 2018, we have also considered "positive" selection – why are we investing in these companies based on that premise of "doing good?" So, in 2023, the Stewardship Funds were formally repositioned to become the Sustainable Stewardship Funds – all of the exclusions remain however we have now formalised the positive selection process to those companies we believe are aligned to the spirit of the United Nations Sustainable Development Goals (SDGs). The SDGs have been described as the "blueprint for peace and prosperity for people and the planet, now and into the future." We use the SDGs as a framework to help us define if we think a company is supporting a transition to a more sustainable economy across Aviva Investors' three key pillars of People, Climate and Earth.

Whilst we cannot claim that the Stewardship Funds will deliver a more sustainable world on their own, we can commit to you that the principles of the Stewardship Funds remain aligned to how we at Aviva Investors want not only to support, but also positively influence the changes needed to help navigate these challenges of climate change and social inequality. The Funds are an expression of that, and we believe they continue to represent both the financial needs and values of our clients.

Sam Tripuraneni
Head of Sustainable Outcomes,
Aviva Investors

Executive Summary

Aviva Investors has managed the Stewardship Funds since April 2018	April 2023 marked five years since Aviva Investors, our dedicated asset manager, took on the responsibility for the Stewardship Funds – the Stewardship UK Equity, Stewardship UK Equity Income, Stewardship International Equity, Stewardship Bond and Stewardship Managed Funds.
Aviva Investors and Stewardship have a strong track record as responsible investors	Both Aviva Investors and the Stewardship Funds share a 40-year track record as responsible investors. Aviva Investors has a dedicated team of more than 50 ESG analysts whose job it is to work with the fund managers and share their knowledge, expertise and research. See the Appendix for more details about the team.
Sustainable Outcomes Team – Earth, Climate and People	As well as benefiting from the support and research produced by the wider ESG team at Aviva Investors, the thematic research and support available to the Stewardship Funds is made possible by the Sustainable Outcomes Team, which covers the three pillars of the Stewardship approach; Earth, Climate and People.
Stewardship excludes harmful businesses	Stewardship recognises that businesses can have a positive impact overall, but that they – along with their products and services – can also cause harm to the world and its people. Stewardship screens out such companies and industries from its investment universe.
Stewardship supports companies that make a positive contribution through investment	As well as excluding businesses, Stewardship also invests in and therefore supports those businesses that contribute positively to the world around us. The Stewardship Funds are aligned with the UN's Sustainable Development Goals to demonstrate that their investment in companies which are contributing to a more sustainable future is just as important as the exclusion of harmful businesses and industries from the funds.
Stewardship engages and votes to encourage positive change	Stewardship engagement has been focused on environmental issues, including climate change and plastic pollution, as well as social issues, namely human rights, diversity and inclusion.
Stewardship default strategy launched in July 2019	Wanting to help customers contribute to a better world while saving for retirement, Aviva launched the Stewardship Default Strategy in July 2019. The default uses the Stewardship International Equity, the Stewardship Managed and the Stewardship Bond Funds. See page 18 for more details about the default and the Appendix for more details about the funds.

Please note that Aviva Investors took on the management of the Stewardship Funds in April 2018. The funds were launched by Friends Provident, which is now part of Aviva following the merger between Aviva and Friends Life (formerly Friends Provident) in April 2015.

Aviva's history as a responsible business

With you today, for a better tomorrow

Responsible investment and caring for the world around us is in our DNA at Aviva. As the chart below shows, we've been doing this for a long time whether that be as an investor, as a major insurer or as an employer. Our achievements in this space, which are shown below, reflect our commitment to investing responsibly. Helping create a better world for our customers, our families and communities in the UK and around the world is part of our lifeblood, part of Aviva's history and something that we believe should be part of our future.

Our responsible investment journey took another exciting step in March 2021 when we unveiled our ambitions to be a net zero carbon business by 2040. This was a first for a major insurance business and we've taken steps across the business and across our investment over the past 12 months to put us in a good place to get closer to this target. Encouraging better business practices through shared ownership and engagement, to achieve positive outcomes, is an essential part of the Stewardship philosophy as shown later in this report.

At the forefront of responsible investment

1994	2001	2006	2013	2015	2016	2018	2022
Published our Corporate Governance voting policy	Climate and social issues explicitly reflected in voting policy from 2001	Founding signatory of UN Principles for responsible investing	We helped launch the Corporate Human Rights Benchmark	Only financial institution at signing of UN SDGs in 2015	Member of European Commission High-Level Expert Group on Sustainable Finance & FSB TCFD	World Benchmarking Alliance launched. Award from UN for sustainability work	International Platform for Climate Finance – which we convened - promoted at COP27

Source: Aviva Investors as at 24 May 2023.

Stewardship

A proud Heritage as UK's first ethical fund

Launched in 1984, the Stewardship UK Equity Fund was the UK's first social and environmentally screened fund.

The Stewardship Investment approach has three guiding sustainability principles

1. Avoid companies that do not meet certain ethical standards, or that harm society or the environment.
2. Support companies that make a positive contribution through investment.
3. Encourage leading business practices.

There are five Stewardship funds covering the key asset classes

Customers can access UK equities via the Stewardship UK Equity Fund and the Stewardship UK Equity Income Fund. The Stewardship International Equity Fund provides exposure to international equities and the Stewardship Bond Fund to fixed income. The Stewardship Managed Fund is a multi-asset fund that predominantly invests in equities with an allocation to fixed income.

Stewardship benefits from a dedicated ESG team

Aviva Investors and Stewardship have a long history of engaging with companies to help them become more aware of the risks they face and to encourage positive change. An experienced fund management team sits with a well-resourced team of more than 50 dedicated investment professionals. The Sustainable Outcomes team ensures the three pillars of the Stewardship approach - Earth, Climate and People - are fully reflected across the Stewardship Funds. See the Appendix for more detail on the team.

Stewardship Layer 1 - Stewardship Suitability

Stewardship takes a two-tiered approach to assessing suitability to determine exclusion or inclusion:

Exclusion - Negative Screening

Some industries, activities or behaviours are unacceptable to Stewardship and are excluded through the fundamental screens. We apply a consistent set of hard exclusions across the funds based on certain ethical, social and environmental criteria and company controversies. This ensures firms that are held in the Stewardship Funds meet a minimum sustainable baseline. Details of the exact exclusions are shown in the Appendix.

Inclusion- Positive Screening

Many companies could pass the negative screening criteria, however passing the hard exclusions does not automatically mean a company is suitable for inclusion in the Stewardship Funds. To qualify for inclusion in Stewardship, a company must be deemed a responsible business.

When a company is proposed for inclusion, a customised sustainability deep dive is carried out by our Sustainable Outcomes specialists through an assessment to ascertain whether a company is suitable for investment.

Companies are assessed based on the quality of sustainability policies, practices, performance and disclosures within their operations, as well as the contribution of their product and services to alleviate environmental and social issues.

Companies are encouraged to have, as a minimum, strong sustainability policies and systems. Companies should report publicly on sustainability policies and their performance against them, using quantified metrics and timebound targets. In this manner, the Funds seek to ensure a basic standard of sustainability practice across the world and industries, and to encourage continual improvement in performance.

Stewardship Layer 2 - Engagement

Layer 2 is primarily related to the engagement programmes for companies in the Stewardship Funds. We engage with companies to encourage them to enact the best possible sustainability practices.

This has a number of components:

1 **Firm-wide engagement after Aviva Investors Annual Chair Letter -**
on an annual basis, Aviva Investors outlines a set of sustainability priorities that we expect companies to take into consideration. These are articulated in our annual letters to company chairs. The core elements of our expectations of our 'People', 'Climate' and 'Earth' Pillars outlined in the Chair letter are accompanied by Aviva Investors' Sustainable Outcomes Programmes. The sustainability priorities for the Funds are climate change, the transition to a low carbon economy and the cost of living crisis.

2 **Stewardship Thematic engagement -**
we initiate targeted thematic programmes on specific issues to encourage companies the Funds invest in to improve practices where they fall short of our expectations or to push the boundaries of best practice in a specific area. Thematic engagement in the Funds focuses on on diversity and inclusion, the UK energy crisis and plastics.

3 **Collaborative Initiatives -**
we exert our collective influence with other stakeholders and encourage companies to participate in market-leading collaborative initiatives.

The four layers of engagement are shown below.

1	**Chair letter** Firm-wide Engagement	Climate, People, Earth
2	**Thematic Engagement programme**	**We engage with companies in the Funds on specific topics to encourage companies to improve their practices where they fall short of our expectations or to push the boundaries of best practice in a specific area.** **We have engaged on diversity and inclusion, and plastics.** **1. Diversity and inclusion - advocating for inclusive cultures and diverse workforces.** **2. Plastics - supporting the circular economy.**
3	**Collaborative Engagement**	**Aviva Investors is a member of the 30% club to encourage diversity in leadership. The 30% Club was created in 2010 to increase female representation on company boards.**

We show examples of engagement between Aviva Investors and businesses on the following pages.

Examples of Aviva Investors' Sustainable Outcomes Engagement Programme

Climate: AXA

Issue

AXA is held in our Stewardship Bond Fund. The firm's management team considers a range of biodiversity factors in its annual sustainability risk assessments. AXA is also a member of the Task Force on Nature-related Financial Disclosures and has played a role in the development of biodiversity impact metrics. We see AXA as leading its peers in its approach to helping preserve biodiversity. We decided to engage with the company to try and assist management in making further improvements.

Action

We sent a letter to AXA as part of our Natural Capital Transition Global Equity Fund (NCTF) engagement programme which made various suggestions, including developments to their approach to biodiversity impact and dependencies assessments, their use of SMART (Specific, Measurable, Achievable, Realistic and Timely) targets and their No Deforestation No Peat No Exploitation (NDPE) commitment. We also met with management. We learned that although they have no immediate plans to do a Science Based Target style impact and dependency assessment, they have extensively developed their climate strategy and have emissions reduction targets for all parts of the business. They have also introduced deforestation safeguards and committed €1.5bn (£1.28 bn) to reforestation.

Outcome

Our already positive view on AXA in terms of its approach biodiversity preservation improved further following this engagement. We believe progress in this area will contribute positively towards the performance of the company's shares versus key insurance peers. We will continue to hold the company and potentially increase allocations. AXA's management team asked to speak with us separately regarding the development of Aviva's Transition Plan. We will continue to speak to them on this and other topics.

Biodiversity: BNP Paribas

Issue

BNP Paribas is held in our Stewardship Fixed Interest Fund as an industry leader. Despite issues around data availability, data quality and emerging methodologies, the company has made considerable progress in areas such as preserving biodiversity in recent periods. However, we believe that there is a lot more that management could do to contribute towards a nature-positive economy.

Action

We sent a letter to BNP Paribas as part of our Natural Capital Transition Global Equity Fund (NCTF) engagement programme, which made various suggestions. These included developing their approach to biodiversity impact and dependencies assessments, the use of SMART (Specific, Measurable, Achievable, Realistic and Timely) targets and issues concerning the company's No Deforestation No Peat No Exploitation (NDPE) commitment. We asked that the company align itself with best practice in these areas. We also met with the company. A portfolio manager and two ESG analysts spoke to management. We found that the company has been very involved in the Task Force for Nature-related Financial Disclosure and domestic French initiatives. Management is also looking to broaden the scope of its biodiversity assessments beyond the current focus area of asset management.

Outcome

We retain confidence in management's progressive stance on biodiversity and believe the company can be a leader in the sector in this regard. We continue to hold BNP Paribas in our equity portfolios. We will continue to monitor the company and encourage regular progress updates on areas such as the company's 2025 Amazon zero deforestation target.

Human Rights: Paypal

Issue

Paypal is held in our Stewardship International Equity Fund as a transition company. We believe that Paypal is in a powerful position in the fight against the online firearms and ammunition trade, which we wanted to discuss with management. We also had questions regarding the company's policy on wages and its progress on issues regarding human rights and data privacy.

Action

We sent a letter to Paypal as part of our Social Transition Global Equities Fund (STF) engagement programme asking the company to consider making changes to align with best practice in their human rights impact assessment and other areas. Our People pillar lead then met with the company. We discussed Paypal's ban on firearms and ammunition transactions and the availability of services in Palestine. We also asked questions regarding the company's human rights impact assessment and wage policy. Management demonstrated its leading initiative on wages, with a target of ensuring 20% net disposable income (NDI), which exceeds the living wage provision.

Outcome

We found Paypal to be leading the way on preventing online firearms and ammunition transactions. In addition, their annual updates to their Modern Slavery Statement demonstrate significant improvements in their disclosures. Our positive view was reinforced as a result of this engagement and we continue to hold the company in the STF. We have reiterated our asks for additional disclosures regarding their human rights impact assessment and requested to see the methodology used to calculate workers' net disposable income (NDI).

Thematic – Annual Chair Letter

GlaxoSmithKline (GSK)

Issue

The pharmaceuticals sector is no stranger to investor criticism, having drawn negative attention for issues ranging from pricing policies to business ethics. This is perhaps surprising given that pharmaceuticals companies are in the business of creating what are often life-saving products. Increasingly investors are focusing on the environmental effects of these companies' manufacturing processes and issues relating to social responsibility.

Action

We've continued engaging with GSK on issues such as climate change in line with the expectations outlined in our Annual Chair letter sent in January 2022. We identified procurement as a key issue for GSK. We have also been voting against other companies where we have had concerns around these areas.

Outcome

We remain positive on the company. We are encouraged by the launch of GSK's new Sustainable Procurement Programme, requiring and supporting suppliers to make sustainability commitments and improve in areas including emissions, energy, heat, transport, waste, water and biodiversity. The new programme forms part of the company's efforts towards meeting its own sustainability goals. GSK will actively support its suppliers in the adoption of new environmental sustainability measures and also lead the development of several cross-industry collaboration projects to develop solutions.

Thematic – Diversity and Inclusion

Gender Diversity (Stewardship Franchise programme & Voting)

Issue

The balanced representation of board directors with respect to gender, ethnicity, and social backgrounds is a critical business issue, one that is essential for ensuring a deep understanding of key stakeholders, securing the best available talent, promoting social inclusivity and propelling commercial success.

Action

At the beginning of 2022, we wrote to companies held in the Aviva International Equity and Fixed Income Stewardship Funds, expressing our concern at the lack of female representation at board and senior management and requesting that they set clear timebound targets for increased board-level gender diversity and establish an associated action plan to deliver on board gender diversity ambitions. Beyond engagement with holdings in our Stewardship funds, we have also been voting against companies where we have had concerns around gender diversity.

Outcome

Nintendo, formally responded to our letter, acknowledging that there is more it can do to improve diversity and inclusion. We reviewed the company's latest sustainability report and note a renewed importance of diversity issues in its corporate social responsibility (CSR) strategy. We applaud the company's formalised policy on women's careers and specific targets around the Act on Promotion of Women's Participation and Advancement in the Workplace. However, we remain concerned by weak female representation in senior management and will be following up with the company to understand how it plans to remedy this. Murata Manufacturing's response reassured us that gender diversity is an important issue for the business. We consider meaningful female representation at board-level a minimum of a third female directors and it was encouraging to see timebound targets associated with increasing female representation in managerial and technical positions in the company's CSR strategy. Ahead of Novartis' 2022 Annual General Meeting (AGM), we advised the company of the resolutions we had not supported including the Board Chair reflecting concerns over the lack of gender diversity on the Board. Likewise, in advance of the Cyrela Brazil Realty AGM, we made the company aware of the numerous resolutions we were unable to support, in part driven by a lack of gender diversity on the board.

Thematic – UK Energy Crisis

Scottish Energy Power, E.ON, Centrica

Issue

The cost of energy problem has been brewing in the UK for some time, with a combination of supplier failures, insufficient hedging and the role of natural gas in marginal pricing systems all contributing. The key trigger for all these issues has been rising energy prices, stoked by natural gas shortages following the Russian invasion of Ukraine. This is not a paradigm unique to UK energy, but it has been exacerbated by the structure of UK retail energy markets.

With inflation also putting upward pressure on the overall cost of living, there is a major concern that large portions of the UK will fall into fuel poverty (defined as spending more than 10% of income on energy bills). Estimates suggest 20% of UK households are currently in fuel poverty, with E.ON's CEO stating on BBC in May 2022 that they expected 40% of the UK to be in fuel poverty by winter without government intervention.

Action

We engaged with three major UK retail energy suppliers (Scottish Energy Power, E.ON and Centrica) to ascertain what these companies were doing to support their customers, and encourage them to do more up to a financially feasible level. We met with each of the three companies to tell them about our fact-finding mission. We also spoke to think-tanks and fuel poverty charities to garner their views on the best solutions to the crisis.

Outcome

Having now ascertained the key areas for energy suppliers to improve in, we will continue our engagement with these three companies to explain our findings and outline the two key asks we would like to see implemented, which are to prioritise the roll out of smart meters for pre-payment customers and to introduce more affordable debt repayment programmes.

Moreover, while an extensive government support package was announced in May 2022, there are longer-term issues the government still needs to address, predominantly around energy efficiency. In addition, there are also a number of issues for Ofgem, the regulator, to address. Consequently, our intention is to also work with our Sustainable Finance Centre for Excellence on market reform and Aviva's Public Policy team on government support in order to help tackle this issue from multiple angles.

Thematic – Plastics

Home Depot

Issue

The rapid growth in global plastic production from fossil fuel feedstock, single-use plastic products and packaging, and mismanagement of post-consumer plastic waste disposal has resulted in a global plastic crisis. Widespread pollution of natural ecosystems from plastics and microplastics is a threat to biodiversity and human health. The level of greenhouse gas emissions associated with the production, use and disposal of conventional fossil fuel-based plastics is forecast to grow to 19 per cent of the global carbon budget by 2040. We believe that businesses are playing an increasingly critical role in tackling the global plastic crisis by adopting a circular plastic model within their businesses.

Action

We have been engaging with the company as part of our Stewardship Funds' bespoke engagement programme. During a joint engagement call between ESG analysts and the company's Chief Sustainability Officer, we requested disclosure of volumes of plastic packaging used, increasing the level of recycled content and trialling of circular or alternative packaging solutions. This is aligned to the Ellen McArthur Foundation's New Plastics Economy Global Commitment.

Outcome

We were pleased with the momentum made regarding targets as Home Depot explained that they were on track to meet some of their 2023 plastic targets and intend to expand their scope. However, we wish to see more progress in the future around their reporting as they do not currently measure or report on absolute plastic usage across their product portfolio. Although they do not have a specific engagement programme in place to encourage adoption of circular models with suppliers, they are engaging with their suppliers on this. We have encouraged the company to join either the Plastics Economy Commitment or the US Plastics Pact alongside publicly disclosing absolute plastics use and performance against plastic targets.

Stewardship uses its vote as a shareholder

During the 12 months to the end of March 2023, we voted at 194 company meetings on 2,513 resolutions for the Stewardship Equity Funds. Of these shareholder resolutions, 50 were ESG-related resolutions. We voted against management on nine of these resolutions

ESG-related Shareholder resolutions 12 months to end March 2023	Abstain	Number Against	Number Supported	Total Number
Climate	1	1	3	5
Environmental			3	3
Governance		1	11	12
Social	1	7	22	30
Total	2	9	39	50

Stewardship Layer 3 – Non-financial Outcomes

A big part of the Stewardship story is our commitment to show how the Stewardship Funds are performing compared to 'non-financial' targets. How do a fund's carbon emissions look compared to that of the fund's benchmark? What percentage of companies in the funds have a target in place to reduce their carbon emissions? When we look at a fund as whole, what is the overall percentage of women on the board and how does this compare with the fund's benchmark?

Stewardship UK Equity

	Fund	FTSE All-Share Index
Carbon intensity (sales) Latest (Wt Avg-PORT NMV/MV)	39.54	120.88
Carbon emissions scope 1&2 (t/$m EVIC)(Wt Avg-PORT NMV/MV)	16.36	79.77
% of companies with carbon emissions reduction target	92.50%	58.15%
% women on board (Wt Avg-PORT Delta NMV)	39.27%	41.15%
ESG Adjusted score Score with short handling-PORT	8.08	7.86

Stewardship UK Equity Income

	Fund	FTSE All-Share Index
Carbon intensity (sales) Latest (Wt Avg-PORT NMV/MV)	59.10	120.88
Carbon emissions scope 1&2 (t/$m EVIC)(Wt Avg-PORT NMV/MV)	26.37	79.77
% of companies with carbon emissions reduction target	88.88%	58.15%
% of women on board (Wt Avg-PORT Delta NMV)	39.49%	41.15%
ESG Adjusted score Score with short handling-PORT	8.28	7.86

Stewardship International Equity

	Fund	MSCI World Index
Carbon intensity (sales) Latest (Wt Avg-PORT NMV/MV)	23.77	128.55
Carbon emissions scope 1&2 (t/$m EVIC)(Wt Avg-PORT NMV/MV)	3.11	47.12
% of companies with carbon emissions reduction target	90.62%	79.39%
% women on the board (Wt Avg-PORT Delta NMV)	36.54%	34.16%
ESG Adjusted score Score with short handling-PORT)	7.54	6.95

Stewardship Bond

	Fund	Iboxx sterling non gilts
Carbon intensity (sales) Latest (Wt Avg-PORT NMV/MV)	68.80	79.45
Carbon emissions scope 1&2 (t/$m EVIC)(Wt Avg-PORT NMV/MV)	18.78	40.97
% of companies with carbon emissions reduction target	73.07%	N/A
% of women on board (Wt Avg-PORT Delta NMV)	38.21%	37.77%
ESG Adjusted score Score with short handling-PORT	7.20	6.45

Source Aviva Investors end March 2023.

Aviva Investors creates an ESG score for each fund. This allows for comparison purposes. Scores range from 0 to 10 - the higher the score the better.

Carbon intensity (sales) is a measure of greenhouse gas emissions (scope 1 & 2) from the companies in a fund.

Carbon emissions scope 1 & 2 represents a fund's scope 1 & 2 greenhouse gas emissions. Scope 1 emissions are emissions from sources owned and controlled by the company. Scope 2 emissions are emissions are those caused by the generation of electricity purchased by the company. The lower the number the better.

Governance of the Stewardship range

The Global Sustainable Outcomes team and the Aviva Investors' Investment Oversight Committee provide oversight of Stewardship:

- The Aviva Investors' **Global Sustainable Outcomes team** runs the ESG screening and assessment research for the Stewardship Funds, working closely with the fund managers.
- The Aviva Investors' **Investment Oversight Committee** conducts a deep dive of environment, social and governance issues every six months. The Committee also reviews the Stewardship Funds, the investment policies and the holdings to ensure they continue to reflect the Stewardship philosophy and remain suitable for the Stewardship Funds.

Aviva's Stewardship Default Strategy

In July 2019 we launched the Stewardship Strategy to enable our customers to invest responsibly throughout their retirement journey by investing in the Stewardship Funds. We believe that this is the first offering of its kind, which incorporates investing ethically at each stage of the retirement journey. We want our customers to be confident that regardless of where they are in the retirement journey – at the very beginning or near to the end – their money is helping to make a difference in a positive way. We show how the Stewardship Strategy works below:

How does the strategy work?

The aim of the Stewardship Strategy is to look after members' retirement savings as they travel through their journey to retirement.

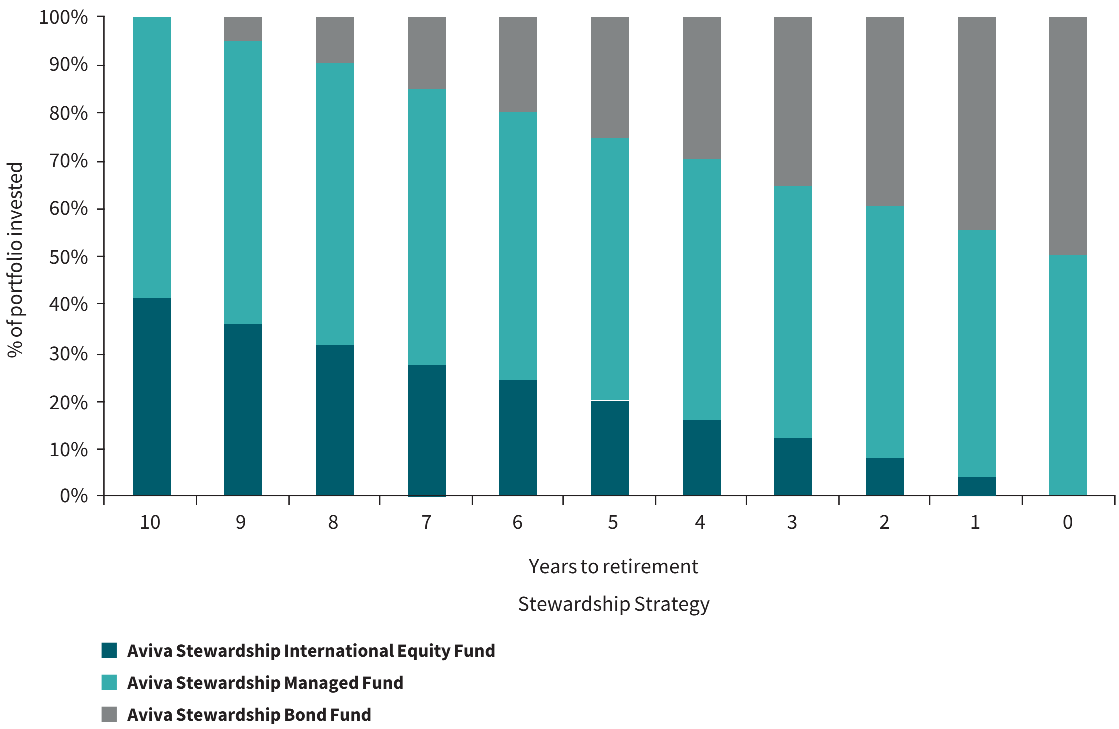
With the Stewardship Strategy members can take their savings how they want to when they reach their selected retirement date.

Which Stewardship Funds does the Stewardship strategy use?

- Stewardship International Equity
- Stewardship Managed
- Stewardship Bond

We show how customers move through the journey to retirement with the Stewardship Funds in the chart below:

Stewardship Strategy - Taking customers through the journey to retirement



Fund performance

In this section we look at how the Stewardship Funds performed in the 12 months to end March 2023. We also cover the changes to the Stewardship Funds in that period. Discrete and cumulative fund performance to end March 2023 can be found in the Appendix. Refer to fund factsheets in fund centre for fund objectives, risk codes and top 10 holdings:

fundslibrary.co.uk/FundsLibrary.BrandedTools/AvivaConsumer/FundCentral

Chart showing the performance of the Stewardship UK Equity Fund over the 12 months to 31 March 2023

This performance refers to the past. Past performance is not a guide to future performance.

Performance drivers

British banking group Standard Chartered

Standard Chartered has benefited from higher interest rates which has enabled the business to grow its earnings. Management's prudent approach to cost control has benefited its operating model, driving positive operating margins. Profits benefited in 2022 from the resurgence of Asian economies following the pandemic.

Bermuda-based reinsurance underwriting business Conduit

Conditions improved for **Conduit** with renewal pricing steadily getting stronger and the outlook pointing to further risk-adjusted rate improvements.

Catering services provider Compass

Compass exited the Covid-19 crisis in a strong position, benefiting from the recovery in the sector. Compass has also continued to take market share and delivered impressive organic growth and better margins. We expect further share buy-backs and growth via capital expenditure and merger and acquisition activity.

Detractors from performance

Logistics and warehouse provider Tritax Big Box REIT

Tritax has been a highly successful company since it floated in November 2013, benefiting from highly favourable demand/supply dynamics, and since 2013 until 2021 yield compression in the asset class. Rises in interest rates have impacted Tritax but it remains an attractive real estate name in the long term.

Telecommunications testing provider Spirent

Spirent has benefited from more spending by telecommunications firms on their infrastructure and in particular 5G mobile network upgrades. Spirent's market presence has increased and it has paid various special dividends. While the near-term outlook remains tough due to economic headwinds, we believe it is well placed to benefit from an uptick in the telecommunications cycle in the longer term.

Telecommunications business Vodafone

Increasing pressure from incumbent competitors across European and African markets dampened service revenues for **Vodafone**. Technical issues with upgrading networks and integration in Vodafone's largest market, Germany, also created disruptions that led to customer losses. Lastly, Vodafone spent a significant amount of capital on investment in 5G infrastructure upgrades, squeezing near-term cash flows.

Chart showing the performance of the Stewardship UK Equity Income Fund over the 12 months to 31 March 2023

This performance refers to the past. Past performance is not a guide to future performance.

Performance drivers

Bermuda-based reinsurance underwriting business Conduit

Conditions improved in the period with renewal pricing steadily getting stronger and the outlook pointing to further risk adjusted rate improvements. **Conduit** saw continued growth in this attractive environment and the share price responded positively.

Catering services provider Compass

Compass exited the Covid-19 crisis in a strong position, benefiting from the recovery in the sector. Compass has also continued to take market share and delivered impressive organic growth and better margins. We expect further share buy-backs and growth via capital expenditure and merger and acquisition activity.

Accounting and payroll provider Sage Group

Sage has delivered a big acceleration in organic growth and improving margins. Additionally, their cloud native annualised recurring revenue is delivering impressive growth and is becoming an ever-larger part of the business. Renewal rates and subscription penetration are moving in the right direction. Investors have rewarded Sage for this progress with a higher valuation. The outlook remains bright as the businesses proves to be highly resilient in a tough economic environment.

Detractors from performance

Telecommunications testing provider Spirent

Spirent has benefited from more spending by telecommunications firms on their infrastructure and in particular 5G mobile network upgrades. Spirent's market presence has increased and it has paid various special dividends. While the near-term outlook remains tough due to economic headwinds, we believe it is well placed to benefit from an uptick in the telecommunications cycle in the longer term.

Kettle controls business Strix

Strix has struggled more than expected in the challenging economic conditions with sales weakness seen in UK and Germany. Along with higher interest rates this has led Strix to focus on reducing its debt which has included cutting the dividend. Recovery is now expected to take longer than forecast. The company has strong market positions in kettle controls and other consumer goods.

Paving, block and concrete paving provider Marshall’s

The business was caught up in the downturn in the building of new houses and the repairs and maintenance of private housing. Higher interest rates and inflation have negatively impacted the business. We believe we are now past the worst points especially on higher inflation which has affected the business.

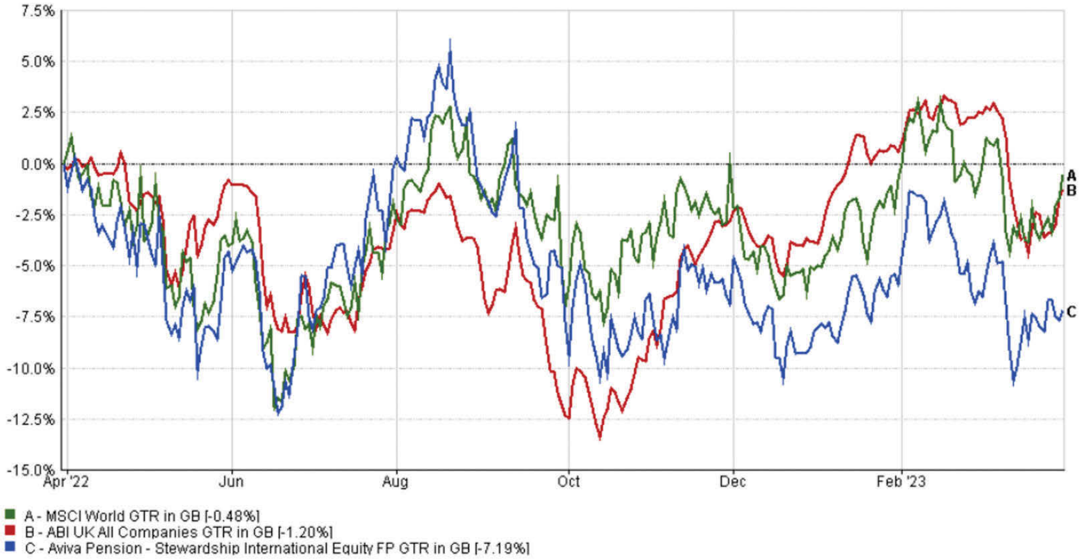
Changes to the portfolio

We purchased energy company **SSE** in the period. The business is focused on regulated electricity networks and renewable energy generation. We were attracted to SSE due its balanced model offering, robust performance in volatile market conditions and high level of inflation protection. Combined with this, the company provides an attractive dividend yield.

We exited **BT Group** due to the adverse economic headwinds which had resulted in the firm’s struggling returns, although market fundamentals remain competitive. We support the view that the CEO has successfully streamlined the business, however, it was difficult to validate the company’s growth opportunities.

We also exited our position in **United Utilities**, an industrials name, following dismal news relating to the name and an equity raise which we did not feel was effectively priced into the share price. We sold our position in insurance company **Prudential**.

Chart showing the performance of the Stewardship International Equity Fund over the 12 months to 31 March 2023



This performance refers to the past. Past performance is not a guide to future performance.

Performance drivers

Information services provider Wolters Kluwer

Wolters Kluwer has a resilient business model focused on mission critical workflow software in sectors that are less sensitive to the economy such as academia, legal services and health care. With the emergence of Generative Artificial Intelligence, the company's unique customer data sets led to increased sales growth.

Global payments provider Visa

Visa's long-term secular drivers of physical to digital payments accelerated in the pandemic. Visa has benefited from high nominal transaction volumes while simultaneously maintaining strong cost discipline. This continues to drive high levels of profitability and cash flow growth.

Detractors from performance

US regional bank First Republic Bank (FRC)

First Republic Bank is a high-quality regional bank with exceptional customer service, low client turnover and best-in-class credit underwriting. However, contagion from its peer Silicon Valley Bank created concerns among customers about deposit security, leading to the bank's administration despite significant support from regulators and peers.

Healthcare provider Elevance

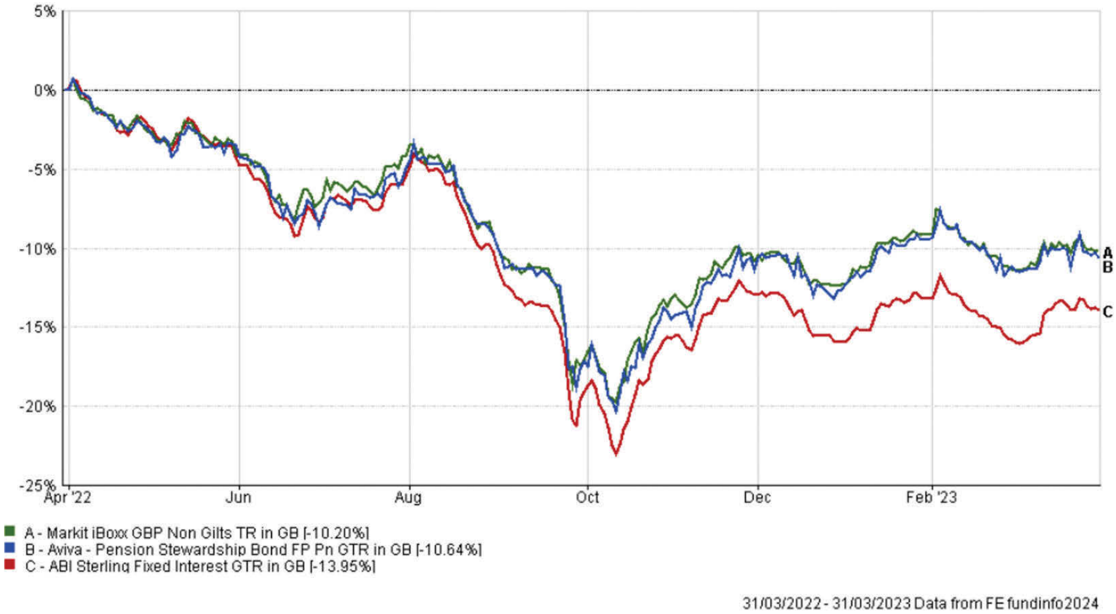
Medical loss ratios for US life insurers have been rising as more elective procedures drive outpatient costs higher. While **Elevance** can comfortably adjust for these higher costs through price increases, these only happen once a year and the market is concerned about the near-term mismatch. The longer-term outlook supported by strong demographic drivers, low economic sensitivity, and high free cash flow generation remains attractive.

Changes to the portfolio

We initiated a position in **Accenture**, the market leader in consulting services to the growing IT service and in particular cloud consulting market. The company's high client and talent retention rates speaks to the long-term value creation of its services.

We also added to our position in construction and materials manufacturer **Sika**. Sika's innovation is helping transform the way construction activity is impacting the environment. By accelerating new initiatives via local production, **Sika** is helping its customers reach their climate ambitions while delivering on its own net zero pledge. We also bought **Prologis**, a real estate investment trust, well placed to benefit from significant supply constraints and the rise in rental growth.

Chart showing the performance of the Stewardship Bond Fund over the 12 months to 31 March 2023



This chart refers to the past. Past performance is not a guide to future performance.

Key performance drivers

The fund's short duration tilt, and therefore its focus on shorter dated bonds, helped at a time of falling government bond prices. However, the fund's overweight position in spread risk (duration time risk) offset the gain from the focus on short-dated bonds.

The fund has a bigger position in the **utilities sector** and **UK banking business NatWest Group** than the benchmark and this contributed positively to performance.

Detractors from performance

A bigger position in **Healthcare REIT and Non-Agency CMBS than the benchmark** impacted performance.

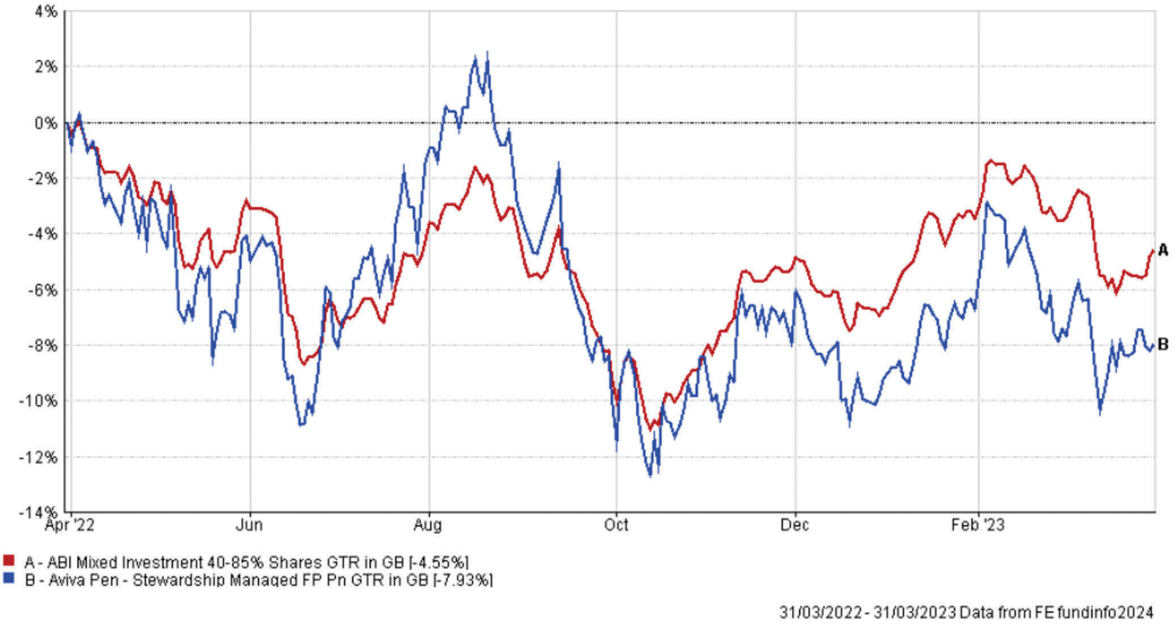
Changes to the portfolio

We bought **Bazlegate**, a special purpose vehicle (SPV) supporting investment in the Thames tideway tunnel. We invested into the SPV given the significant environmental benefits it will bring when operational. This position replaced some potential investment in Thames and other names in the water sector reducing our exposure within the sector.

We also added French utility **EDF** to the portfolio, investing in a "Green", Use of Proceeds bond, for the French and UK utility. The bond is intended to support investment in renewable energy and grid and transmission assets.

We disposed of **Anglian and Yorkshire Water** following a review of the sector which flagged both names as some of the worst performing issuers from an environmental perspective. We reduced exposure to **Taiwan Semiconductor**. Although we like the sector due to the positive impact on the energy transition and consider the name fundamentally strong, we decided to reduce given the political risk and concerns about China and Taiwan.

Chart showing the performance of the Stewardship Managed Fund over the 12 months to 31 March 2023



This performance refers to the past. Past performance is not a guide to future performance.

The Stewardship Managed Fund is a multi-asset Fund, which invests in the Stewardship International Equity Fund and the Stewardship Bond Fund. The position in the Stewardship International Fund was the main driver of performance in the 12 months.

This performance refers to the past. Past performance is not a guide to future performance. Investors may get back less than they originally invested. Fund performance is on a gross basis and therefore does not include charges which may apply.

Appendix
The Stewardship Funds

The table below shows the Stewardship Fund details including fund manager, launch date, benchmark and ABI sector.

Stewardship UK Equity Fund	
Fund managers	Trevor Green and Charlotte Meyrick
What does the fund invest in?	Shares of UK-listed companies
Benchmark	FTSE All-Share Index
Sector	ABI UK All Companies
Stewardship UK Equity Income Fund	
Fund managers	Trevor Green and Charlotte Meyrick
What does the fund invest in?	Shares of UK-listed companies with a focus on income-paying companies
Benchmark	FTSE All-Share Index
Sector	ABI UK Equity Income
Stewardship International Equity Fund	
Fund managers	Francois de Bruin and Edward Kevis
What does the fund invest in?	Shares of overseas companies
When was the fund launched?	September 2010
Benchmark	MSCI World Index
Sector	ABI Global Equities
Stewardship Bond Fund	
Fund managers	Thomas Chinery and Elmarie Matheou
What does the fund invest in?	UK government and corporate bonds
Benchmark	iBoxx Sterling Non Gilts Overall
Sector	ABI UK Fixed Interest
Stewardship Managed Fund	
What does the fund invest in?	The Stewardship Managed Fund is a fund of funds. It is made up of 70% of the Stewardship International Fund and 30% the Stewardship Bond Fund. This is reflected in the Fund's AUM.
Composite Benchmark	70% MSCI World Index; 30% iBoxx Sterling Non Gilts Overall
Sector	ABI Mixed Investment 40-85% Shares

Fund launch dates are for the NGP version of fund except for Stewardship UK Equity Fund which relates to the life version of the fund. Please see the Appendix for fund manager biographies. As above, the Stewardship Managed Fund comprises the Stewardship International Fund (70%) and the Stewardship Bond Fund (30%).

Layer 1: Exclusions

The tables below show the ethical & social exclusions and the environmental exclusions which apply to the Stewardship Funds.

Ethical & Social Exclusions

Issue	Negative screening criteria
Adult entertainment, pornography and violence	• >10% of turnover from adult entertainment or pornography. • >10% of turnover from violent video games. • Any involvement in the manufacture of guns.
Alcohol	• >10% of turnover from the manufacture of alcoholic products. • >25% of turnover from the distribution or sale of alcohol products (e.g. retail, hotels, restaurants and leisure industries).
Animal welfare – animal testing	• Any involvement in the development and manufacture of non-medical related products (such as cosmetics, personal care, household cleaning products) where this has involved animal testing and where the company does not disclose an animal testing policy or statement. • Any involvement in providing animal testing services and where the company either does not disclose an animal testing policy or statement.
Animal welfare – fur	• Any involvement in production or design of fur pelt, raw materials and products containing fur or fur trim. It also includes companies that hunt, raise, trap animals for their fur.
Endangered species	• Involvement in the retail of threatened species, or components thereof, with insufficient action to prevent it.
Gambling	• >10% of turnover from gambling related activities.
Genetic Modification	• Companies that genetically modify plants (e.g. seeds, crops) and other organisms intended for agricultural use or human consumption.
Labour standards, human rights and Health & Safety controversies	• Companies that are the subject of severe controversies related to health & safety breaches or systematic failure to protect human rights and labour standards, with no evidence of serious or lasting remedial action.
Military – weapons and weapon systems	• Any involvement in the manufacture of whole weapons systems, components or support systems (including conventional, Biological-Chemical, cluster munitions, depleted uranium and nuclear weapons).
Tobacco	• Any involvement in the manufacture of tobacco related products. • >25% of turnover from distribution or sale of tobacco related products (e.g. retailers).

Environmental Exclusions

Issue	Negative screening criteria
Chemicals	• Any involvement in production of chemicals restricted by the following international agreements: the Stockholm Convention, Montreal Protocol and OSPAR Priority List. This includes persistent organic pollutants, PCBs and CFCs.
Aviation	• >10% of turnover from aviation related activities i.e. airlines, airport operators and aircraft manufacturers.
Thermal Coal	• Any revenue from thermal coal mining or thermal coal-fired power generation. • Any thermal coal reserves.
Oil & Gas	• Any revenue from Arctic oil and/or gas production (onshore and offshore). The definition of "Arctic" is geographical and includes production activities north of the 66.5 latitude. • Equal to or more than 10% of revenue from conventional oil and/or gas extraction and production*. • Equal to or more than 15% of revenue from natural gas electricity generation**. • Any revenue from unconventional oil and/or gas production (including oil sands, oil shale, tar sands, shale oil, shale gas, tight gas, coal bed methane, coal seam gas). • Equal to or more than 10% of revenue from liquid fuels* power generation. • Any unconventional oil and/or gas reserves (including shale gas, shale oil, oil shale, oil sands, tar sands, tight gas, coal bed methane and coal seam gas). • Equal to or more than 1000mmboe (millions of barrels of oil equivalent) of oil and/or gas reserves. • Equal to or more than 75% of revenue from oil and/or gas value chain activities, including distribution and retail, equipment and services, petrochemicals, pipelines and transportation, refining, and trading***. • Equal to or more than 25% of revenue from oil operations, including pipelines.
Nuclear power generation	• >10% of turnover from nuclear power activities. • Any company deriving revenues from the mining of uranium.
Pollution	• Companies that are the subject of severe controversies related to environmental pollution, with no evidence of serious or lasting remedial action.

*From 2025, we intend to reduce the threshold by 1% a year to 0% by 2035.

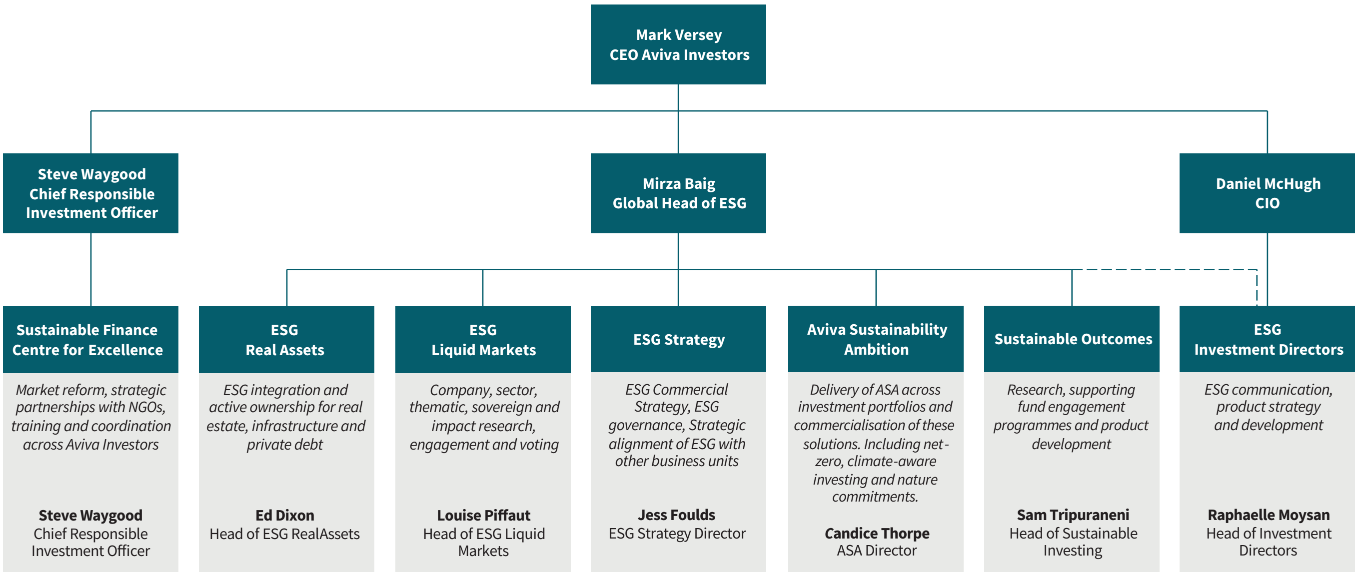
**From 2025, we intend to reduce the threshold by 1% a year to 0% by 2040.

***From 2025, we intend to reduce the threshold by 5% a year to 0% by 2040.

Aviva Investors' ESG capabilities team

The Stewardship team benefits from the rich experience in responsible investment across the Aviva Investors' business, which is shown below:

A well-resourced and integrated ESG team



Source: Aviva Investors as at 31st March 2024.

Mirza Baig – Global Head of ESG Investments

Mirza leads all aspects of Aviva Investors' ESG approach and is a member of Aviva Investors' Global Executive Committee.

Mirza is responsible for setting Aviva Investors' ESG strategy, defining ESG policies, delivery of systematic and impactful ESG integration and stewardship frameworks across liquid markets and real assets, oversight of Aviva Investors' suite of sustainability strategies and solutions, and the maintenance of a robust and effective ESG operating model overseeing 50 ESG specialists across the business.

Experience and qualifications

Mirza joined Aviva Investors in 2016 and has over 20 years' experience in the ESG industry across various roles based in the US, Europe, and Asia. Mirza currently serves as the Chair of the UK Investment Association's Stewardship Committee and in 2022 was named amongst Financial News 'Most Influential in Sustainable Finance Europe'.

The fund managers responsible for the Stewardship Funds, who are shown on pages 32 and 33 of this report, are supported by the research of the wider ESG team at Aviva Investors. This includes the thematic research produced by the Aviva Investors' Sustainable Outcomes Team, which has dedicated leads covering the three pillars of the Stewardship approach - Earth, Climate and People.

Sustainable outcomes research

Top-down thematic research & impact analysis

The team

Sam Tripuraneni *Head of Sustainable Outcomes*		
Prince Marapoa-Gittings *People*	**Ivelina Stefanova** *Earth*	**Luisa Jobson** *Climate*

Research underpinned by 3 sustainable outcomes

People	**Earth**	**Climate**
Respect human rights *Promote decent work* *Responsible corporate behaviour*	*Circular economy* *Sustainable ocean* *Sustainable land*	*Achieve 1.5 degrees* *Decarbonise global economy* *Adapt to consequences of warming*

Source: Aviva Investors as at 31 March 2023. Please see team member biographies below and on the following page.

Main responsibilities

Impact research	Research supports the integration of ESG in the investment process across the firm
Active ownership	Lead engagement campaigns and develop voting policy
Sustainable Transition range	Analysis underpins our Sustainable Transition range of products

Sam Tripuraneni – Head of Sustainable Outcomes

Sam Tripuraneni heads up the sustainable outcomes team.
He oversees the Stewardship and sustainable outcomes teams, encompassing the climate transition, social transition and natural capital transition product range.

He is also responsible for overseeing ESG thematic research and how this is integrated across liquid market asset classes, as well as playing a role in the development of new sustainability and impact strategies.

Before joining Aviva, Sam held the role of director in Blackrock's sustainable investing team, where he helped develop investment solutions to meet environmental, social and financial objectives. Before that, he was a relationship manager in the UK DC sales team.

Sustainable Outcomes team

Ivelina Stefanova - Sustainable Outcomes Analyst - Earth Pillar Lead

Ivelina leads the engagement programme for Aviva Investors' Natural Capital Transition Strategy. She is also involved in product and process development, thematic research and supporting the investment processes in the Stewardship range.

Before Aviva Investors, Ivelina worked at Phoenix Group, helping develop and implement their Climate Risk investment strategy. She also helped to develop Legal & General's ESG Policy for the group's annuity portfolio. She worked on the United Nations Environment Programme Finance Initiative (UNEP FI), where she supported investors' alignment to the Financial Stability Board's TCFD recommendations and the Paris Accord.

Ivelina holds an MSc in Climate Change, Finance and Management from Imperial College London and a BSc in Economics. She is currently working towards her CFA designation.

Luisa Jobson - Sustainable Outcomes Analyst - Climate Pillar Lead

Luisa is focused on supporting Aviva Investors' Climate Transition Franchise through product development, thematic research, and management of the Climate Transition Engagement Programme.

Luisa joined Aviva Investors following her graduation from the University of East Anglia, where she attained a BSc in Geography and a MSc in Energy Engineering in which she received 'The School of Engineering Prize for Best Performance Energy Engineering'. Luisa worked as University Manager for High Fliers Research in association with the Times Newspaper. Luisa also sat on the Board of Norwich Community Solar, where as part of the management team, she supported the issue of providing decentralised clean energy to communities.

Luisa holds the Investment Management Certificate Unit 1 and is currently working towards obtaining the Unit 2 accreditation.

Prince Marapao-Gittings - Sustainable Outcomes Analyst - People Pillar Lead

Prince supports the Social Transition strategy through product and process development, thematic research and management of the engagement programmes. Prince is also responsible for maintaining Aviva Investors' ESG negative screening capability, including policy and strategy specific exclusions. This is achieved by supporting the continued evolution and strengthening of the screening process across the business, by inputting as a subject matter expert into firm wide transformation projects.

Prince joined Aviva Investors after a year and a half at Aviva, most recently as an investment analyst in the Wealth team. Before this, Prince worked as a banking consultant at Lloyds Banking group for thirteen months. He studied Economics with Business as an undergraduate and Economics and Investment Banking as a postgraduate at Nottingham Trent University. Prince holds the IMC.

Details of the fund managers who look after the Stewardship Funds are given below:

Stewardship UK Equity Funds

Trevor Green – Senior Fund Manager

Main responsibilities

Trevor is responsible for our UK equity institutional funds, the Aviva Investors UK Smaller Companies Fund and the Aviva Stewardship UK Equity Fund. Within the UK Equities team, Trevor also has lead sector coverage responsibilities for IT & Communication Services.

Experience and qualifications

Prior to joining Aviva Investors, Trevor was a fund manager at Henderson Global Investors, where he was co-manager of the Henderson Managed Distribution Fund.

Before this, Trevor worked at New Star Asset Management and before that spent nearly six years at RCM running pan-European institutional mandates. He has also worked at Credit Suisse Asset Management and started his career at Capel Cure Myers, managing both retail and institutional funds.

Trevor holds a BA (Hons) in Economics from Aberdeen University and the Securities Institute Diploma.

Charlotte Meyrick – Fund Manager

Main responsibilities

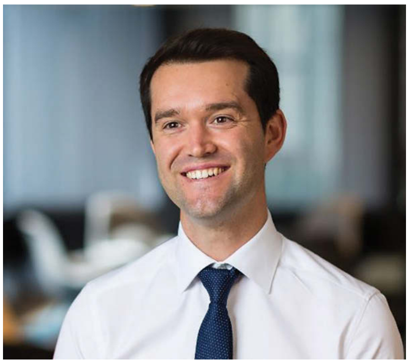
Charlotte manages the Aviva Investors UK Listed Small and Mid-Cap Fund, is co-manager of the Aviva Investors Stewardship UK Equity Fund, and leads the sector coverage for UK Consumer Discretionary.

Experience and qualifications

Charlotte joined Aviva Investors in 2012 and supported on the UK Institutional Funds between 2013 and 2018. She managed the UK Opportunities Fund (September 2015 to January 2018) and the UK Growth Fund (January 2016 to December 2018) with the latter being repositioned to the UK Small and Mid-Cap Fund as of January 2019.

She graduated from the University of Bath with a First Class Bachelors degree in Business Administration and has completed all levels of the CFA Program.

Stewardship International Equity Fund



Francois de Bruin, CFA, CAIA – Portfolio Manager, Global Equities

Main responsibilities

Francois is manager of the Stewardship International Equity Fund and co-manager of the Global Equity Endurance Fund.

Experience and qualifications

Francois started his career at Bridge Fund Managers as an analyst and was previously Head of Listed Real Estate and Sustainable Income & Growth manager at Aviva Investors.

Francois holds a BCom in Investment Management and a BCom Hons in Financial Analysis from Stellenbosch University. He is a CFA charterholder and also holds the Chartered Alternative Investment Analyst (CAIA) designation.

Edward Kevis – Portfolio Manager and Equities Analyst

Main Responsibilities

Ed is the co-portfolio manager of the Stewardship International Equity Fund. Ed's sector specialism is the Global Consumer sector. He is the sector lead within the team.

Experience and qualifications

Ed has been responsible for the management of various European equity strategies after being promoted to portfolio manager in 2015. He was appointed co-portfolio manager of the Aviva Investors Climate Transition European Equity Fund in September 2021. He was hired initially as a support services equity analyst for the European and UK Equity team in 2013.

Ed began his career with Lloyds Banking Group, initially joining the Business Specialist Scheme with various roles in corporate lending, strategy and risk management in the Wholesale Banking division, and then moving to the Business Support Unit Investments team, initially in the Portfolio team but later moving to a combined transaction and portfolio role.

Ed holds a BA (Hons) in Finance Accounting and Management from the University of Nottingham, and an Applied Diploma in Corporate Banking. He is a CFA® charterholder and passed the CFA Institute Certificate in ESG Investing in July 2021.

Stewardship Bond Fund

Thomas Chinery, CFA – Portfolio Manager

Main responsibilities

Tom is portfolio manager in our Sterling investment grade team. He is co-lead portfolio manager on the Climate Transition Credit Fund, co-manages a number of Sterling Investment Grade strategies and is lead portfolio manager on the Stewardship Fixed Interest Fund.

Experience and qualifications

Tom has managed Sterling Funds, from both a relative value and buy & maintain perspective, since joining Aviva Investors. Prior to this, Tom worked at Mitsubishi Trust Bank helping to manage a total return treasury book of corporate bonds and CDS.

Tom holds a BA (Hons) Accounting and Law. He is also a CFA® charterholder and member of both the CFA Institute and the CFA Society of the UK.

Stewardship Bond Fund

Elmarie Matheou, CFA Portfolio Manager

Main Responsibilities

Elmarie is a portfolio manager in the Investment Grade Credit team. Elmarie helps manage the Sterling Investment Grade portfolios and is co-manager of the Stewardship Bond Fund.

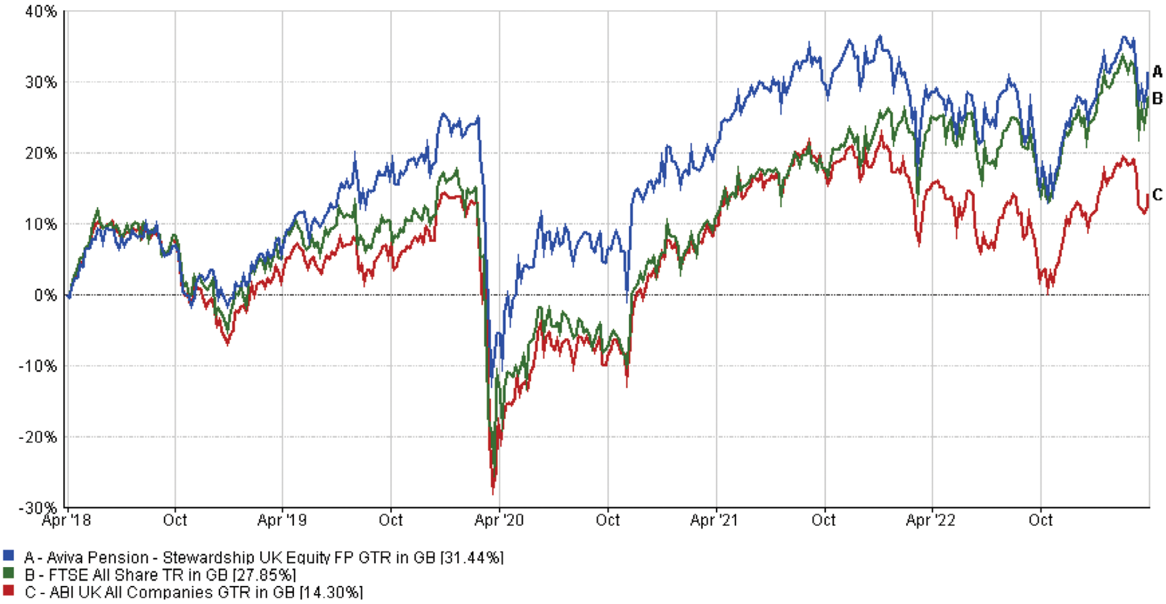
Experience and Qualifications

Elmarie has worked as an investment analyst and assistant fund manager since joining Aviva Investors in 2013. Elmarie previously worked at Momentum Group as an Actuarial and Investment Consultant. Elmarie holds an B.Sc. in Actuarial Science and Mathematics and B.Sc. Honours in Financial Engineering from the University of Pretoria (South Africa). She holds the Chartered Financial Analyst (CFA) designation.

Stewardship Funds

Cumulative and discrete performance to end of March 2023

Av Stewardship UK Equity Fund over the five years to 31 March 2023



30/03/2018 - 31/03/2023 Data from FE fundinfo2024

Past performance showing percentage increase or decrease to end March 2023

	31/03/2022 to 31/03/2023	31/03/2021 to 31/03/2022	31/03/2020 to 31/03/2021	31/03/2019 to 31/03/2020	31/03/2018 to 31/03/2019
Av Stewardship	1.9	6.6	27.9	-11.3	6.6
ABI UK All Companies sector	-1.2	5.4	35.5	-21.0	2.6
FTSE All-Share	2.9	16.3	-18.5	6.4	1.3

Cumulative five-year past performance to end March 2023 showing percentage increase or decrease

	3 months	1 year	3 years	5 years
Av Stewardship UK Equity Income	3.8	1.9	39.1	31.4
ABI UK All Companies sector	2.8	-1.2	41.1	14.3
FTSE All-Share	3.1	2.9	47.4	27.9

Source: FE, performance on bid to bid net income reinvested basis. The information above refers to the past. Past performance is not a guide to future performance. Performance is on a gross basis. Refer to policy for details of charges which may apply.

Av Stewardship UK Equity Income Fund over the five years to 31 March 2023

Past performance showing percentage increase or decrease to end March 2023

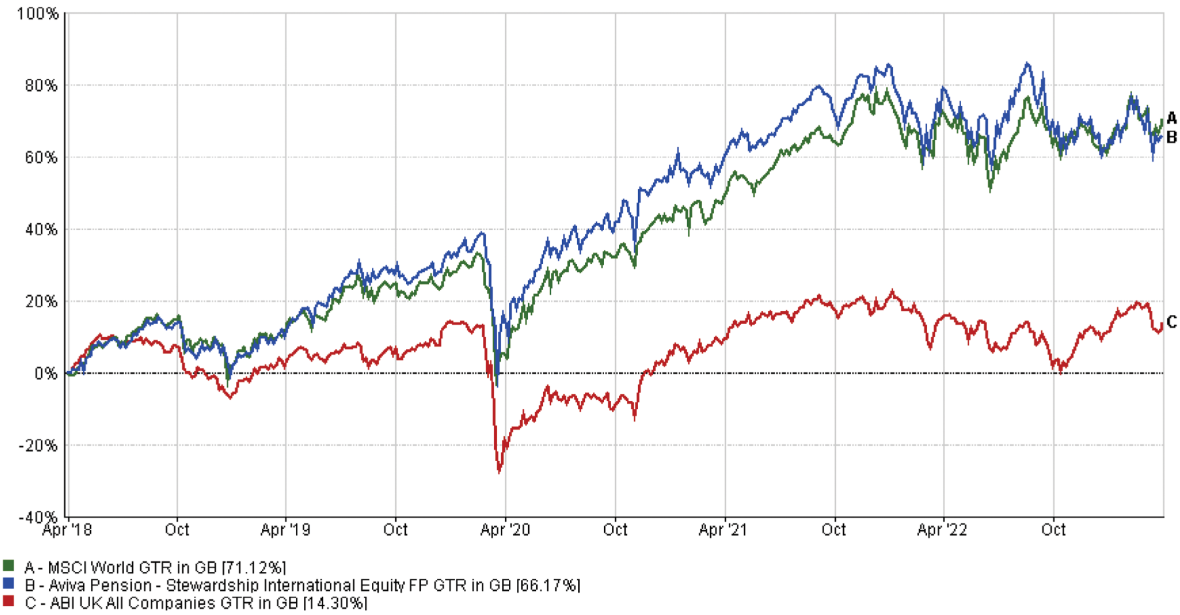
	31/03/2022 to 31/03/2023	31/03/2021 to 31/03/2022	31/03/2020 to 31/03/2021	31/03/2019 to 31/03/2020	31/03/2018 to 31/03/2019
Av Stewardship UK Equity Income	-1.4	5.7	-14.7	7.8	2.5
ABI UK Equity Income	1.6	13.4	-21.6	3.5	-0.9
FTSE All-Share	2.9	16.3	-18.5	6.4	1.3

Cumulative five-year past performance to end March 2023 showing percentage increase or decrease

	3 months	1 year	3 years	5 years
Av Stewardship UK Equity Income	3.0	-1.4	35.1	24.3
ABI UK Equity Income	2.8	1.6	47.5	19.7
FTSE All-Share	3.1	2.9	47.4	27.9

Source: FE, performance on bid to bid net income reinvested basis. The information above refers to the past. Past performance is not a guide to future performance. Performance is on a gross basis. Refer to policy for details of charges which may apply.

Av Stewardship International Equity Fund over the five years to 31 March 2023



Past performance showing percentage increase or decrease to end March 2023

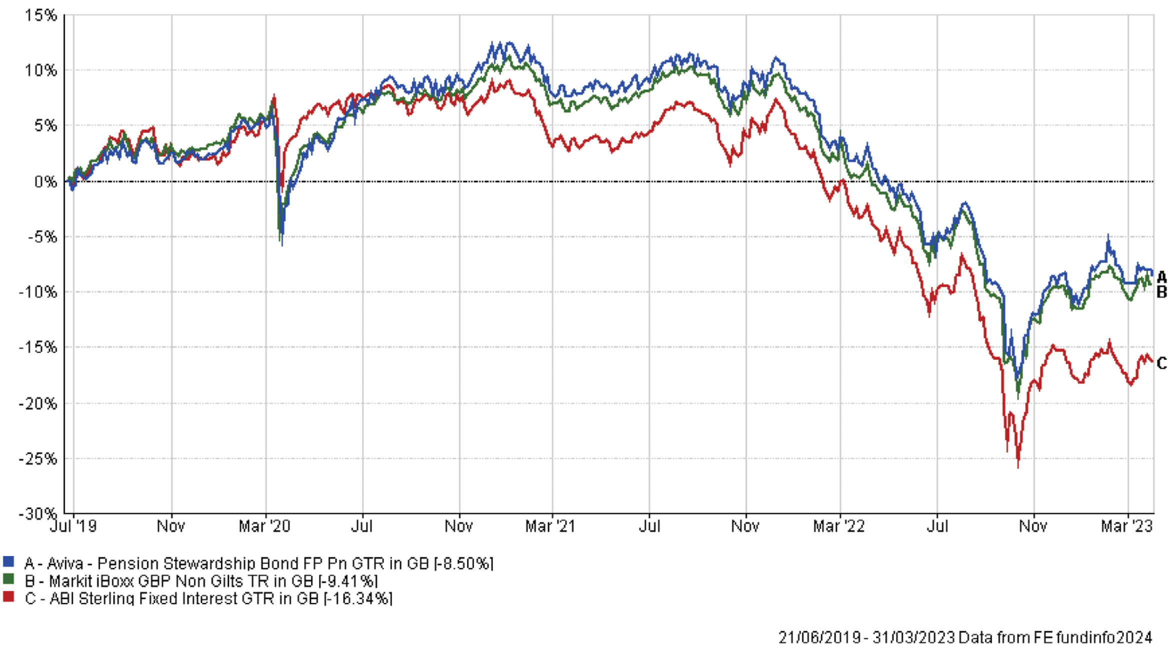
	31/03/2022 to 31/03/2023	31/03/2021 to 31/03/2022	31/03/2020 to 31/03/2021	31/03/2019 to 31/03/2020	31/03/2018 to 31/03/2019
Av Stewardship International Equity	-7.2	11.8	40.3	2.4	11.4
ABI Global Equities sector	-2.7	10.1	37.5	-7.8	7.4
MSCI World Index	-0.5	15.9	39.1	-5.3	12.6

Cumulative five-year past performance to end March 2023 showing percentage increase or decrease

	3 months	1 year	3 years	5 years
Av Stewardship International Equity	1.1	-7.2	45.7	66.2
ABI Global Equities sector	3.6	-2.7	47.3	46.0
MSCI World Index	5.0	-0.5	60.4	71.1

Source: FE, performance on bid to bid net income reinvested basis. The information above refers to the past. Past performance is not a guide to future performance. Performance is on a gross basis. Refer to policy for details of charges which may apply.

Av Stewardship Bond Fund since launch in June 2019 to 31 March 2023



Discrete performance to end March 2023 showing percentage increase or decrease

	31/03/2022 to 31/03/2023	31/03/2021 to 31/03/2022	31/03/2020 to 31/03/2021	31/03/2019 to 31/03/2020	31/03/2018 to 31/03/2019
Av Stewardship Bond	-10.6	-5.0	8.9	n/a	n/a
Markit IBoxx Sterling Non Gilts	-10.2	-5.2	7.0	1.5	3.7
ABI Sterling Fixed Interest sector	-14.0	-5.6	-0.5	5.4	2.9

Cumulative five-year past performance to end March 2023 showing percentage increase or decrease

	3 months	1 year	3 years
Av Stewardship Bond	2.2	-10.6	-7.6
Markit IBoxx Sterling Non Gilts	2.4	-10.2	-8.9
ABI Sterling Fixed Interest sector	2.3	-14.0	-19.2

Source: FE, performance is on bid to bid net income reinvested basis. This information refers to the past. Past performance is not a guide to future performance. Performance is on a gross basis. Refer to policy for details of charges which may apply.

Av Stewardship Managed Fund over the five years to 31 March 2023

Discrete performance to end March 2023 showing percentage increase or decrease

	31/03/2022 to 31/03/2023	31/03/2021 to 31/03/2022	31/03/2020 to 31/03/2021	31/03/2019 to 31/03/2020	31/03/2018 to 31/03/2019
Av Stewardship Managed	-7.9	7.1	30.4	2.4	9.1
ABI Mixed Investment 40-85% Shares sector	-4.6	5.0	23.9	-7.0	4.5

Cumulative five-year past performance to end March 2023 showing percentage increase or decrease

	3 months	1 year	3 years	5 years
Av Stewardship Managed	1.4	-7.9	28.5	43.5
ABI Mixed Investment 40-85% Shares sector	2.3	-4.6	24.2	20.6

Source: FE, performance is on bid to bid net income reinvested basis. This information refers to the past. Past performance is not a guide to future performance. Performance is on a gross basis. Refer to policy for details of charges which may apply.

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