

**SHINING A LIGHT ON THE.....  
Aviva Investors Climate Transition Global Equity Fund**

**AT A GLANCE**

Investment Objective
The Fund aims to grow your investment over the long term (5 years or more) by investing in shares of global companies responding to climate change by orientating their business models to be resilient in a warmer climate and a lower carbon economy; or providing solutions to mitigate climate change or help communities adapt to the adverse impacts of climate change.

<b>Inception Date</b>	8 June 2020
<b>Fund Factsheet Link</b>	<a href="https://markets.ft.com/data/funds/tearsheet/summary?s=G800BLNQ1C08:GBP">https://markets.ft.com/data/funds/tearsheet/summary?s=G800BLNQ1C08:GBP</a>

Management	
Manager Name	Start Date
Jaime Ramos Martin	8 June 2020

**UPDATE....**

**These updates have been written at the time of the Coronavirus Pandemic in 2020, which has impacted the global financial markets in a way that has never been seen before.**

This is a brand-new fund and is the second climate transition fund launched by Aviva. They launched a European Fund in 2019. The fund focuses on the changes to the world because of climate change. The average global temperature is now 14.7%, and 70% of the world is water which is much cooler. This means land temperatures are much warmer and therefore we are seeing things like the ice sheet melt, rising sea levels and extreme weather events.

The fund is focusing on solution providers and transition orientated companies. Although performance is important this fund reflects the need for action now and the importance with engaging with CEOs and senior management to make change happen. If companies don't act, then they have the weight of the Aviva Group to act and disinvest from companies.

They are style agnostic and purely searching out the best opportunities. They use a traffic light system and rate companies depending on the sector they sit in. For example, VW would be a high-risk category due to automobiles and it has to have a high rating for inclusion in the portfolio. Why they like VW is that they are well ahead in the transition to EV models, and other firms like Ford are turning to them to use their platform.

The fund has a higher exposure to industrials and lower exposure to financials. In terms of financials one of the main issues are the underlying debts and how these could be financing companies and countries who are negatively impacting climate change.

It has a fossil fuel exclusion policy; it has a high active share of 94% and aims to outperform the benchmark by 2% a year.

The table below provides an indication of the top ten holdings, but this of course could change:

## LWM Consultants Ltd

Name	Solutions	Transition	Weight
CHINA CONCH VENTURE	X		3.22%
DAIKIN INDUSTRIES LTD	X	X	3.19%
EVERSOURCE ENERGY	X		3.13%
HOME DEPOT INC		X	3.06%
VESTAS WIND SYSTEMS	X		3.02%
COMCAST CORP CLASS A		X	3.01%
MARSH & MCLENNAN INC		X	3.01%
MERCK & CO INC		X	2.98%
SUEZ SA	X	X	2.97%
SCHNEIDER ELECTRIC	X	X	2.96%

In summary, there is a growing demand for investments which are making a positive impact on the world around us. This is one of those strategies looking to address that. The team are not new to this, having run other strategies in the past. They believe strongly in active management because they feel only by engaging with the companies can they ensure change is made.

*The source of information in this note has been provided by Aviva and is correct as at June 2020. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to make a decision based on these notes we cannot take responsibility for this and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.*