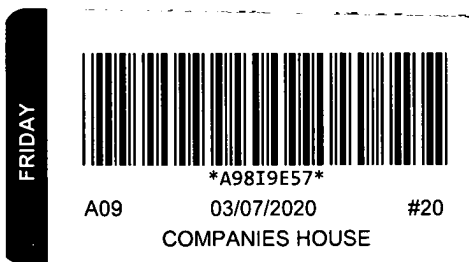


AVIVA INVESTORS HOLDINGS LIMITED
Registered in England and Wales No. 02045601
Annual report and financial statements 2019



Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

Contents

Directors and officers	3
Strategic report	4
Directors' report	8
Independent auditors' report	11
Statement of comprehensive income	13
Statement of changes in equity	13
Statement of financial position	14
Statement of cash flows	15
Notes to the financial statements	16

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

Directors and Officers

Directors

D Clayton

A J Coates (independent non-executive)

M D T Craston (non-executive)

P A Cross (independent non-executive)

S P J Ebenston

A Kirton (independent non-executive)

E G Munro

J M Weingarten (independent non-executive)

M B E White (independent non-executive)

Officer - Company secretary

Aviva Company Secretarial Services Limited

St Helen's

1 Undershaft

London

EC3P 3DQ

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

7 More London Riverside

London

SE1 2RT

Registered office

St Helen's

1 Undershaft

London

EC3P 3DQ

Company number

Registered in England and Wales: No. 02045601

Other Information

Aviva Investors Holdings Limited (the 'Company') is a member of the Aviva plc group of companies (the 'Aviva Group') and the holding company for the majority of the companies forming the Aviva Investors group (the 'Group' or 'Aviva Investors').

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

Strategic Report

The directors present their strategic report for the Company for the year ended 31 December 2019.

Review of the Company's Business

Principal Activities

The principal activity of the Company is to act as a holding company for the majority of the Aviva Investors' companies. Details of the Company's subsidiaries are shown in note 19 of the financial statements. The results of these subsidiary undertakings have not been consolidated in the financial statements as they have been included in the consolidated financial statements of Aviva plc.

The principal activities of Aviva Investors are the provision of investment management services to fellow subsidiaries of the Aviva Group and investment management services to other investors, through a range of retail and institutional products. No significant change in the nature of these activities has occurred during the year and the directors believe that the activities of Aviva Investors will remain unchanged for the foreseeable future.

Financial Position and Performance

The financial position of the Company at 31 December 2019 is shown in the statement of financial position on page 14, with trading results shown in the statement of comprehensive income on page 13 and the statement of cash flows on page 15.

The main factors affecting these primary statements in the year were:

- Cash and cash equivalents increased to £34.4 million (2018: £0.1 million) as a result of a change in managing surplus liquidity within the Group (see Note 10)
- The Company made a profit before tax in 2019 of £65.2 million (2018: £52.7 million).
- The underlying dividend income increased by £44.7 million.
- Impairments of £19.8 million were recognised against the carrying value of the Company's subsidiaries in North America and Asia Pacific. Impairments of £22.0 million were recognised against the carrying value of Aviva Investors UK Funds Limited and Friends Life Funds Limited which offsets dividend income of a similar amount.

Section s.172 (1) Statement and our stakeholders

We report here on how our Directors have discharged their duties under Section 172 of the Companies Act 2006.

The Company Board is responsible for monitoring and upholding the culture, values, standards, ethics, and reputation of the Company to ensure that our obligations to our shareholder and to our stakeholders are met. It monitors adherence to the Aviva Group business standards and compliance with local corporate governance requirements, and is committed to acting if our businesses should fail to act in the manner we expect of them.

For each matter which comes before the Company Board, stakeholders who may be affected are identified and their interests are carefully considered as part of the Company Board's decision-making process.

The Company Board is also focused on the wider social context within which our businesses operate, including those issues related to climate change which are of fundamental importance to the planet's well-being.

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

Strategic Report (continued)

Section s.172 (1) Statement and our stakeholders (continued)

Our culture

The Boards and Executives of Aviva Investors seek to embed a culture that ensures all employees act in the best interest of the clients by putting clients' interests ahead of their own and treating clients fairly. Culture and conduct considerations are key to Aviva Investors' strategy and are embedded in all business processes. Aviva Investors has strategic themes to support growth, which are integrated around the client. These are called "diversified excellence", "operational simplicity" and "grow and protect".

Diversified Excellence - The continued growth of outcome-orientated products to assist clients seeking specific investment solutions across the alpha and real asset offerings.

Operational Simplicity - Initiatives to improve operational simplicity within Aviva Investors will benefit clients as well as reduce risk. Significant and continuous projects are in progress resulting in delivering improved client reporting and enhanced client experience.

Grow and Protect - Aviva Investors' presence continues to focus on the development, promotion and sale of products where there are client needs.

As the provider of vital financial services to millions of customers, Aviva Investors seeks to earn customers' trust by acting with integrity and responsibility at all times. We look to build relationships with all our stakeholders based on openness and continuing dialogue.

Our culture is shaped by our clearly defined values to help ensure we do the right thing. We value diversity and inclusivity in our workforce and beyond. The commitment we make to each customer extends to all our stakeholders; that we are 'with you today, for a better tomorrow.' Throughout our business, we are proud that our people live by our core value of Caring More for our customers, for each other and for the communities we serve.

Key strategic decisions in 2019

In 2019 we continued to implement our diversified excellence strategy and completed the build out of our Investment capability set. In November 2019, it was announced that as a result of the wider Aviva Group strategic review, Aviva Investors and the UK Life Savings and Retirement businesses would be brought together to form a new business division; Investment, Savings and Retirement ("IS&R"). The IS&R division would provide the UK's first holistic savings and retirement solution, which would look after all stages of customers' savings and retirement needs.

Stakeholder Engagement

(i) Engagement with employees:

The Company acted as a holding vehicle for the Aviva Investors group of Companies and subsequently had no employees during the year, instead there were service agreements in place between the Company and various Aviva Group companies for the provision of employee services.

Aviva Group are committed to recruiting, training and retaining the best talent possible and to be a pioneer in some areas of employee benefits, including providing six months paid parental leave for all UK employees. There are engagement mechanisms which encompass employee forums, internal communication channels, informal meetings with Directors and employee engagement surveys.

The Executive Directors appear regularly on 'Uncut,' our global employee broadcast channel, where each episode includes time for employees to ask live and unscripted questions on any subject.

(ii) Our customers

- The Company Board receives regular reporting on customer outcomes and strategic initiatives throughout the year. We conducted deep dive reviews of the 'customer journey'.
- The Company Board closely monitors customer metrics and engages with the leadership team to understand the issues if our performance does not meet our customers' expectations.
- The Company Board continues to monitor and review developments concerning changes to our IT platforms which will allow us to simplify and support service delivery to our customers.

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

Strategic Report (continued)

Section s.172 (1) Statement and our stakeholders (continued)

Stakeholder Engagement (continued)

(iii) Our suppliers

- All supplier related activity is managed in line with the Group Procurement & Outsourcing Business Standard. This ensures that supply risk is managed appropriately including in relation to customer outcomes, data security, corporate responsibility, financial, operational, contractual, and brand damage caused by inadequate oversight or supplier failure.
- An important part of our culture is the promotion of high legal, ethical, environmental and employee related standards within our business and also among our suppliers. Before working with any new suppliers we provide them with our Supplier Code of Behaviour, and our interaction with them is guided by our Business Code of Ethics.
- Aviva Investors is aligned to the Group Corporate Responsibility commitment to prevent modern slavery and associated practices in any part of our supply chain and approves our Modern Slavery Act statement each year.
- In the UK, our ultimate parent, Aviva plc is a signatory of the Prompt Payment Code which sets standards for high payment practices. We are a Living Wage employer in the UK, and our supplier contracts include a commitment to paying eligible employees not less than the Living Wage in respect of work provided to Aviva at our premises in the UK.
- Our Directors are closely involved in the management of our most critical or important suppliers and Local Boards regularly review reports on their performance. During the year, our internal Aviva Central Service provider, successfully progressed our UK migration to a new data centre infrastructure provider, including partial migration to the Cloud.
- The Company Board reviewed and approved the Business Readiness Framework and Process and migration schedule, with the Business Readiness Committee updating the Risk Committee as the migration activity progressed to successful completion.

(iv) Our communities

Aviva Investors has financially supported the following charitable projects to promote more sustainable financial markets and communities.

- Comic Relief : We supported Comic Relief's Futures Lab, which works to enhance the sustainable impact of its funded partners, therefore increasing the effectiveness of their work to help marginalised adults and children, living in poverty in the UK and the rest of the world. We have also funded Comic Relief's Red Shed - a social enterprise programme that supports environmental and community resilience.
- WWF and the One Campaign : We have funded thought-leadership work on sustainable finance at both organisations this year.
- Rosa UK : We have funded projects which aim to give women an equal voice, to improve their safety and to help them live without fear and violence. The projects also promote good health and well-being and help women to achieve social justice.
- The University of Surrey: We made a grant to the Centre for Environment and Sustainability to conduct research into improving investment valuation techniques by incorporating sustainability factors.

The Company is committed to systematically embedding Environment Social Governance (ESG) considerations across the Aviva Investors business. This included the development of asset class specific ESG policies; the build out of enhanced ESG research capabilities, including new proprietary ESG data tools; and extensive ESG training for global investment desks.

(v) Shareholders

Our ultimate shareholder is Aviva plc and there is ongoing communication and engagement with the Aviva plc Board. Any matters requiring escalation are escalated by the Company Board through the Chairman to its parent.

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

Strategic Report (continued)

Section s.172 (1) Statement and our stakeholders (continued)

(vi) Our regulators

The Company is not regulated in its own right but acts as a holding company to a number of regulated Companies, both in the UK and in overseas jurisdictions. As a result, there is a programme of regular meetings between Board members (including non-executive directors) of the Company's regulated subsidiaries, Compliance and senior staff and the various regulators. The Company routinely provides copies of Board and Committee papers to the FCA and also responds to requests for information when required, maintaining constructive and open relationships.

Future Outlook

The directors continually assess the long term strategy of the Company to ensure it can adapt to changing market conditions, changes in regulations and changes in client and operational demands. When assessing and setting the Company's long term strategy, the directors take into consideration client, regulator and legal requirements, its shareholders and other stakeholders. In addition the directors undertake stress and scenario testing to ensure that the Company continues to meet its financial objectives and adherence to internal capital and liquidity risk appetite limits over the business planning cycle.

The directors will continue to monitor the situation with COVID-19 including further stress and scenario testing and taking actions to mitigate the impact on the Company where appropriate. As at the reporting date, no changes have been made to the long term strategy of the business.

Principal Risks and Uncertainties

A description of the principal operational and financial risks and uncertainties facing the Company and the Company's risk and capital management policies are set out in note 15 to the financial statements.

Although the directors do not believe that Brexit has a significant operational impact on the business, the influence that it will continue to have on the UK economy will require careful monitoring. During the year the Company Board reviewed the impact of potential exit scenarios and the operational response plans.

On 11 March 2020, the World Health Organization declared the outbreak of a strain of novel coronavirus disease, COVID-19, a global pandemic. Governments in affected areas have imposed a number of measures designed to contain the outbreak, including business closures, travel restrictions, stay at home orders and cancellations of gatherings and events. The spread of COVID-19 has resulted in an economic downturn in the UK, where the Company operates, and the global economy more widely, as well as causing increased volatility and declines in financial markets. If the pandemic is prolonged, or further diseases emerge that give rise to similar effects, the adverse impact on the global economy could deepen and result in further declines in financial markets.

The Company continues to maintain strong solvency levels and expects to continue to meet its capital requirements.

Notwithstanding the Company's robust capital position, and the operational and financial actions being taken, the deterioration in the external situation has adverse implications arising from the impact on financial markets. As the situation is rapidly evolving it is not practicable to quantify the potential financial impact on the Company at this stage.

Key performance indicators

The Company's financial key performance indicators ('KPIs') are those that are used by the directors to measure the Company's success in achieving targets and include the following:

- Dividend income during the year of £105.8 million (2018: £61.1 million)
- Operating profit of £110.7 million (2018: £66.0 million)

The increases are due to higher dividends from the Group's subsidiaries.

On behalf of the Company Board, 17 April 2020



D Clayton
Director

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

Directors' Report

The directors present their annual report and financial statements of the Company for the year ended 31 December 2019.

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements were;

D Clayton	
A J Coates	(appointed 7 November 2019)
M D T Craston	
P A Cross	
S P J Ebenston	(appointed 17 April 2019)
A Kirton	(appointed 25 February 2020)
S L Morris	(resigned 31 May 2019)
E G Munro	
J M Weingarten	
A Whitaker	(resigned 5 September 2019)
M B E White	

Future Outlook

Likely future developments in the business of the Company or its subsidiaries are discussed in the Strategic Report.

Dividend

An interim dividend of £47.0 million was paid on 31 May 2019 (2018: £53.0 million). The directors do not recommend the payment of a final dividend for the financial year ending 31 December 2019.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report.

In addition, note 15 to the financial statements includes the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instrument exposures; and its exposures to operational risk, market risk, credit risk and liquidity risk.

Notwithstanding the potential material and sustained impact that COVID-19 might have on financial markets, the Group is expected to continue to generate positive cash flows on its own account for the foreseeable future. As a consequence, the directors believe that the Company remains well placed to manage its business risks successfully.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Events after the reporting period

On 11 February 2020, one of the Company's subsidiaries, Aviva Investors Global Services Limited, made an intercompany loan of £15 million to the Company, commencing March 2020 for the duration of one year.

On 11 March 2020, the World Health Organization declared the outbreak of a strain of novel coronavirus disease, COVID-19, a global pandemic. Governments in affected areas have imposed a number of measures designed to contain the outbreak, including business closures, travel restrictions, stay at home orders and cancellations of gatherings and events. The spread of COVID-19 has resulted in an economic downturn in the UK and the global economy more widely, as well as causing increased volatility and declines in financial markets. If the pandemic is prolonged, or further diseases emerge that give rise to similar effects, the adverse impact on the global economy could be deepened and result in further declines in financial markets.

The Company continues to maintain strong solvency levels and expects to continue to meet its capital requirements.

Notwithstanding the Company's robust capital and liquidity position and the operational and financial actions that are being taken, any deterioration in the situation has potential adverse implications arising from the impacts on financial markets and operations. As the situation is rapidly evolving it is not practicable to quantify the potential financial impact of the outbreak on the Company at the date of signing these accounts.

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

Directors' Report (continued)

Employees

The Company has no employees (2018: none).

Disclosure of information to the auditor

Each person who was a director of the Company on the date that this report was approved confirms that:

- so far as the director is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware; and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with Section 418 of the Companies Act 2006.

Independent Auditors

It is the intention of the directors to reappoint the auditor under the deemed appointment rules of Section 487 of the Companies Act 2006.

Qualifying Indemnity Provisions

The directors have the benefit of an indemnity provision contained in the Company's Articles of Association, subject to the conditions set out in the Companies Act 2006. This is a 'qualifying third party indemnity' provision as defined in Section 234 of the Companies Act 2006.

Aviva plc, the Company's ultimate parent, granted in 2004 an indemnity to the directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985 (which continue to apply in relation to any provision made before 1 October 2007). This indemnity is a 'qualifying third party indemnity' for the purposes of Sections 309A to 309C of the Companies Act 1985. These qualifying third party indemnity provisions remain in force throughout the year end and as at the date of approving the Directors' Report by virtue of paragraph 15, Schedule 3 of The Companies Act 2006 (Commencement No. 3, Consequential Amendments, Transitional Provisions and Savings) Order 2007.

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

Directors' Report (continued)

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual report and financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

By order of the Company Board, 17 April 2020



D Clayton
Director

Independent auditors' report to the members of Aviva Investors Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion, Aviva Investors Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2019; the statement of comprehensive income for the year ended 31 December 2019, the statement of cash flows for the year ended 31 December 2019, the statement of changes in equity for the year ended 31 December 2019; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Director's Responsibility set out on page 10, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Sandra Dowling (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
17 April 2020

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

Statement of Comprehensive Income for the year ended 31 December 2019

	Note	2019	2018
		£'m	£'m
Dividend income		105.8	61.1
Loan interest receivable		4.9	4.9
Operating profit		110.7	66.0
Impairment of investment in subsidiaries	7	(41.8)	(9.2)
Net investment income	2	0.8	0.5
Finance costs	17	(4.5)	(4.6)
Profit before tax		65.2	52.7
Tax (charge)	6	(0.6)	(0.1)
Profit and total comprehensive income for the year		64.6	52.6

All amounts reported in the statement of comprehensive income relate to continuing operations. There were no other recognised gains or losses in the year.

Statement of changes in equity

For the year ended 31 December 2019

	Ordinary share capital	Retained earnings	Share premium	Capital contribution reserve	Total equity
	£'m	£'m	£'m	£'m	£'m
Balance at 1 January 2018	248.0	53.0	41.6	39.6	382.2
Profit for the year	-	52.6	-	-	52.6
Reduction of indemnity	-	-	-	(39.6)	(39.6)
Dividends paid	-	(53.0)	-	-	(53.0)
Balance at 31 December 2018	248.0	52.6	41.6	-	342.2
Profit for the year	-	64.6	-	-	64.6
Dividends paid	-	(47.0)	-	-	(47.0)
Balance at 31 December 2019	248.0	70.2	41.6	-	359.8

The accounting policies on pages 16 to 20 and notes on 20 to 36 are an integral part of these financial statements.

Aviva Investors Holdings Limited**Report and financial statements for the year ended 31 December 2019****Registered in England and Wales: No.02045601****Statement of Financial Position
as at 31 December 2019**

	Note	2019	2018
		£'m	£'m
ASSETS			
Non-current assets			
Investments in subsidiaries	7	260.1	284.8
Trade and other receivables	10	68.0	93.0
Total non-current assets		328.1	377.8
Current assets			
Trade and other receivables	10	2.2	74.6
Cash and cash equivalents		34.4	0.1
Investments designated as fair value through profit and loss	8	37.4	-
Total current assets		74.0	74.7
Total assets		402.1	452.5
EQUITY AND LIABILITIES			
Equity			
Ordinary share capital	12	248.0	248.0
Share premium		41.6	41.6
Retained earnings		70.2	52.6
Total equity		359.8	342.2
Non-current liabilities			
Trade and other payables	11	26.8	91.1
Total non-current liabilities		26.8	91.1
Current liabilities			
Trade and other payables	11	15.0	19.2
Financial liabilities	16	0.5	-
Total current liabilities		15.5	19.2
Total liabilities		42.0	110.3
Total equity and liabilities		402.1	452.5

The financial statements on pages 13 to 36 were approved by the Company Board of directors on 17 April 2020 and were signed on its behalf by



D Clayton
Director

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

**Statement of Cashflows
for the year ended 31 December 2019**

	Note	2019	2018
		£'m	£'m
Cash flows generated by operating activities			
Profit before tax		65.2	52.7
Adjustments for:			
Impairment of investment in subsidiaries	7	41.8	9.2
Interest receivable on loans		(4.9)	(4.9)
Interest payable on borrowings		4.5	4.6
Unrealised gains on investments		(1.9)	-
Changes in working capital			
Decrease/(increase) in trade and other receivables		74.6	(30.3)
(Decrease)/increase in trade and other payables		(4.1)	17.7
Cash generated by operations		175.2	49.0
Group relief paid		(0.1)	(0.2)
Overseas tax paid		-	(0.4)
<i>Net cash generated by operating activities</i>		175.1	48.4
Cash flows (used in)/generated by investing activities			
Interest received on loans made to related companies		4.9	4.9
Capital contribution and additions to subsidiaries	7	(17.1)	-
Purchase of financial investments and derivatives	8	(37.1)	-
Repayment of loan to subsidiary		25.0	-
<i>Net cash (used in)/generated by investing activities</i>		(24.3)	4.9
Cash flows used in financing activities			
Interest paid on loan from related companies		(4.5)	(4.6)
Dividends paid		(47.0)	(53.0)
Repayment of loan from parent		(65.0)	-
<i>Net cash used in financing activities</i>		(116.5)	(57.6)
Net increase/(decrease) in cash and cash equivalents		34.3	(4.3)
Cash and cash equivalents at 1 January		0.1	4.4
Cash and cash equivalents at 31 December		34.4	0.1
Cash at bank and on hand		0.1	0.1
Cash equivalents		34.3	-
		34.4	0.1

The accounting policies on pages 16 to 20 and notes on 20 to 36 are an integral part of these financial statements.

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

Notes to the financial statements

1. Accounting policies

The Company is a limited liability company incorporated and domiciled in the United Kingdom.

The principal accounting policies adopted in the preparation of the Company's financial statements are set out below and have been applied consistently throughout the financial statements.

(A) Basis of presentation

The financial statements are prepared under the historical cost convention, except for those financial assets and financial liabilities that have been measured at fair value. Items included in the financial statements are measured in the currency of the primary economic environment in which the Company operates ('the functional currency'). The Company's presentational currency is pounds sterling. Unless otherwise noted, the amounts shown in these financial statements are in millions of pounds sterling (£'m).

Statement of compliance

The Company's financial statements have been prepared and approved by the directors in accordance with the International Financial Reporting Standards ('IFRSs') as endorsed by the European Union ('EU'), the Companies Act 2006 that applies to companies reporting under IFRS and IFRS Interpretation Committee ('IFRSIC') interpretations. The Company's financial statements have been prepared in accordance with IFRS applicable at 31 December 2019 and have been prepared on a going concern basis.

As permitted under IAS 27, Consolidated and Separate Financial Statements, IFRS 10, Consolidated Financial Statements and section 400 of the Companies Act 2006 the Company has elected not to present consolidated financial statements. These financial statements present information about the Company as an individual undertaking and do not consolidate the results of the Company's subsidiary undertakings.

New standards, interpretations and amendments to published standards that have been adopted by the Company

The Company has adopted the following new amendments to standards which became effective for financial years beginning on or after 1 January 2019.

(i) *IFRIC 23, Uncertainty over Income Tax Treatments*

In June 2017, the IASB published IFRIC 23 *Uncertainty over Income Tax Treatments*. The standard is effective for annual reporting beginning on or after 1 January 2019 and has been endorsed by the EU. The adoption of this standard does not have an impact on the Company's financial statements.

(ii) *Amendments to IAS 28: Long-term Interests in Associates and Joint Ventures*

In October 2017, the IASB published *Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)*. The amendments are effective for annual reporting beginning on or after 1 January 2019 and have been endorsed by the EU. The adoption of these amendments does not have an impact on the Company's financial statements.

(iii) *Annual Improvements to IFRS Standards 2015-2017*

These improvements consist of amendments to three IFRSs including IFRS 3 *Business Combinations*, IFRS 11 *Joint Arrangements*, IAS 12 *Income taxes* and IAS 23 *Borrowing Costs*. The amendments are effective for annual reporting beginning on or after 1 January 2019 and have been endorsed by the EU. The adoption of these amendments does not have an impact on the Company's financial statements.

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

1. Accounting policies (continued)

(A) Basis of presentation (continued)

Standards, interpretations and amendments to published standards that are not yet effective and have not been adopted early by the Company

The following applicable new standards, amendments to existing standards and interpretations have been issued, are not yet effective and have not been adopted early by the Company:

(i) *Interest Rate Benchmark Reform*

Published by the IASB in October 2019. The amendments are effective for annual reporting beginning on or after 1 January 2020 and have not yet been endorsed by the EU.

(ii) *Amendments to References to the Conceptual Framework in IFRS Standards*

Published by the IASB in March 2018. The amendments are effective for annual reporting beginning on or after 1 January 2020 and have not yet been endorsed by the EU.

(iii) *Amendment to IFRS 3 Business Combinations, IAS 1 and IAS 8: Definition of material*

Published by the IASB in October 2018. The amendments are effective for annual reporting beginning on or after 1 January 2020 and have not yet been endorsed by the EU.

(B) Critical accounting policies and use of estimates

The preparation of the Company's financial statements requires the Company to select accounting policies and make estimates and assumptions that affect items reported in the statement of financial position and statement of comprehensive income, other primary statements and notes to the financial statements.

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

All estimates are based on management's knowledge of current facts and circumstances, assumptions based on that knowledge and their predictions of future events and actions. Actual results may differ from those estimates, possibly significantly.

The table below sets out those items we consider particularly susceptible to changes in estimates and assumptions, and the relevant accounting policy.

Item	Accounting policy
Impairment of investments in subsidiaries	F

(C) Foreign currency translation

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions or at average rates if they are a suitable proxy. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the statement of financial position date. Gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the statement of comprehensive income. Translation differences on non-monetary financial assets are reported as part of the fair value gain or loss arising in respect of such assets.

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

1. Accounting policies (continued)

(D) Other income

Dividend income

Dividends are recognised on an accrual basis in the period which the Company's entitlement to receive the dividend is established.

Net investment income

Interest receivable is recognised as it accrues, taking into account the effective yield on the investment or cash balance.

The realised gain or loss on disposal of an investment is the difference between the proceeds received, net of transaction costs, and its brought forward carrying value. Unrealised gains and losses represent the difference between the carrying value at the year end and the carrying value at the previous year end or purchase value during the year.

(E) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

The Company reviews the carrying value and recoverability of its receivables on a regular basis. If the carrying value of a receivable is greater than the recoverable amount, the carrying value is reduced through an impairment charge to the statement of comprehensive income in the period.

Reversals of impairments are only recognised where the decrease in the impairment can be objectively related to an event occurring after the write-down (i.e. improvement in the counterparty's credit rating).

(F) Investments in Subsidiaries

Subsidiaries are those entities (including special purpose entities) in which the Company, directly or indirectly, has power to exercise control over financial and operating policies in order to gain economic benefits.

Investments in subsidiaries are recognised at cost less impairment. Investments are reviewed annually to test whether any indicators of impairment exist. Where there is objective evidence that such an asset is impaired, such as the financial difficulty of the entity or a significant or prolonged decline in its fair value below cost, the investment is impaired to its recoverable value and any unrealised loss is recorded in the statement of comprehensive income.

Assets are recognised on the date that the risk and reward of ownership are deemed to pass to the Company. Assets are recognised initially at the fair value of the consideration payable to acquire the asset less transaction costs.

(G) Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and on hand, deposits held on call and other short-term highly liquid investments, all of which have less than 90 days maturity from the date of acquisition that are readily convertible to known amounts of cash, and are subject to an insignificant risk of change in value. Any cash on deposit with a maturity longer than 90 days is included as a financial investment.

(H) Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(Q) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in interest income and interest expense.

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

1. Accounting policies (continued)

(J) Income tax

The current tax expense is based on the taxable profits for the year, after any adjustments in respect of prior years. Tax, including tax relief for losses if applicable, is allocated over profits before taxation, and amounts charged or credited to components of other comprehensive income and equity as appropriate.

Provision is made for deferred tax liabilities, or credit taken for deferred tax assets, using the liability method, on all material temporary differences between the tax bases of assets and liabilities, and their carrying amounts in the financial statements. The rates enacted or substantively enacted at the statement of financial position date are used to value the deferred tax assets and liabilities.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Where there is a history of tax losses, deferred tax assets are only recognised in excess of deferred tax liabilities if there is convincing evidence that future profits will be available.

Deferred tax is provided on any temporary differences arising from investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future.

Deferred taxes are not provided in respect of any temporary differences arising from the initial recognition of goodwill, or from the initial recognition of an asset or liability in a transaction which is not a business combination and affects neither accounting profit nor taxable profit or loss at the time of the transaction.

Current and deferred tax relating to items recognised in other comprehensive income and directly in equity are similarly recognised in other comprehensive income and directly in equity respectively. Deferred tax related to any fair value re-measurement of available for sale investments, owner-occupied properties, pensions and other post-retirement obligations and other amounts charged or credited directly to other comprehensive income is recognised in the statement of financial position as a deferred tax asset or liability.

(K) Investments designated as fair value through profit or loss

Purchases and sales of investments are recognised on the trade date, which is the date that the Company commits to purchase or sell the assets, at their fair value. They are subsequently carried at fair value. Changes in the fair value are included in the statement of comprehensive income in the year in which they arise. Profit on disposal, being the excess of the consideration receivable on disposal above the brought forward value of the investment is also recognised in the statement of comprehensive income. The fair values of the investments are based on the quoted bid prices of the underlying investments. Assets are derecognised at the point where the risks and rewards of ownership are transferred to a third party.

With the exception of investments in subsidiaries, the Company classifies all its financial investments in accordance with IFRS 9 *Financial Instruments* as fair value through profit or loss.

(L) Derivative financial instruments and hedging

Derivative financial instruments are initially recognised in the statement of financial position at their fair value, which usually represents their cost. They are classified as held for trading under IFRS 9 *Financial Instruments* and subsequently measured at their fair value with gains and losses recognised immediately in net investment income. Fair values are obtained from quoted market prices. All derivatives are carried as assets when the fair value is positive and liabilities when the fair value is negative. The notional or contractual amounts associated with derivative financial instruments are not recorded as assets or liabilities on the statement of financial positions as they do not represent the fair value of these transactions. These amounts are disclosed in Note 16.

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

1. Accounting policies (continued)

(M) Collateral

The Company receives and pledges cash collateral in respect of derivative contracts in order to reduce the credit risk of these transactions. Collateral received in the form of cash, which is not legally segregated from the Company, is recognised as an asset in the statement of financial position, with a corresponding liability for the repayment in financial liabilities. However, where the Company has a currently enforceable legal right of set-off and the ability and intent to net settle, the collateral liability and associated derivative balances are shown net.

Capital pledged in the form of cash, which is legally segregated from the Group, is derecognised from the statement of financial position with a corresponding receivable recognised for its return.

(N) Share capital

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Accordingly, a financial instrument is treated as equity if there is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable. Therefore, the Company's share capital is considered to be an equity instrument.

(O) Capital contributions

Capital contributions for which no equity instrument is issued, and for which no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable arises, are recognised in a separate Capital Contribution reserve within equity.

(P) Dividends

Dividends payable on ordinary shares are recognised in equity in the period in which the Company's obligation to make the dividend payment arises.

2. Net investment income

	2019	2018
	£'m	£'m
Interest receivable and similar income	0.6	0.5
Unrealised gain on investments designated at fair value through profit and loss	2.4	-
Unrealised losses on derivative financial instruments	(0.5)	-
Realised losses on derivative financial investments	(1.7)	-
	0.8	0.5
	0.8	0.5

3. Employee information

The Company has no employees (2018: none).

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

4. Directors' emoluments

Mr Munro, Ms Ebenston and Mr Clayton were remunerated by Aviva Employment Services Limited for their services in connection with the management of the affairs of the Aviva Investors' business as a whole. No recharge has been made to the Company for their services.

The fees payable to Ms Coates, Mr Craston, Mr Kirton, Ms Cross, Mr Weingarten, Ms Whitaker and Mr White in respect of their services as non-executive directors are paid for and borne by the Company.

Emoluments of directors in office during 2019 and 2018, were:

	2019	2018
	£'m	£'m
Aggregate emoluments in respect of qualifying services	4.6	3.8
Company pension contributions to money purchase scheme	-	-
Emoluments of the highest paid director		
Aggregate emoluments in respect of qualifying services	2.6	2.5
Company pension contributions to money purchase scheme	-	-

One (2018: none) director exercised share options in 2019 and three (2018: one) of the directors received shares under long term incentive schemes.

5. Auditors' remuneration

Auditors' remuneration in relation to the Company for 2019 was £38,270 (2018: £36,450).

Fees paid to the auditors for services other than the statutory audit of the Company are not disclosed in these financial statements since the consolidated financial statements of the Company's ultimate parent company, Aviva plc, are required to disclose other non-audit services on a consolidated basis.

6. Tax expense

(a) Tax charge to the statement of comprehensive income

The total tax charge comprises:

	2019	2018
	£'m	£'m
Current tax		
Tax charge for the current year	-	0.1
Adjustments in respect of prior year	0.6	-
Total current tax charge	0.6	0.1
Total tax charge to the statement of comprehensive income	0.6	0.1

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

6. Tax expense (continued)

(b) Tax reconciliation

The tax charge on the Company's profit before tax differs from the theoretical amount that would arise using the tax rate of the home country of the Company as follows:

	2019	2018
	£'m	£'m
Profit before tax	65.2	52.7
Tax calculated at standard UK corporation tax rate of 19.0% (2018: 19.0%)	12.4	10.0
Adjustments in respect of prior year	0.6	-
Non-assessable dividends	(20.1)	(11.6)
Non-taxable impairment of investment in subsidiaries	7.9	1.7
Surrender of losses from group undertakings for no charge	(0.2)	-
Total tax charge to the statement of comprehensive income (note 6(a))	0.6	0.1

Finance Act 2016 introduced legislation reducing the UK corporation tax rate from 1 April 2020 to 17%. In the Budget of 11 March 2020 the UK Government reversed this rate reduction, announcing that the UK corporation tax rate will remain at 19% from 1 April 2020 and this was substantively enacted on 17 March 2020. As the company has no deferred tax assets or liabilities, any future changes in tax rates have no impact on the net assets of the Company as at 31 December 2019.

7. Investments in subsidiaries

The movement in the Company's investments in its subsidiaries are as follows:

	2019	2018
	£'m	£'m
At 1 January	284.8	333.6
Additions	0.7	-
Additional capital investments in subsidiaries	16.4	-
Reduction in capital contribution to subsidiaries	-	(39.6)
Impairment of investment in subsidiaries	(41.8)	(9.2)
At 31 December	260.1	284.8

On 31 May 2019, the Company purchased 100% of the issued capital of Aviva Investors Pacific Pty Limited from its wholly owned subsidiary Aviva Investors Asia Pte Limited for £0.7 million. This investment was subsequently impaired by £0.5 million.

Additional capital injections totalling £16.4 million were made during the year to the Company's subsidiaries in Asia Pacific and North America. Impairments of £19.8 million were recognised against the carrying value of North America and Asia Pacific, which continue to be loss making to write them down to their net asset value.

Due to their dissolution during the year impairments of £22.0 million were recognised against the carrying value of Aviva Investors UK Funds Limited and Friends Life Funds Limited which offsets dividend income of £22.7 million.

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

8. Investments designated at fair value through profit or loss

	2019	2018
	£'m	£'m
Specialised investment companies	37.4	-
Total financial investments assets	37.4	-

All amounts above are classified as current as they are fair value to profit and loss.

Investments held within the specialised investment companies business meet the definition of an interest in a structured entity per IFRS 12, these are classified as 'other investments' in the above table.

The investments held are specialised investment companies of £37.4 million comprising:

- £11.3 million invested in overseas Sociétés d'Investissement à Capital Variables ('SICAVs'), which are internally managed by a fellow subsidiary of the Company (Aviva Investors Luxembourg S.A.). The investment is split into £5.7 million in the SICAV Global Equity Unconstrained Fund and £5.6m in the SICAV EM Equity Unconstrained Fund. Total assets under management in these SICAVs is £8,619.4 million.
- £26.1 million invested in open-ended investment company ('OEIC') funds, which are managed by a fellow subsidiary of the Company Aviva Investors UK Fund Services Limited. The investment is split into £5.0 million in the Sustainable Income and Growth Fund, £10.6 million in the OEIC Global Equity Unconstrained Fund and £10.4m in the OEIC EM Equity Unconstrained Fund. Total assets under management in the OEIC is £4,280.0 million.

The Company invested a notional amount of £35.0 million in the five specialised investment companies outlined above and as at 31 December 2019 has the majority shareholding.

For information regarding the derivative financial instruments acquired see note 16

9. Tax assets and liabilities

(a) General

Amounts expected to be settled in more than one year amount to £1.8 million (2018: £1.1 million).

UK tax liabilities are expected to be settled by way of group relief with other Aviva group companies and as such are disclosed as group relief liabilities within Trade and Other Payables in the statement of financial position.

(b) Deferred tax

There are no provided or unprovided deferred tax assets or liabilities at the year end date (2018: £nil).

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

10. Trade and other receivables

Current	2019	2018
	£'m	£'m
Amounts due from subsidiaries	-	74.6
Amounts receivable for collateral pledged	2.2	-
	<u>2.2</u>	<u>74.6</u>
Non-current	2019	2018
	£'m	£'m
Loans and receivables due from subsidiaries	68.0	93.0
	<u>68.0</u>	<u>93.0</u>

Amounts due from subsidiaries in 2018 in the table above comprises a number of balances including a receivable balance for AIGSL's surplus cash loaned to the Company of £73.5 million. The amount due was repayable on demand and was unsecured. The balance had no fixed repayment date and, as such, was not considered to be past due or impaired. At 31 December 2019 the Company had a payable balance to AIGSL rather than a receivable balance (see Note 11).

Credit risk is limited as all receivables are due from subsidiaries of the Company. For terms and conditions relating to related party receivables, refer to note 17.

The carrying amount of all receivables (net of provisions for doubtful debts) is equal to the fair value of the receivable. Other than the amounts disclosed above, none of the other amounts shown are either past due or impaired. Any balances outstanding for greater than 90 days are considered to be past due but not impaired.

Trade and other receivables are categorised as amortised cost under IFRS 9, *Financial Instruments*.

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

11. Trade and other payables

Current	2019	2018
	£'m	£'m
Amounts due to subsidiaries	14.8	18.7
Other financial liabilities	0.2	0.2
Accrued interest	0.1	0.2
Group relief payable	-	0.1
	<u>15.0</u>	<u>19.2</u>

Non-current	2019	2018
	£'m	£'m
Loans from parent	25.0	90.0
Group relief payable	1.8	1.1
	<u>26.8</u>	<u>91.1</u>

At 31 December 2019 amounts due to subsidiaries includes a payable balance for surplus cash loaned to the Company by AIGSL of £15.4 million (2018: £nil). The amount is unsecured and repayable on demand.

The carrying amounts of all payables are considered to be equivalent to fair value. For terms and conditions relating to payables due to fellow subsidiaries of the Aviva Group refer to note 17. Trade and other payables are categorised as financial liabilities at amortised cost under IFRS 9, *Financial Instruments*.

12. Ordinary share capital

	2019	2018
	£'m	£'m
The allotted, called up and fully paid share capital of the Company at 31 December 2019 was:		
247,953,000 (2018: 247,953,000) ordinary shares of £1 each	<u>248.0</u>	<u>248.0</u>

All ordinary shares rank equally with regard to voting rights and dividend entitlements declared, made or paid by the Company. All shares will also be entitled to a proportional share of the residual assets of the Company upon winding up.

13. Capital contribution reserve

On 11 December 2015 the Company received an indemnity from its immediate parent, Aviva Group Holdings Limited ('AGHL'). This agreement holds the Company harmless for any non insured losses up to £92.0 million resulting from a specified client compensation loss event in one of the Company's subsidiaries.

In 2018 the client compensation claim was settled for £52.4 million. There were no non insured losses and no claim under the indemnity from AGHL was made. The indemnity was terminated on 21 December 2018.

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

14. Contingent assets, contingent liabilities and commitments

In consideration of receiving a capital market service license the Company has provided a guarantee to the Monetary Authority of Singapore undertaking to meet obligations and liabilities of its wholly owned subsidiary, Aviva Investors Asia Pte. Limited, up to S\$25 million (c£14 million). As at 31 December 2019, it was not considered that the Company would become liable for any financial obligations under the guarantee in the foreseeable future.

The Company also provided a letter of financial support to the directors of Aviva Investors Pacific Pty Limited (AIPPL), its wholly owned subsidiary in Australia, which formalises the Company's intent to provide sufficient financial support as required to enable it to continue its operations and fulfil its obligations until at least March 2021. The Company anticipates additional capital investments in AIPPL in 2020 and 2021 to fulfil its commitments.

15. Risk and capital management policies

(a) Overview

The Company seeks to optimise its business' performance subject to remaining within risk appetite and meeting stakeholders' expectations. This is achieved by embedding rigorous and consistent risk management. The Company's Risk Management Framework ("RMF") includes the strategies, policies, processes, culture, governance arrangements, tools, and reporting procedures necessary to support this. The RMF incorporates the Aviva plc Group's Enterprise Risk Management Framework which has been adapted to the needs and requirements of the Company. A description of the RMF, core governance committees, risk appetites, risk management processes, roles and responsibilities are documented in the Aviva Investors Pillar 3 Disclosures document available at <https://www.avivainvestors.com/en-gb/capabilities/regulatory>.

The Company's Capital Requirements Directive (CRD IV) Country-by-Country reporting disclosures are also available at <https://www.avivainvestors.com/en-gb/capabilities/regulatory>.

Further information on the types and management of specific risk types is given below:

(b) Operational risk

Operational risk is the current or prospective risk of loss arising from inadequate or failed internal processes, personnel or systems, or from external events. This definition includes legal risk, but excludes strategic and reputational risk.

The Company monitors the health of the business by considering the impact of data results (leading and lagging) – for example, risk events, indicators and review results – on the residual risk profile against tolerances (granular limits), appetites (aggregated limits) and strategic targets.

Exposures exceeding tolerances and appetites are prioritised for resolution using rigorous issue and remediation processes.

Progress of remediation is monitored by the relevant risk owners to early identify risks not on track to return to tolerance or appetite. In such instances, risk owners are required to decide how best to manage the risk exposure (e.g. additional allocation of resources to increase speed of remediation, tactical or short-term solutions until resolution is completed, etc.).

(c) Regulatory compliance

Although the Company is not a regulated entity, it falls within the supervisory oversight of the Financial Conduct Authority ('FCA') as it is the parent of regulated entities and is therefore in scope as a UK consolidated entity. The FCA has broad powers including the authority to ensure the Company maintains adequate financial resources.

Aviva Investors has compliance resources to respond to regulatory enquiries in a constructive way, and take corrective action when warranted. However, all regulated financial services companies face the risk that their regulator could find that they have failed to comply with applicable regulations or have not undertaken corrective action as required.

The impact of any such finding could have a negative impact on the Company's reported results or on its relations with current and potential clients. Regulatory action against the Company could result in adverse publicity for or a negative perception regarding the Company, or could have a material adverse effect on the business of the Company, its results of operations and/or financial condition and divert management's attention from the day-to-day management of the business.

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

15. Risk and capital management policies (continued)

(d) Market risks

Market risk is the current or prospective risk of loss arising from movements in market prices, such as:

- Adverse changes in the financial situation (including the value of assets, liabilities and income) resulting, directly or indirectly, from fluctuations in foreign exchange balances;
- Adverse changes in the value of units held by the UK Retail business as part of the OEIC managers box; and
- Adverse changes in the value of investment in Aviva Investors funds.

The Company uses sensitivity test-based analysis to estimate the impact of volatile market prices on expected earnings for decision-making and planning purposes.

i) Foreign currency exchange risk

Foreign currency exchange risk is the risk of an adverse impact on the Company's results due to changes in fair values of financial instruments and cash flows from fluctuations in foreign currency exchange rates. The Company's exposure to foreign currency exchange risk is regularly monitored at the Aviva Investors Capital Committee. The impact of any foreign currency risk on the investments in subsidiaries has been factored into the market risk sensitivity analysis. All other asset and liability balances are denominated in pounds sterling.

ii) Interest rate risk

Interest rate risk is the current or prospective risk of loss due to exposure to changes in interest rates on non-trading book activities. Aviva Investors holds cash at bank and invests into the Aviva Investors Liquidity Fund which exposes these balances to interest rate movements.

The Company has exposure to fluctuations in interest rates on all variable rate loans and deposits. The total value of these loans and deposits is £34.3 million (2018: £73.6 million). The Company's exposure to movements in interest rates is illustrated in the table below:

A change of 50bps in interest rates would have had the following impact on the Company:

	<u>Increase by 50bps</u>	<u>Decrease by 50bps</u>
	£'m	£'m
Net assets increase/(decrease) at 31 December 2019	0.17	(0.17)
Profit/(loss) exposure at 31 December 2019	0.17	(0.17)
Net assets increase/(decrease) at 31 December 2018	0.37	(0.37)
Profit/(loss) exposure at 31 December 2018	0.37	(0.37)

iii) Market price risk

The Company has an exposure to market price risk arising from the impact on the Company's investment position from movements in the wider financial market. The investments in subsidiaries are correlated and in the event of a disposal of a subsidiary, changes in market price could impact the consideration received and the corresponding gain or loss recognised.

15. Risk and capital management policies (continued)

(e) Credit risk

Credit Risk is the current or prospective risk of loss arising from adverse financial impacts due to fluctuations in credit quality of third parties including default.

Aviva Investors manage and monitor exposures across all business units on a consolidated basis, and operate a Group limit framework that must be adhered to by all entities.

The Company's maximum exposure to credit risk is associated with its trade and other receivables, cash and cash equivalents. Exposure to Aviva and its subsidiaries forms the majority of the Company's credit risk exposure which is disclosed in more detail in the related party transactions (note 17). The total value of the exposure to trade and other receivables, in the form of loans, bank balances, deposits and other receivables is £102.4 million (2018: £167.7 million). Credit risk associated with trade and other receivables is considered to be low and within risk appetite.

Aviva Investors follows the Aviva Group Credit and Collateral Management Business Standard in managing the credit risk associated with cash and cash equivalents, notably through placement of funds with high credit ratings assigned by international credit agencies. Credit exposures are identified, evaluated and managed in accordance with best practice and agreed risk appetite, so as to ensure that risks are managed within bounds acceptable to clients and, where appropriate, the Aviva Group Credit Risk Director. Expected loss associated with credit risk on cash and cash equivalents is considered low and within risk appetite.

(f) Liquidity risk

Liquidity risk is the current or prospective risk that liabilities cannot be met, in a timely and cost-effective manner, as they fall due.

The Company seeks to ensure that it maintains sufficient financial resources to meet its obligations as they fall due through the application of the Aviva Group Liquidity Risk Business Standard and Liquidity Risk Policy. A liquidity risk appetite requires that sufficient liquid resources be maintained to cover net outflows.

The table below analyses the Company's financial liabilities into relevant maturity groupings:

	2019 Undiscounted cash flows		
	Within 1 year	Between 1 and 5 years	Over 5 years
	£'m	£'m	£'m
Loan repayment	-	-	25.0
Interest payment	1.4	5.5	2.6

	2018 Undiscounted cash flows		
	Within 1 year	Between 1 and 5 years	Over 5 years
	£'m	£'m	£'m
Loan repayment	-	-	90.0
Interest payment	4.6	18.5	10.5

All other trade payables are repayable on demand at a cash value that approximates to the current carrying value in the financial statements.

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

15. Risk and capital management policies (continued)

(g) Capital management

The disclosure requirements in the FCA's Prudential Sourcebook for Investment Firms ('IFPRU') apply to the Company on a consolidated supervision basis.

The sufficiency of regulatory and internal risk-based capital for the Group and for the Company is monitored against approved risk appetites at the Capital Committee. Any capital in excess of the minimum requirements is freely transferable as dividends, investments or loans (subject to any applicable concentration risk limits) to the Company.

Reporting to Aviva plc includes appropriate key performance indicators ('KPI') to monitor changes in shareholder value and the use of capital, as well as periodic reporting on the Company's regulatory and internal risk-based capital positions.

Under IFPRU, Aviva Investors is a limited licence group and its minimum capital requirement, for regulatory capital purposes, is the higher of the fixed overheads requirement and sum of the capital requirements for credit risk and market risk.

Credit risk arises only incidentally to the operations of the business and Aviva Investors uses the standardised approach to calculate this requirement. Market risk arises predominantly in respect of foreign currency exposures. The directors do not consider these risks to be material and have not disclosed the related capital requirements.

Additional information can be found in Aviva Investors' Pillar 3 Disclosures document available at: <https://www.avivainvestors.com/en-gb/capabilities/regulatory>.

In addition to regulatory capital, Aviva Investors assess a capital requirement with a 99.5% level of confidence, to safeguard against the material risks faced by the Company. The required amount of capital is determined using internally approved methodology and is subject to approval by the Company's Board. Capital resources are to exceed the higher of regulatory or internal risk-based requirement.

(h) Fair value methodology

For investments carried at fair value, we have categorised the measurements basis into a 'fair value hierarchy' based on the degree of subjectivity associated with the data used to value each asset.

i) Quoted market prices in active markets - ('Level 1')

Assets classed as Level 1 in the hierarchy are valued based on unadjusted quoted prices in active markets. An active market is one in which transactions for the assets occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

At year end, the Company had assets of £37.4 million (2018: £nil) value based on quoted market prices in active markets.

ii) Internal models with significant observable market parameters - ('Level 2')

Assets classed as Level 2 in the hierarchy are valued based on inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. If the asset has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset. Level 2 inputs include the following:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in markets that are not active, the prices are not current, or price quotations vary substantially either over time or among market makers, or in which little information is released publicly;
- Inputs, other than quoted prices, that is observable for the asset for example, interest rates and yield curves observable at commonly quoted intervals; and
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

At year end, the Company held no Level 2 assets (2018: £nil).

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

15. Risk and capital management policies (continued)

(h) Fair value methodology (continued)

iii) Internal models with significant unobservable market parameters - ('Level 3')

Assets classed as Level 3 in the hierarchy are based on inputs that are unobservable based on available published market data. Unobservable inputs may have been used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset at the measurement date (or market information for inputs to any valuation models). As such, unobservable inputs reflect the assumptions that the Company considers that market participants would use in pricing the asset.

As at 31 December 2019, the Company held Level 3 liabilities of £0.5 million (2018: £nil million) relating to derivative financial instruments held at fair value. Movements in this balance can be found in note 16. These instruments are new in 2019.

16. Derivative financial instruments

The Company uses exchange traded equity futures to manage exposure to market risk on its investments (see Note 8).

In the table below figures are given for both the notional amounts and fair value of these instruments. The notional amounts reflect the aggregate of the derivative position in a gross basis and so give an indication of the overall scale of the derivative transaction. They do not reflect the current market value of the open position. The fair values represent the gross carrying value at the year end.

	2019	
	Contract /	
	notional	Fair value
	amount	liability
	£'m	£'m
Exchange traded equity	33.0	0.5

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

17. Related party transactions

Certain administrative services are provided to the Company by its subsidiaries, for which no recharge is made.

(a) Services with related parties	2019	2018
	£'m	£'m
Costs recharged		
Interest receivable from Aviva Investors Global Services Limited	4.9	4.9
	<u>4.9</u>	<u>4.9</u>
Services provided by related parties		
Interest payable to Aviva Group Holdings Limited	4.5	4.6
	<u>4.5</u>	<u>4.6</u>
(b) Related party balances	2019	2018
	£'m	£'m
Receivable balances (current)		
Receivable from Aviva Investors Global Services Limited	-	74.6
	<u>-</u>	<u>74.6</u>
Receivable balances (non-current)		
Loan receivable from Aviva Investors Global Services Limited	68.0	93.0
	<u>68.0</u>	<u>93.0</u>
Payable balances (current)		
Payable to Aviva Group Holdings Limited	(0.2)	(0.2)
Payable to Friends Life Funds Limited	-	(13.7)
Payable to Aviva Investors UK Funds Limited	-	(5.0)
Payable to Aviva Investors Global Services Limited	(14.8)	-
	<u>(15.0)</u>	<u>(18.9)</u>
Payable balances (non-current)		
Group relief payable	(1.8)	(1.1)
Loan payable to Aviva Group Holdings Limited	(25.0)	(90.0)
	<u>(26.8)</u>	<u>(91.1)</u>

The Company loaned £25.0 million to its subsidiary, AIGSL on 12 December 2014. On 30 June 2015 the loan was extended by £25.0 million to £50.0 million. On 30 November 2015 and 31 May 2016 additional loans of £23.0 million and £20.0 million were provided to AIGSL. The loans are subordinated to the claims of senior creditors, and are at fixed rates of interest of 5%, 5.5% and 5.85% respectively with interest income of £4.9 million during the year (2018: £4.9 million). The loan principal amounts are payable on 31 December 2025, 30 November 2026 and 31 May 2027. On 16 December 2019 £25.0 million of the initial loan issued on 12 December 2014 was repaid early.

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

17. Related party transactions (continued)

On 16 December 2014, the Company borrowed £65.0 million from its immediate parent undertaking, AGHL. On 30 November 2015 an additional loan of £25.0 million was provided by AGHL. The loans are subordinated to the claims of senior creditors, and are at fixed rates of interest of 5% and 5.5% respectively with interest charged of £4.5 million during the year (2018: £4.6 million). The loan principal amounts are repayable on 31 December 2025, and 30 November 2026. On 16 December 2019 the £65.0 million loan received on 16 December 2014 was repaid early.

Each of the remaining receivable and payable balances represent transactions arising with subsidiaries of the Company during the ordinary course of business. None of the related parties' receivables or payables are secured and no guarantees have been received or provided by the Company in respect thereof. The receivables and payables are non-interest bearing, have no fixed repayment date and will be settled in accordance with normal credit terms.

(c) Key management compensation

The directors of the Company are considered key management, and details of their remuneration is included in note 4. The total compensation of additional employees classified as key management, being those having authority and responsibility for planning, directing and controlling the activities of the Company, is as follows:

	<u>2019</u>	<u>2018</u>
	£'m	£'m
Salary and other short-term benefits	5.2	5.1
Other long-term benefits	0.4	0.8

There are no amounts receivable from or payments due to key management.

(d) Ultimate controlling party

The immediate parent undertaking of the Company is Aviva Group Holdings Limited.

The ultimate parent undertaking and controlling party of the Company is Aviva plc, a company incorporated in the United Kingdom.

Aviva plc is the parent undertaking of both the largest and the smallest group of undertakings to consolidate these financial statements at 31 December 2019. The consolidated financial statements of Aviva plc available at www.aviva.com or are on application to the:

Group Company Secretary
Aviva plc
St Helen's
1 Undershaft, London
EC3P 3DQ

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

18. Events after the reporting period

On 11 February 2020, one of the Company's subsidiaries, Aviva Investors Global Services Limited, approved an intercompany loan of £15 million to the Company, commencing March 2020 for the duration of one year.

On 11 March 2020, the World Health Organization declared the outbreak of a strain of novel coronavirus disease, COVID-19, a global pandemic. Governments in affected areas have imposed a number of measures designed to contain the outbreak, including business closures, travel restrictions, stay at home orders and cancellations of gatherings and events. The spread of COVID-19 has resulted in an economic downturn in the UK and the global economy more widely, as well as causing increased volatility and declines in financial markets. If the pandemic is prolonged, or further diseases emerge that give rise to similar effects, the adverse impact on the global economy could be deepened and result in further declines in financial markets.

The Company continues to maintain strong solvency levels and expects to continue to meet its capital requirements. Notwithstanding the Company's robust capital and liquidity position and the actions that are being taken, any deterioration in the situation has potential adverse implications arising from the impacts on financial markets and operations. As the situation is rapidly evolving it is not practicable to quantify the potential financial impact of the outbreak on the Company at the date of signing these accounts.

19. Related undertakings

The related undertakings of the Company at 31 December 2019 are listed below:

Name	Ownership %	Class of Share
United Kingdom		
<u>St Helen's, 1 Undershaft, London, EC3P 3DQ, United Kingdom</u>		
2015 Sunbeam Limited*	100	Ordinary
Alternative Use Group Plc*	100	Ordinary
Aviva Investors Alternative Income Solutions General Partner S.a.r.l.*	100	Ordinary
Aviva Investors Ground Rent GP Limited*	100	Ordinary
Aviva Investors Ground Rent Holdco Limited*	100	Ordinary
Aviva Investors Infrastructure Income C Limited*	41.9	Ordinary
Aviva Investors Infrastructure Income M Limited*	41.8	Ordinary
Aviva Investors Infrastructure Income Midco 6.1 Limited*	100	Ordinary
Aviva Investors Infrastructure Income No.6 Limited*	58.7	Ordinary
Aviva Investors Infrastructure Income No.6B Limited*	47.1	Ordinary
Aviva Investors Infrastructure Income A Limited*	100	Ordinary
Aviva Investors Infrastructure Income B Limited*	100	Ordinary
Aviva Investors Infrastructure GP Limited*	100	Ordinary
Aviva Investors Infrastructure Income No.2B Limited*	100	Ordinary
Aviva Investors Realm Infrastructure No.1 Limited*	100	Ordinary
Aviva Investors Infrastructure No.2 Limited*	100	Ordinary
Aviva Investors Infrastructure No.3 Limited*	100	Ordinary
Aviva Investors Infrastructure No.4A Limited*	100	Ordinary
Aviva Investors Infrastructure No.4B Limited*	100	Ordinary
Aviva Investors Infrastructure No.5 Limited*	100	Ordinary
Aviva Investors Secure Income REIT Limited*	100	Ordinary
Aviva Commercial Finance Limited	100	Ordinary
Aviva Investors 40 Spring Gardens (General Partner) Limited	100	Ordinary
Aviva Investors Commercial Assets GP Limited*	100	Ordinary
Aviva Investors Commercial Assets Nominee Limited*	100	Ordinary
Aviva Investors Energy Centres No. 1 GP Limited*	100	Ordinary
Aviva Investors Global Services Limited	100	Ordinary
Aviva Investors Pensions Limited	100	Ordinary
Aviva Investors PiP Solar PV (General Partner) Limited*	100	Ordinary
Aviva Investors PiP Solar PV No. 1 Limited*	100	Ordinary
Aviva Investors Real Estate Limited	100	Ordinary
Aviva Investors Realm Energy Centres GP Limited*	100	Ordinary
Aviva Investors Social Housing GP Limited*	100	Ordinary
Aviva Investors Social Housing Limited*	100	Ordinary

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

Name

Ownership Class of Share

	%	
Aviva Investors UK CRESO GP Limited*	100	Ordinary
Aviva Investors UK Fund Services Limited	100	Ordinary
Aviva Investors UK Funds Limited	100	Ordinary
Aviva Public Private Finance Limited	100	Ordinary
Avon Solar Energy Limited*	100	Ordinary
Biomass UK No. 1 LLP*	75	Membership interest
Biomass UK No.2 Limited*	100	Ordinary
Biomass UK No. 3 Limited*	100	Ordinary
Biomass UK No.4 Limited	100	Ordinary
Boston Wood Recovery Limited*	100	Ordinary
Brockloch Rig Windfarm Limited*	49	Ordinary
Building a Future (Newham Schools) Limited*	100	Ordinary
Cara Renewables Limited	100	Ordinary
CARSWELL HILL LIMITED	100	Ordinary
Citystyle Limited*	100	Ordinary
Coalville Wind Limited*	100	Ordinary
County Broadband Holdings Limited*	28.8	Ordinary
COW Real Estate Investment Nominee Limited*	100	Ordinary
Crystall Rig III Limited*	100	Ordinary
Den Brook Energy Limited*	100	Ordinary
EES Operations 1 Limited*	100	Ordinary
Electric Avenue Limited*	100	Ordinary
Emlor Property No.4 Limited*	100	Ordinary
EAGA Clean Energy Limited*	100	Ordinary
Free Solar (Stage 2) Limited*	100	Ordinary
Fred. Olsen CBH Limited*	100	Ordinary
GW04 PEP Limited*	100	Ordinary
Hooton Bio Power Limited*	65.6	Ordinary
Jacks Lane Energy Limited*	100	Ordinary
Lime Property Fund (General Partner) Limited*	100	Ordinary
Lime Property Fund (Nominee) Limited*	100	Ordinary
Mill NU Properties Limited*	60	Ordinary
Minnygap Energy Limited*	100	Ordinary
NU 3PS Limited*	100	Ordinary
NU Developments (Brighton) Limited*	100	Ordinary
NU Library For Brighton Limited*	100	Ordinary
NU Local Care Centres (Bradford) Limited*	100	Ordinary
NU Local Care Centres (Chichester No.1) Limited*	100	Ordinary
NU Local Care Centres (Chichester No.2) Limited*	100	Ordinary
NU Local Care Centres (Chichester No.3) Limited*	100	Ordinary
NU Local Care Centres (Chichester No.4) Limited*	100	Ordinary
NU Local Care Centres (Chichester No.5) Limited*	100	Ordinary
NU Local Care Centres (Chichester No.6) Limited*	100	Ordinary
NU Local Care Centres (Farnham) Limited*	100	Ordinary
NU Offices for Redcar Limited*	100	Ordinary
NU Schools for Redbridge Limited*	100	Ordinary
NU Technology and Learning Centres (Hackney) Limited*	100	Ordinary
NUPPP (Care Technology and Learning Centres) Limited*	100	Ordinary
NUPPP (GP) Limited*	100	Ordinary
NUPPP Nominees Limited*	100	Ordinary
PGL (104) Limited*	100	Ordinary
PGL (105) Limited*	100	Ordinary
Pre (Whitehill) Limited*	100	Ordinary
Protricity Ltd	100	Ordinary
RDF Energy No.1 Limited*	67.9	Ordinary
Redan Power Limited*	100	Ordinary
Renewable Clean Energy 3 Limited*	100	Ordinary
Savills Solar Limited*	100	Ordinary
Solar Clean Energy Limited*	100	Ordinary

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

Name	Ownership Class of Share	
	%	
Spire Energy Limited*	100	Ordinary
Stafford Wind Limited*	100	Ordinary
Sunnyside 2 Wind Turbine Limited*	100	Ordinary
Sunrise Renewables (Hull) Limited*	75	Ordinary
Swan Valley Management Limited*	16.368	Ordinary
The Square Brighton Limited*	100	Ordinary
Turncole Wind Farm Limited*	100	Ordinary
Tyne Assets (No 2) Limited*	100	Ordinary
Tyne Assets Limited*	100	Ordinary
Westcountry Solar Solutions Limited*	100	Ordinary
Windlend (Leicestershire) Limited*	100	Ordinary
Windlend (Southrigg) Limited*	100	Ordinary
Woolley Hill Electrical Energy Limited*	100	Ordinary
The Green, Easter Park, Benyon Road, Reading, Berkshire, England, RG7 2PQ, United Kingdom		
Anesco Mid Devon Limited*	100	Ordinary
Anesco South West Limited*	100	Ordinary
Free Solar (Stage 1) Limited*	100	Ordinary
Homesun Limited*	100	Ordinary
Homesun 2 Limited*	100	Ordinary
Homesun 3 Limited*	100	Ordinary
Homesun 4 Limited*	100	Ordinary
Homesun 5 Limited*	100	Ordinary
New Energy Residential Solar Limited*	100	Ordinary
NIRO Renewables Limited	100	Ordinary
Norton Energy SLS Limited*	100	Ordinary
TGHC Limited*	100	Ordinary
Ili (Garelwood) Limited*	100	Ordinary
Ili (Haywoodhead) Limited*	100	Ordinary
Ili (Letham) Limited*	100	Ordinary
Ili (Neilstonside) Limited*	100	X Ordinary Y Ordinary
Ili (West Strathore Farm) Limited*	100	Ordinary
London & Cambridge Energy Limited*	100	X Ordinary Y Ordinary
Mayfair Healthcare (Durham) Limited*	100	Ordinary
Mayfair Healthcare (Harrogate) Limited*	100	Ordinary
Mayfair Healthcare (Knaresborough) Limited*	100	Ordinary
Mayfair Healthcare (Oulton) Limited*	100	Ordinary
Mayfair Healthcare (Wetherby) Limited*	100	Ordinary
Mayfair Healthcare Holdings Limited*	100	Ordinary
Saunton Wind Limited*	100	Ordinary
Sunnyside 1 Wind Turbine Limited*	100	Ordinary
Mainstay, Whittington Hall, Whittington Road, Worcester, England, WR5 2ZX, United Kingdom		
Aviva Investors GR SPV1 Limited*	100	Ordinary
Aviva Investors GR SPV2 Limited*	100	Ordinary
Aviva Investors GR SPV3 Limited*	100	Ordinary
Aviva Investors GR SPV 4 Limited*	100	Ordinary
Aviva Investors GR SPV 5 Limited*	100	Ordinary
Aviva Investors GR SPV 6 Limited*	100	Ordinary
Aviva Investors GR SPV 7 Limited*	100	Ordinary
Aviva Investors GR SPV 8 Limited*	100	Ordinary
Aviva Investors GR SPV 9 Limited*	100	Ordinary
Aviva Investors GR SPV 10 Limited*	100	Ordinary
Aviva Investors GR SPV 11 Limited*	100	Ordinary
Aviva Investors GR SPV 15 Limited*	100	Ordinary
Aviva Investors GR SPV 16 Limited*	100	Ordinary
Argyll House, All Saints Passage, London, England, SW18 1EP, United Kingdom		
Freetricity South East Limited*	100	Ordinary

Luxembourg

Aviva Investors Holdings Limited

Report and financial statements for the year ended 31 December 2019

Registered in England and Wales: No.02045601

Name	Ownership Class of Share	
	%	
Luxembourg		
2 rue du Fort Bourbon, Luxembourg, L-1249, Luxembourg		
Aviva Investors Luxembourg	100	Par value
Poland		
16 Avenue de la Gare, Luxembourg, L-1610, Luxembourg		
Aviva Investors Alternative Income Solutions General Partner S.à r.l.*	100	Ordinary
Aviva Investors Cells (GP) S.à r.l.*	100	Ordinary
Aviva Investors Luxembourg Services S.à r.l.	100	Ordinary
Aviva Investors Perpetual Capital (GP) SARL	100	Ordinary
Poland		
ul.Inflancka 4B, 00-189, Warsaw, Poland, Poland		
Aviva Investors Poland Towarzystwo Funduszy Inwestycyjnych S.A.	51.02	Ordinary
Singapore		
1 Raffles Quay, #27-13, South Tower, Singapore, 048583, Singapore		
Aviva Investors Asia Pte Limited	100	Ordinary
United States		
1209 Orange Street, City of Wilmington DE 19801, United States		
Aviva Investors Americas LLC*	100	Membership Interest
1177 Avenue of the Americas, 44th Floor, New York NY 10036, United States		
AI-Recap GP I LLC*	100	Membership Interest
2222 Grand Avenue, Des Moines IA 50312, United States		
Aviva Investors North America Holdings Inc	100	Common Stock of no par value
2711 Centerville Rd., Ste 400, Wilmington DE 19808, United States		
AI-Recap Carry I LP*	82.361	Membership Interest
Canada		
100 King Street West, Floor 49, Toronto ON M5X 2A2, Canada		
Aviva Investors Canada Inc.	100	Common Shares of no par value
Australia		
201 Elizabeth Street, Sydney 2000, Australia		
Aviva Investors Pacific Pty Limited	100	Ordinary
Switzerland		
Stockerstrasse, 38 8002, Zurich, Switzerland		
Aviva Investors Schweiz GmbH*	100	Ordinary
Jersey		
19-21 Broad Street, St Helier, JE1 3PB, Jersey		
Aviva Investors Jersey Unit Trusts Management Limited	100	Ordinary

*held indirectly