

**Sustainability-related disclosures Aviva Investors
Aviva AIMS Target Return 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.

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(a) Summary Objective of this fund is to target a 5% per annum gross return above the European Central Bank base rate (or equivalent) over a 3-year rolling period, regardless of market conditions (absolute return). In seeking to target this level of return the Fund also aims to manage volatility to a target of less than half the volatility of global equities measured over the same 3-year rolling period. The Investment Manager actively engages with issuers with the aim of positively influencing climate-related behaviour (alongside other environmental, social and governance behaviour) and helping to create competitive returns. In addition, the Fund has exclusions based on Aviva Investors' Baseline Exclusion Policy). 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 Fund will only invest in securities from issuers that maintain governance practices in-line with national governance standards. The Fund will not invest in securities from issuers that are in violation of the international norms and conventions set out by the United Nations Global Compact Principles. The investment manager will avoid 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, 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 Baseline Exclusions Policy described below) 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, provide analysis to support the Investment Manager's investment teams and help them in building a robust assessment of good governance practices. It is anticipated that the sustainability indicators reported on for this Fund will include, but not be limited to: 1. Portfolio metric of any revenue derived from excluded activity (e.g., thermal coal) 2. UNGC 'severe' and 'very severe' incidents avoided and commentary on any exceptions. 3. Additionally, the Fund will measure exposure to the Principle Adverse Impacts Indicators that the Investment Manager has committed to prioritising in it's Principle Adverse Impact Statement. For reference these include: i. Indicators relating to Greenhouse Gas (GHG) Emissions
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- ii. Indicators pertaining to activities negatively affecting biodiversity-sensitive areas
- iii. Indicators relating to Board Gender Diversity
- iv. Indicator relating to Greenhouse Gas Intensity for Investee countries

Our primary data usage involves revenue screening to assess the percentage of an issuer's revenues derived from business activities that align with the Fund's Environmental and Social characteristics, or that conflict with ESG principles, as well as the principle adverse indicators we have committed to prioritise as a firm, and will integrate for consideration by Fund Manager.

We use third party vendors for certain data and as such rely upon their methodologies which may mean that some data is estimated and/or that Aviva Investors may, from time to time, incorrectly assess a security, issuer or index. 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 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, we 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 our analysis, we track areas of performance, including management of key ESG areas.

We believe that persistent and constructive dialogue with issuers, corporates and sovereign representatives is vital to preserve and enhance the value of assets on behalf of our beneficiaries and clients. 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.

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

(b) No Sustainable investment objective

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

(c) Environmental or social characteristics of the financial product

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

To be eligible for investment, 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. Furthermore, sovereign issuers must meet the minimum standard of the Investment Manager's ESG Sovereign Assessment. See section

(d) 'Investment strategy

The objective of this fund is to target a 5% per annum gross return above the European Central Bank base rate (or equivalent) over a 3-year rolling period, regardless of market conditions (absolute return). In seeking to target this level of return the Fund also aims to manage volatility to a target of less than half the volatility of global equities measured over the same 3-year rolling period.

Investments: The Fund invests in equities, bonds (including mortgage and asset backed securities, and contingent convertible bonds), money market instruments and bank deposits from anywhere in the world. The Fund may also invest in UCITS, other UCIs and closed end funds, including real estate investment trusts (REITs).

The Fund may also take exposure to commodities (including but not limited to Gold) and/or carbon credit through transferable securities (such as ETC), ETFs or derivatives on eligible financial indices.

This Fund promotes environmental and social characteristics, however, does not have a sustainable investment objective.

The Investment Manager actively engages with issuers with the aim of positively influencing climate-related behaviour (alongside other environmental, social and governance behaviour) and helping to create competitive returns.

In addition, sovereign issuers must meet the minimum standard of the Investment Manager's 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 Exclusion Policy. The 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.

(e) 'Proportion of investments

It is expected that at least 80% of the investments will be aligned with the environmental/social characteristics of the Fund. The Fund will not have any allocation to Sustainable Investments.

The Fund may also hold investments for liquidity holding purposes, such as ancillary liquid assets, eligible deposits, money market instruments, money market funds). The Fund may also hold investments in financial techniques and instruments and derivatives used for hedging and efficient portfolio management purposes. There will also be certain derivatives used for investment purposes, for which look through is not possible to confirm alignment with the ESG characteristics.

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

Derivatives used for investment purposes are assessed on a "look through" basis where possible. Exposure to single name derivatives are excluded as per the binding criteria used to ensure underlying investments are inclusive of those securities promoting environmental or social characteristics.

(f) 'Monitoring of environmental or social characteristics

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

1. Portfolio metric of any revenue derived from excluded activity (e.g. thermal coal)
2. UNGC 'severe' and 'very severe' incidents avoided and commentary on any exceptions
3. Tiered breakdown of portfolio by ESG Sovereign Monitor rating and commentary rationale explaining any 'exception' below threshold
4. Additionally, the 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:

- 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

(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:

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)
- Breaches of principles of the UN Global Compact ("UNGC"); and
- Tobacco.

The exclusions will be based on:

- a) A maximum acceptable percentage of estimated revenue derived from the specific activities, the maximum acceptable percentage of revenue thresholds are:

- Controversial weapons 0%, except for 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%

*Companies that ha*The percentage of revenue threshold for nuclear weapons will be 0% for companies in, among others, development, production, use, maintenance,

offering for sale, distribution, import or export, storage or transportation of nuclear weapons, where this supplies states outside of the UN Treaty on Non-Proliferation of Nuclear Weapons (1970).

Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214

** Companies that have an approved SBTi (Science Based Target) which has a classification of 1.5°C or Well Below 2°C are an exception to these thresholds.ve an approved SBTi (Science Based Target) which has a classification of 1.5°C or Well Below 2°C are an exception to these thresholds.

- b) MSCI's controversy screening data to identify recent controversies to the Principles set out under the UN Global Compact. An Aviva Investors ESG Analyst qualitative assessment is additive to this process to confirm if the failings are irredeemable based on company behaviors since the controversy. If failings are considered to be redeemable, the Investment Manager will place the company into a structured and time bound engagement program.

For further details on the Investment Manager's ESG Baseline Exclusions Policy see Aviva Investors' website <https://www.avivainvestors.com/en-lu/about/responsible-investment/policies-and-documents/>.

- B. 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. We may also exclude sovereigns scoring between 2.5 and 4 from our investment universe, which are subject to further qualitative assessment. The scores are derived from the Investment Manager's proprietary ESG Sovereign Monitor, and an exceptions process will operate in limited pre-determined circumstances (namely, where it can be shown to the satisfaction of an Aviva Investors ESG specialist the data is outdated, inaccurate or incomplete) that will be overseen by the ESG specialist teams.

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 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 in-house 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 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/about/responsibleinvestment/>

- 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.

(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 Fund's Environmental and Social characteristics, or that conflict with ESG principles, as well as the principle adverse indicators we have 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.

We have reviewed a variety of market leading ESG data providers to ensure that we have 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.

We use third party vendors for certain data and as such rely upon their methodologies which may mean that some data is estimated. However, we do not consider estimates to be a material part of the data used in our 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.

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

Data from third party data providers may be incomplete, inaccurate, or unavailable. Where we seek 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 we 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

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. We have 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 our 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 our fundamental approach to investment at Aviva Investors. We believe that persistent and constructive dialogue with issuers, corporates and sovereign representatives is vital to preserve and enhance the value of assets on behalf of our 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, we encourage 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, we 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 our analysis, we track areas of performance, including management of key ESG areas. If we feel we do not have enough information or have identified gaps, improvements in an entity's awareness or management of their ESG risks and opportunities, we 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.

(I) where an index is designated as a reference benchmark to attain the environmental or social characteristics promoted by the financial product, 'Designated reference benchmark'
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An index has not been designated as a reference benchmark to meet the environmental or social characteristics promoted by the financial product
