

AVIVA INVESTORS INVESTMENT FUNDS ICVC

Short Report

For the year ended 15 October 2016

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AVIVA INVESTORS UK EQUITY FUND

INVESTMENT OBJECTIVE

Long term capital appreciation and income.

INVESTMENT POLICY

Diversified investment within the UK equity market. Individual security selections will be based on price and long term total return prospects.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, money market instruments, units in collective investment schemes, deposits and derivatives and forward transactions.

RISK PROFILE

The value of investments and the income from them will change over time. The Fund price may fall as well as rise and as a result you may not get back the original amount you invested.

Full information on the risks applicable to the Fund is detailed in the Prospectus.

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2016, the Aviva Investors UK Equity Fund delivered a total return of 12.51 per cent (share class A), net of fees, compared with an average return of 10.50 per cent for its peer group, the Investment Association UK All Companies sector. The FTSE® All-Share Index, the Fund's benchmark, returned 13.95 per cent.

Overall, sector allocation detracted from performance relative to the benchmark FTSE® All Share Index over the reporting period. Limited exposure to energy stocks detracted from returns, as the recovery in the oil price since February has led investors to upgrade earnings forecasts for the industry. Likewise, a cautious approach to investing in mining stocks detracted as commodity markets have rallied in recent months. These factors offset our exposure to the technology sector, which performed strongly as a successful takeover bid from Japanese group Softbank for chip designer ARM Holdings lifted share prices and a cautious to investing in banks. The latter was beneficial as concerns about non-performing loans and a Brexit-induced downturn in the UK economy affected sentiment towards the sector.

Stakes in BBA Aviation, Melrose Industries, Ashtead and Compass helped relative performance. Flight support group BBA Aviation delivered encouraging interim results with a strong contribution from its acquisition of Landmark Aviation, completed in February. Investors reacted positively to Melrose Industries' recent acquisition of US group Nortek, a manufacturer of home ventilation systems, providing exposure to the recovering US construction market. Melrose has established a strong track record of acquiring manufacturing companies, improving and investing in the business and then subsequently disposing of them at a higher price.

AVIVA INVESTORS UK EQUITY FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

Earnings announcements from both industrial equipment hire group Ashtead and catering company Compass highlighted the strength of their US businesses. In contrast, exposure to the telecoms sector detracted as the performance of holdings in BT and satellite operator Inmarsat was disappointing. BT's share price weakened after UK telecom industry regulator Ofcom ruled that the operator must cut costs, speed up broadband installation and open its network to rivals. Inmarsat's share price fell back on negative market sentiment towards the satellite industry, largely fuelled by issues surrounding its competitors which are unrelated to the company's business.

We exited our positions in Restaurant Group, Majestic Wine and Stagecoach, and established a new holding in Royal Dutch Shell. We believe trading conditions for Restaurant Group could well deteriorate in response to competitive pressures and a higher national minimum wage. Lower petrol costs are squeezing Stagecoach's regional bus business, causing passengers to migrate back to car usage. Royal Dutch Shell is embarking on an extensive cost cutting programme following the acquisition of BG Group, which should generate sufficient cash flow to cover dividend payments over the near-term.

Looking ahead, it will be some time before the full implications of the EU referendum vote become apparent and we expect the UK equity market to remain focused on short-term political and economic news flow. The Bank of England has reacted swiftly to Brexit-related concerns and there are signs that their policy initiatives have helped to avert a sharp slowdown in the UK economy. The new Chancellor is adopting a more pragmatic approach towards fiscal policy than his predecessor, abandoning the target of reaching a budget surplus by 2020, and fiscal policy should become more supportive for economic growth. This reflects understandable concerns that the UK economy faces significant downside risks in the near-term and during official EU exit negotiations over the next two years.

November 2016

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell securities. Past performance is not a guide to the future. The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

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COMPARATIVE TABLES

| Class 1 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 102.42 | 92.91 | 96.94 |
| Return before operating charges [†] | 14.52 | 12.87 | (0.83) |
| Operating charges | (1.06) | (1.04) | (1.00) |
| Return after operating charges [†] | 13.46 | 11.83 | (1.83) |
| Distributions on income shares | (2.75) | (2.32) | (2.20) |
| Closing net asset value per share | 113.13 | 102.42 | 92.91 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.11) | (0.10) | (0.20) |
| Performance | | | |
| Return after operating charges | 13.14% | 12.73% | (1.89)% |
| Other information | | | |
| Closing net asset value (£000) | 145,857 | 145,153 | 139,746 |
| Closing number of shares | 128,923,392 | 141,720,417 | 150,409,203 |
| Operating charges (%) [†] | 1.00% | 1.00% | 1.00% |
| Direct transaction costs (%) [#] | 0.10% | 0.10% | 0.20% |
| Prices[≈] | | | |
| Highest share price | 117.05 | 111.65 | 104.61 |
| Lowest share price | 95.29 | 89.94 | 93.51 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 2 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 125.55 | 113.89 | 118.86 |
| Return before operating charges [†] | 17.81 | 15.78 | (1.04) |
| Operating charges | (1.07) | (1.05) | (1.01) |
| Return after operating charges [†] | 16.74 | 14.73 | (2.05) |
| Distributions on income shares | (3.60) | (3.07) | (2.92) |
| Closing net asset value per share | 138.69 | 125.55 | 113.89 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.13) | (0.13) | (0.25) |
| Performance | | | |
| Return after operating charges | 13.33% | 12.93% | (1.72)% |
| Other information | | | |
| Closing net asset value (£000) | 18,299 | 10,537 | 13,678 |
| Closing number of shares | 13,194,246 | 8,392,714 | 12,010,081 |
| Operating charges (%) [‡] | 0.82% | 0.82% | 0.82% |
| Direct transaction costs (%) [#] | 0.10% | 0.10% | 0.20% |
| Prices[≈] | | | |
| Highest share price | 143.60 | 136.89 | 128.33 |
| Lowest share price | 116.88 | 110.25 | 114.74 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 2 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 231.90 | 205.30 | 208.97 |
| Return before operating charges [†] | 33.07 | 28.49 | (1.89) |
| Operating charges | (1.98) | (1.89) | (1.78) |
| Return after operating charges [†] | 31.09 | 26.60 | (3.67) |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 262.99 | 231.90 | 205.30 |
| Retained distributions on accumulation shares | 6.69 | 5.55 | 5.17 |
| † after direct transaction costs of | (0.24) | (0.23) | (0.44) |
| Performance | | | |
| Return after operating charges | 13.41% | 12.96% | (1.76)% |
| Other information | | | |
| Closing net asset value (£000) | 15,142 | 26,625 | 13,821 |
| Closing number of shares | 5,757,476 | 11,481,389 | 6,731,818 |
| Operating charges (%) [†] | 0.82% | 0.82% | 0.82% |
| Direct transaction costs (%) [#] | 0.10% | 0.10% | 0.20% |
| Prices[≈] | | | |
| Highest share price | 268.14 | 249.04 | 225.65 |
| Lowest share price | 215.86 | 199.10 | 203.86 |

† The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 203.08 | 184.22 | 192.31 |
| Return before operating charges† | 28.87 | 25.53 | (1.73) |
| Operating charges | (0.68) | (0.66) | (0.64) |
| Return after operating charges† | 28.19 | 24.87 | (2.37) |
| Distributions on income shares | (6.89) | (6.01) | (5.72) |
| Closing net asset value per share | 224.38 | 203.08 | 184.22 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.21) | (0.21) | (0.40) |
| Performance | | | |
| Return after operating charges | 13.88% | 13.50% | (1.23)% |
| Other information | | | |
| Closing net asset value (£000) | 74,624 | 66,215 | 59,406 |
| Closing number of shares | 33,258,354 | 32,605,856 | 32,247,711 |
| Operating charges (%)‡ | 0.32% | 0.32% | 0.32% |
| Direct transaction costs (%)# | 0.10% | 0.10% | 0.20% |
| Prices* | | | |
| Highest share price | 232.85 | 221.58 | 208.02 |
| Lowest share price | 189.36 | 178.32 | 186.08 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

* The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class A Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 134.06 | 121.61 | 126.87 |
| Return before operating charges [†] | 18.96 | 16.84 | (1.08) |
| Operating charges | (2.25) | (2.20) | (2.12) |
| Return after operating charges [†] | 16.71 | 14.64 | (3.20) |
| Distributions on income shares | (2.73) | (2.19) | (2.06) |
| Closing net asset value per share | 148.04 | 134.06 | 121.61 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.14) | (0.14) | (0.26) |
| Performance | | | |
| Return after operating charges | 12.46% | 12.04% | (2.52)% |
| Other information | | | |
| Closing net asset value (£000) | 10,221 | 12,973 | 22,347 |
| Closing number of shares | 6,904,462 | 9,677,153 | 18,376,015 |
| Operating charges (%) [‡] | 1.62% | 1.62% | 1.62% |
| Direct transaction costs (%) [#] | 0.10% | 0.10% | 0.20% |
| Prices[≈] | | | |
| Highest share price | 152.74 | 146.02 | 136.57 |
| Lowest share price | 124.47 | 117.74 | 121.99 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

FUND FACTS

| Accounting dates | Ex-dividend dates | Distribution dates |
|------------------|-------------------|--------------------|
| 15 October | 16 October | 15 December |
| 15 April | 16 April | 15 June |

Ongoing Charges Figure*

| | 15.10.16 | 15.10.15 |
|---------------|----------|----------|
| Share Class 1 | 1.00% | 1.00% |
| Share Class 2 | 0.82% | 0.82% |
| Share Class 3 | 0.32% | 0.32% |
| Share Class A | 1.62% | 1.62% |

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees). The OCF for share class 1 is capped at 1.00%. This excludes, amongst other things, the charges of any other funds in which this Fund invests and which are included in the OCF. Please see the Prospectus for full details.

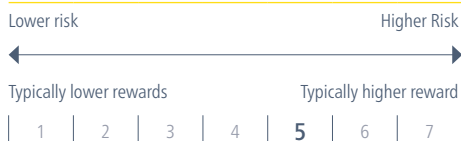
Total Return

| | Fund ¹ | FTSE® All Share ² |
|---------------|-------------------|---------------------------------|
| Share Class 1 | 13.22% | 13.95% |
| Share Class 2 | 13.41% | 13.95% |
| Share Class 3 | 13.98% | 13.95% |
| Share Class A | 12.51% | 13.95% |

¹ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) year ended 15 October 2016.

² Source: Lipper, a Thomson Reuters Company (based on close of business values) year ended 15 October 2016.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Full information on the risks applicable to the Fund is detailed in the Prospectus.

Top Ten Holdings**15.10.16**

| | |
|-------------------------|-------|
| Royal Dutch Shell 'B' | 5.09% |
| Sage Group | 4.72% |
| Reckitt Benckiser Group | 4.10% |
| Compass Group | 3.88% |
| GlaxoSmithKline | 3.47% |
| RELX | 3.32% |
| Vodafone Group | 3.22% |
| BT Group | 3.21% |
| Worldpay Group | 3.03% |
| Unilever | 3.03% |

Top Ten Holdings**15.10.15**

| | |
|-------------------------|-------|
| Sage Group | 3.77% |
| BT Group | 3.68% |
| RELX | 3.42% |
| Vodafone Group | 3.38% |
| Sky | 3.37% |
| GlaxoSmithKline | 3.29% |
| Prudential | 3.21% |
| Reckitt Benckiser Group | 3.17% |
| ITV | 2.99% |
| Compass Group | 2.95% |

Portfolio Breakdown

| | 15.10.16 | 15.10.15 |
|--|-----------------|-----------------|
| Oil, Gas & Consumable Fuels | 7.71% | 4.31% |
| Hotels, Restaurants & Leisure | 7.04% | 8.01% |
| Media | 6.31% | 9.97% |
| Capital Markets | 5.73% | 7.57% |
| Insurance | 5.36% | 5.74% |
| Diversified Telecommunication Services | 4.76% | 5.68% |
| Software | 4.72% | 3.83% |
| Household Products | 4.10% | 3.17% |
| Tobacco | 3.72% | 2.74% |
| Pharmaceuticals | 3.47% | 3.29% |
| Other Sectors | 46.93% | 46.40% |
| Total Investments | 99.85% | 100.71% |
| Net Other Assets/(Liabilities) | 0.15% | (0.71)% |
| Net Assets | 100.00% | 100.00% |

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 1 | 2014 | 2.3199 | 23.53 |
| | 2015 | 2.3205 | 23.54 |
| | 2016* | 2.7476 | 27.87 |
| Class 2 | 2014 | 3.0691 | 31.13 |
| | 2015 | 3.0676 | 31.11 |
| | 2016* | 3.6021 | 36.53 |
| Class 3 | 2014 | 5.9610 | 60.46 |
| | 2015 | 6.0130 | 60.99 |
| | 2016* | 6.8851 | 69.83 |
| Class A | 2014 | 2.2124 | 22.44 |
| | 2015 | 2.1911 | 22.22 |
| | 2016* | 2.7262 | 27.65 |

* Up to 15 December 2016 (the final distribution payment date).

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 2 | 2014 | 5.4297 | 55.07 |
| | 2015 | 5.5506 | 56.30 |
| | 2016* | 6.6906 | 67.86 |

* Up to 15 December 2016 (the final distribution payment date).

Calendar Year Performance

| Total Return | Fund ³ % | FTSE® All Share ⁴ % |
|---------------|------------------------|--------------------------------------|
| 2013 | | |
| Share Class 1 | 24.63 | 20.81 |
| Share Class 2 | 24.82 | 20.81 |
| Share Class 3 | 25.45 | 20.81 |
| Share Class A | 23.83 | 20.81 |
| 2014 | | |
| Share Class 1 | (6.58) | (5.60) |
| Share Class 2 | (6.46) | (5.60) |
| Share Class 3 | (6.09) | (5.60) |
| Share Class A | (7.05) | (5.60) |
| 2015 | | |
| Share Class 1 | 9.50 | 0.98 |
| Share Class 2 | 9.69 | 0.98 |
| Share Class 3 | 10.24 | 0.98 |
| Share Class A | 8.81 | 0.98 |
| 2016* | | |
| Share Class 1 | 8.36 | 14.11 |
| Share Class 2 | 8.51 | 14.11 |
| Share Class 3 | 8.94 | 14.11 |
| Share Class A | 7.83 | 14.11 |

³ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) year ended 15 October 2016.

⁴ Source: Lipper, a Thomson Reuters Company (based on close of business values).

* Up to 15 October 2016.

The value of an investment in the Aviva Investors UK Equity Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

AVIVA INVESTORS UK EQUITY INCOME FUND

INVESTMENT OBJECTIVE

A dividend yield above that obtainable on the FTSE® All-Share Index.

INVESTMENT POLICY

Investment principally in UK equities judged to offer high yield, above average prospects of dividend growth and long term capital growth.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, money market instruments, units in collective investment schemes, deposits and derivatives and forward transactions.

RISK PROFILE

The value of investments and the income from them will change over time. The Fund price may fall as well as rise and as a result you may not get back the original amount you invested. The level of targeted income is not guaranteed and may not be achieved.

Full information on the risks applicable to the Fund is detailed in the Prospectus.

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2016, the Aviva Investors UK Equity Income Fund delivered a total return of 10.75 per cent (share class A), net of fees, compared with an average return of 9.51 per cent for its peer group the Investment Association UK Equity Income sector. The FTSE® All-Share Index, the Fund's benchmark, returned 13.95 per cent.

Overall, sector allocation detracted from performance relative to the benchmark FTSE® All Share Index over the reporting period. Limited exposure to energy stocks detracted from returns, as the recovery in the oil price since February has led investors to upgrade earnings forecasts for the industry. Likewise, a cautious approach to investing in mining companies, avoiding Glencore and Anglo American amongst the major stocks, affected performance as commodity markets have rallied in recent months.

Within the telecoms sector, the performance of holdings in BT and satellite operator Inmarsat was disappointing. BT's share price weakened after UK telecom industry regulator Ofcom ruled that the operator must cut costs, speed up broadband installation and open its network to rivals. Inmarsat's share price fell back on negative market sentiment towards the satellite industry, largely fuelled by issues surrounding its competitors which are unrelated to the company's business.

The Fund's holdings in Sage, Melrose Industries, BBA Aviation and Intermediate Capital Group were among the leading individual contributors to relative performance. Accountancy software group Sage confirmed it was on track to meet 2015 revenue targets, boosted by demand amongst small businesses for its Sage One product.

AVIVA INVESTORS UK EQUITY INCOME FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

Investors reacted positively to Melrose Industries' recent acquisition of US group Nortek, a manufacturer of home ventilation systems, providing exposure to the recovering US construction market. Melrose has established a strong track record of acquiring manufacturing companies, improving and investing in the business and then subsequently disposing of them at a higher price. Flight support group BBA Aviation delivered encouraging interim results with a strong contribution from its acquisition of Landmark Aviation, completed in February. Intermediate Capital Group is an alternative asset manager operating in niche areas of the European credit market. Funds under management have grown as institutional investors seek higher yielding alternatives to traditional fixed income investments.

During the review period, we exited our position in Majestic Wine and took up a holding in asset manager Schroders. Following a period of strong performance, we consider Majestic Wine is unlikely to deliver sufficient returns to justify its current valuation. In contrast, Schroders' share price had sold off, which presented us with an attractive entry point as the company has a strong balance sheet with opportunities for long term growth given the recent pension reforms.

Looking ahead, it will be some time before the full implications of the EU referendum vote become apparent and we expect the UK equity market to remain focused on short-term political and economic news flow. The Bank of England has reacted swiftly to Brexit-related concerns and there are signs that their policy initiatives have helped to avert a sharp slowdown in the UK economy. The new Chancellor is adopting a more pragmatic approach towards fiscal policy than his predecessor, abandoning the target of reaching a budget surplus by 2020, and fiscal policy should become more supportive for economic growth. This reflects understandable concerns that the UK economy faces significant downside risks in the near-term and during official EU exit negotiations over the next two years.

November 2016

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COMPARATIVE TABLES

| Class 1 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 83.72 | 78.13 | 82.29 |
| Return before operating charges† | 10.34 | 10.20 | (0.07) |
| Operating charges | (0.86) | (0.87) | (0.85) |
| Return after operating charges† | 9.48 | 9.33 | (0.92) |
| Distributions on income shares | (3.67) | (3.74) | (3.24) |
| Closing net asset value per share | 89.53 | 83.72 | 78.13 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.04) | (0.18) | (0.12) |
| Performance | | | |
| Return after operating charges | 11.32% | 11.94% | (1.12)% |
| Other information | | | |
| Closing net asset value (£000) | 139,287 | 138,861 | 135,649 |
| Closing number of shares | 155,582,460 | 165,866,162 | 173,621,542 |
| Operating charges (%)‡ | 1.00% | 1.00% | 1.00% |
| Direct transaction costs (%)# | 0.05% | 0.21% | 0.14% |
| Prices* | | | |
| Highest share price | 93.33 | 92.07 | 87.97 |
| Lowest share price | 78.00 | 75.88 | 79.65 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

* The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 2 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 133.91 | 124.60 | 130.87 |
| Return before operating charges [†] | 16.55 | 16.27 | (0.17) |
| Operating charges | (1.12) | (1.13) | (1.09) |
| Return after operating charges [†] | 15.43 | 15.14 | (1.26) |
| Distributions on income shares | (5.75) | (5.83) | (5.01) |
| Closing net asset value per share | 143.59 | 133.91 | 124.60 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.07) | (0.29) | (0.19) |
| Performance | | | |
| Return after operating charges | 11.52% | 12.15% | (0.96)% |
| Other information | | | |
| Closing net asset value (£000) | 143,406 | 125,679 | 111,805 |
| Closing number of shares | 99,870,076 | 93,854,102 | 89,728,475 |
| Operating charges (%) [‡] | 0.81% | 0.81% | 0.81% |
| Direct transaction costs (%) [#] | 0.05% | 0.21% | 0.14% |
| Prices[≈] | | | |
| Highest share price | 149.62 | 146.98 | 139.98 |
| Lowest share price | 124.83 | 121.01 | 126.95 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 2 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 161.37 | 143.92 | 145.39 |
| Return before operating charges [†] | 20.14 | 18.76 | (0.24) |
| Operating charges | (1.36) | (1.31) | (1.23) |
| Return after operating charges [†] | 18.78 | 17.45 | (1.47) |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 180.15 | 161.37 | 143.92 |
| Retained distributions on accumulation shares | 7.00 | 6.80 | 5.62 |
| † after direct transaction costs of | (0.08) | (0.34) | (0.21) |
| Performance | | | |
| Return after operating charges | 11.64% | 12.12% | (1.01)% |
| Other information | | | |
| Closing net asset value (£000) | 71,162 | 59,340 | 62,634 |
| Closing number of shares | 39,501,131 | 36,773,502 | 43,520,970 |
| Operating charges (%) [‡] | 0.81% | 0.81% | 0.81% |
| Direct transaction costs (%) [#] | 0.05% | 0.21% | 0.14% |
| Prices[≈] | | | |
| Highest share price | 183.70 | 171.61 | 155.50 |
| Lowest share price | 150.41 | 139.87 | 143.14 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|-----------------------------|-----------------------------|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 183.51 | 170.06 | 177.90 |
| Return before operating charges† | 22.76 | 22.20 | (0.26) |
| Operating charges | (0.60) | (0.59) | (0.58) |
| Return after operating charges† | 22.16 | 21.61 | (0.84) |
| Distributions on income shares | (8.05) | (8.16) | (7.00) |
| Closing net asset value per share | 197.62 | 183.51 | 170.06 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.09) | (0.40) | (0.26) |
| Performance | | | |
| Return after operating charges | 12.08% | 12.71% | (0.47)% |
| Other information | | | |
| Closing net asset value (£000) | 506,551 | 500,206 | 523,492 |
| Closing number of shares | 256,329,095 | 272,582,752 | 307,834,066 |
| Operating charges (%)‡ | 0.31% | 0.31% | 0.31% |
| Direct transaction costs (%)# | 0.05% | 0.21% | 0.14% |
| Prices* | | | |
| Highest share price | 205.96 | 201.09 | 190.61 |
| Lowest share price | 171.35 | 165.16 | 173.34 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

* The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 259.89 | 230.63 | 231.83 |
| Return before operating charges [†] | 32.55 | 30.06 | (0.44) |
| Operating charges | (0.85) | (0.80) | (0.76) |
| Return after operating charges [†] | 31.70 | 29.26 | (1.20) |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 291.59 | 259.89 | 230.63 |
| Retained distributions on accumulation shares | 11.52 | 11.19 | 9.25 |
| † after direct transaction costs of | (0.13) | (0.54) | (0.34) |
| Performance | | | |
| Return after operating charges | 12.20% | 12.69% | (0.52)% |
| Other information | | | |
| Closing net asset value (£000) | 9,015 | 9,430 | 11,643 |
| Closing number of shares | 3,091,577 | 3,628,507 | 5,048,287 |
| Operating charges (%) [†] | 0.31% | 0.31% | 0.31% |
| Direct transaction costs (%) [#] | 0.05% | 0.21% | 0.14% |
| Prices[≈] | | | |
| Highest share price | 297.30 | 275.85 | 248.41 |
| Lowest share price | 242.63 | 224.15 | 229.38 |

† The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 4 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|-----------------------------|-----------------------------|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 117.07 | 109.26 | 115.10 |
| Return before operating charges [†] | 14.44 | 14.28 | (0.13) |
| Operating charges | (1.33) | (1.36) | (1.32) |
| Return after operating charges [†] | 13.11 | 12.92 | (1.45) |
| Distributions on income shares | (5.02) | (5.11) | (4.39) |
| Closing net asset value per share | 125.16 | 117.07 | 109.26 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.06) | (0.26) | (0.17) |
| Performance | | | |
| Return after operating charges | 11.20% | 11.83% | (1.26)% |
| Other information | | | |
| Closing net asset value (£000) | 35,099 | 33,679 | 426 |
| Closing number of shares | 28,043,610 | 28,768,358 | 390,078 |
| Operating charges (%) [‡] | 1.11% | 1.11% | 1.11% |
| Direct transaction costs (%) [#] | 0.05% | 0.21% | 0.14% |
| Prices[≈] | | | |
| Highest share price | 130.42 | 128.69 | 122.97 |
| Lowest share price | 109.03 | 106.11 | 111.32 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 4 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 131.35 | 117.20 | 118.76 |
| Return before operating charges [†] | 16.00 | 15.61 | (0.19) |
| Operating charges | (1.51) | (1.46) | (1.37) |
| Return after operating charges [†] | 14.49 | 14.15 | (1.56) |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 145.84 | 131.35 | 117.20 |
| Retained distributions on accumulation shares | 5.68 | 5.53 | 4.58 |
| † after direct transaction costs of | (0.07) | (0.28) | (0.17) |
| Performance | | | |
| Return after operating charges | 11.03% | 12.07% | (1.31)% |
| Other information | | | |
| Closing net asset value (£000) | 163 | 125 | 120 |
| Closing number of shares | 111,548 | 95,164 | 102,278 |
| Operating charges (%) [‡] | 1.11% | 1.11% | 1.11% |
| Direct transaction costs (%) [#] | 0.05% | 0.21% | 0.14% |
| Prices[≈] | | | |
| Highest share price | 148.73 | 139.51 | 126.88 |
| Lowest share price | 122.00 | 113.91 | 116.57 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class A Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 111.41 | 104.51 | 110.66 |
| Return before operating charges [†] | 13.68 | 13.64 | (0.11) |
| Operating charges | (1.83) | (1.87) | (1.83) |
| Return after operating charges [†] | 11.85 | 11.77 | (1.94) |
| Distributions on income shares | (4.76) | (4.87) | (4.21) |
| Closing net asset value per share | 118.50 | 111.41 | 104.51 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.06) | (0.24) | (0.16) |
| Performance | | | |
| Return after operating charges | 10.64% | 11.26% | (1.75)% |
| Other information | | | |
| Closing net asset value (£000) | 25,812 | 41,600 | 54,855 |
| Closing number of shares | 21,782,282 | 37,340,508 | 52,488,195 |
| Operating charges (%) [‡] | 1.61% | 1.61% | 1.61% |
| Direct transaction costs (%) [#] | 0.05% | 0.21% | 0.14% |
| Prices[≈] | | | |
| Highest share price | 123.51 | 122.79 | 118.02 |
| Lowest share price | 103.59 | 101.50 | 106.49 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class A Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 134.35 | 120.79 | 123.01 |
| Return before operating charges [†] | 16.68 | 15.74 | (0.17) |
| Operating charges | (2.23) | (2.18) | (2.05) |
| Return after operating charges [†] | 14.45 | 13.56 | (2.22) |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 148.80 | 134.35 | 120.79 |
| Retained distributions on accumulation shares | 5.80 | 5.69 | 4.73 |
| † after direct transaction costs of | (0.07) | (0.28) | (0.18) |
| Performance | | | |
| Return after operating charges | 10.76% | 11.23% | (1.80)% |
| Other information | | | |
| Closing net asset value (£000) | 4,937 | 4,678 | 5,751 |
| Closing number of shares | 3,318,555 | 3,481,733 | 4,761,501 |
| Operating charges (%) [‡] | 1.61% | 1.61% | 1.61% |
| Direct transaction costs (%) [#] | 0.05% | 0.21% | 0.14% |
| Prices[≈] | | | |
| Highest share price | 151.77 | 143.35 | 131.19 |
| Lowest share price | 124.90 | 117.39 | 120.14 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

FUND FACTS

| Accounting dates | Ex-dividend dates | Distribution dates |
|------------------|-------------------|--------------------|
| 15 October | 16 October | 15 December |
| 15 April | 16 April | 15 June |

Ongoing Charges Figure*

| | 15.10.16 | 15.10.15 |
|---------------|----------|----------|
| Share Class 1 | 1.00% | 1.00% |
| Share Class 2 | 0.81% | 0.81% |
| Share Class 3 | 0.31% | 0.31% |
| Share Class 4 | 1.11% | 1.11% |
| Share Class A | 1.61% | 1.61% |

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees). The OCF for share class 1 is capped at 1.00%. This excludes, amongst other things, the charges of any other funds in which this Fund invests and which are included in the OCF. Please see the Prospectus for full details.

| Total Return | FTSE® | |
|---------------|-------------------|------------------------|
| | Fund ¹ | All Share ² |
| Share Class 1 | 11.43% | 13.95% |
| Share Class 2 | 11.64% | 13.95% |
| Share Class 3 | 12.20% | 13.95% |
| Share Class 4 | 11.30% | 13.95% |
| Share Class A | 10.75% | 13.95% |

¹ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) year ended 15 October 2016.

² Source: Lipper, a Thomson Reuters Company (based on close of business values) year ended 15 October 2016.

Lower risk Higher Risk

Typically lower rewards Typically higher reward

1 2 3 4 **5** 6 7

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- The level of targeted income is not guaranteed and may not be achieved.
- Full information on the risks applicable to the Fund is detailed in the Prospectus.

| 15.10.16 | |
|--------------------------|-------|
| Royal Dutch Shell 'B' | 5.27% |
| BBA Aviation | 5.17% |
| British American Tobacco | 4.24% |
| GlaxoSmithKline | 4.06% |
| Imperial Brands | 3.69% |
| Vodafone Group | 3.41% |
| Aviva | 3.34% |
| Sage Group | 3.31% |
| BT Group | 2.90% |
| National Grid | 2.85% |

Top Ten Holdings**15.10.15**

| | |
|----------------------------|-------|
| GlaxoSmithKline | 3.95% |
| Imperial Tobacco Group | 3.84% |
| Aviva | 3.52% |
| BT Group | 3.38% |
| British American Tobacco | 3.37% |
| Vodafone Group | 3.19% |
| BCA Marketplace | 3.09% |
| Centrica | 3.07% |
| Intermediate Capital Group | 2.75% |
| BHP Billiton | 2.72% |

Portfolio Breakdown

| | 15.10.16 | 15.10.15 |
|--|-----------------|-----------------|
| Insurance | 13.14% | 12.72% |
| Oil, Gas & Consumable Fuels | 7.99% | 4.76% |
| Tobacco | 7.93% | 7.21% |
| Capital Markets | 7.84% | 7.71% |
| Diversified Telecommunication Services | 6.63% | 7.01% |
| Pharmaceuticals | 5.73% | 5.38% |
| Media | 5.58% | 8.46% |
| Multi-Utilities | 5.53% | 5.57% |
| Transportation Infrastructure | 5.17% | 2.45% |
| Metals & Mining | 4.23% | 4.94% |
| Other Sectors | 29.55% | 32.38% |
| Total Investments | 99.32% | 98.59% |
| Net Other Assets | 0.68% | 1.41% |
| Net Assets | 100.00% | 100.00% |

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 1 | 2014 | 3.2410 | 38.59 |
| | 2015 | 3.7405 | 44.54 |
| | 2016* | 3.6682 | 43.68 |
| Class 2 | 2014 | 5.0122 | 37.55 |
| | 2015 | 5.8308 | 43.68 |
| | 2016* | 5.7512 | 43.08 |
| Class 3 | 2014 | 7.0045 | 38.58 |
| | 2015 | 8.1555 | 44.92 |
| | 2016* | 8.0492 | 44.34 |
| Class 4 | 2014 | 4.3946 | 37.43 |
| | 2015 | 5.1057 | 43.48 |
| | 2016* | 5.0200 | 42.75 |
| Class A | 2014 | 4.2141 | 37.34 |
| | 2015 | 4.8693 | 43.14 |
| | 2016* | 4.7642 | 42.21 |

* Up to 15 December 2016 (the final distribution payment date).

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 2 | 2014 | 5.6160 | 38.61 |
| | 2015 | 6.8046 | 81.03 |
| | 2016* | 7.0013 | 83.37 |
| Class 3 | 2014 | 9.2490 | 39.88 |
| | 2015 | 11.1936 | 48.26 |
| | 2016* | 11.5208 | 49.67 |
| Class 4 | 2014 | 4.5811 | 38.56 |
| | 2015 | 5.5330 | 46.57 |
| | 2016* | 5.6752 | 47.77 |
| Class A | 2014 | 4.7296 | 38.43 |
| | 2015 | 5.6863 | 46.21 |
| | 2016* | 5.8047 | 47.17 |

* Up to 15 December 2016 (the final distribution payment date).

Calendar Year Performance

| Total Return | Fund ³ % | FTSE® All Share ⁴ % |
|---------------|------------------------|--------------------------------------|
| 2013 | | |
| Share Class 1 | 26.63 | 20.81 |
| Share Class 2 | 26.79 | 20.81 |
| Share Class 3 | 27.48 | 20.81 |
| Share Class 4 | 23.57 | 20.81 |
| Share Class A | 25.85 | 20.81 |
| 2014 | | |
| Share Class 1 | 2.70 | 1.18 |
| Share Class 2 | 2.85 | 1.18 |
| Share Class 3 | 3.37 | 1.18 |
| Share Class 4 | 2.44 | 1.18 |
| Share Class A | 2.15 | 1.18 |
| 2015 | | |
| Share Class 1 | 3.72 | 1.12 |
| Share Class 2 | 3.87 | 1.12 |
| Share Class 3 | 4.28 | 1.12 |
| Share Class 4 | 3.63 | 1.12 |
| Share Class A | 3.21 | 1.12 |
| 2016* | | |
| Share Class 1 | 8.66 | 14.11 |
| Share Class 2 | 8.82 | 14.11 |
| Share Class 3 | 9.25 | 14.11 |
| Share Class 4 | 8.56 | 14.11 |
| Share Class A | 8.14 | 14.11 |

³ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees).

⁴ Source: Lipper, a Thomson Reuters Company (based on close of business values).

* Up to 15 October 2016.

The value of an investment in the Aviva Investors UK Equity Income Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

AVIVA INVESTORS UK GROWTH FUND

INVESTMENT OBJECTIVE

Long term capital appreciation.

INVESTMENT POLICY

Investment principally in UK equities based on price and prospects of above average earnings growth.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, money market instruments, units in collective investment schemes, deposits and derivatives and forward transactions.

RISK PROFILE

The value of investments and the income from them will change over time. The Fund price may fall as well as rise and as a result you may not get back the original amount you invested.

Full information on the risks applicable to the Fund is detailed in the Prospectus.

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2016, the Aviva Investors UK Growth Fund delivered a total return of 9.10 per cent (share class A), net of fees, compared with an average return of 10.49 per cent for its peer group the Investment Association UK All-Companies sector. The FTSE® All-Share Index, the Fund's benchmark, returned 13.95 per cent.

After a strong year in 2015, fund performance has deteriorated since the turn of the year predominantly due to the market rotation out of positive earnings momentum and quality into defensive and recovery companies, led by the rally in the oil price. Consequently, the Fund's lack of exposure to oil & gas and mining sectors was detrimental to performance in the period. We remain selective about investing in these sectors given their historic lack of discipline in capital allocation and deterioration in returns.

A number of the Fund's holdings including Moneysupermarket, B&M European Value Retail and Ted Baker underperformed in the period, despite continuing to deliver robust earnings momentum.

The Fund's limited exposure to consumer staples and utilities was detrimental, as less cyclical sectors performed well during market turbulence at the start of 2016 and in the aftermath of the UK vote to leave the European Union in June.

The Fund's overweight positions in both the industrial and consumer services sectors positively contributed. Within industrials, Sanne, Rentokil, Ashtead and RPC Group performed well on stronger than expected results. Sanne, a provider of fund and corporate administration services in the alternative asset market, has been a highly successful investment since partaking in the float in March 2015. Increasing financial regulation and the associated cost this brings for asset managers is supportive of continued growth in the outsourcing of corporate administration services. Holdings in digital businesses Zoopla and Next Fifteen Communications, both of which were added to the Fund during the period, added value. Zoopla performed well following the acquisitions of home services price comparison website, uSwitch and software services player, Property Services Group. Together these acquisitions have improved their service offering to consumers moving home and estate agents, making them much more than a pure property marketing portal.

AVIVA INVESTORS UK GROWTH FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

Two key detractors were St Modwen and Sepura. Shares in St Modwen, a regeneration specialist in UK commercial and residential property markets, came under pressure in late 2015 due to fears that central London residential prices were overvalued. The shares have continued to underperform in 2016 with the market disproportionately writing down the value of the company's development assets, particularly after the EU referendum vote. We believe the company is well positioned given the long-term and regional focus of its development pipeline, and that negative sentiment towards the business is overdone. Sepura, the global handset communications provider, has struggled to meet the market's financial expectations due to delayed customer orders as a result of budgetary pressures extending customers' product lifecycles. This, along with more onerous working capital requirements in the recently acquired systems business, Teltronic, has put severe pressure on Sepura's balance sheet. The deterioration in trading since the fund raising in June this year surprised us, and as a result the holding is being reappraised.

The Fund was not positioned for a leave vote in the EU referendum, and consequently an emphasis on mid-cap stocks and a relative lack of exposure to large-cap overseas earnings beneficiaries subsequently detracted from performance. Whilst the mid-cap FTSE® 250 Index has rebounded from its post-Brexit lows, the Fund's holdings in house builders, Countryside Group and McCarthy & Stone, and consumer-exposed companies, Howden Joinery and B&M European Value Retail, have not recovered in line with the rest of the market.

The Fund's longstanding underweight to consumer staples was reduced during the course of the year. A new position was started in Ted Baker with conviction in the longevity of the brand and its continued ability to rollout new stores both in the UK and overseas. Positions in Reckitt Benckiser and Unilever were also initiated, based on their respective defensive qualities given the multi-national presence and non-discretionary nature of their household and personal care products.

The Fund was involved in three large M&A deals, all of which added to performance. These included the takeover of hardware company, Arm Holdings, by Japanese company SoftBank, the acquisition of studio business Pinewood by real estate asset manager Aermont Capital and Melrose Industries acquiring US air ventilation manufacturer Nortek.

UK equities have performed well since the EU referendum vote, albeit the outperformance of the FTSE® 100 Index relative to the FTSE® 250 has been marked and a headwind for fund performance. The formation of a new UK government and decisive action by the Bank of England in the form of a bank rate cut and an extension of quantitative easing have succeeded in mitigating short-term downside risks to the UK economy and markets. That said, the economic picture remains fragile and markets are showing increased volatility to Brexit-related news flow and movements in sterling. We are mindful of the significant risk of a gradual economic slowdown in 2017, and accordingly we are re-appraising the implications for the Fund's holdings which have predominantly UK earnings exposure.

AVIVA INVESTORS UK GROWTH FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

We remain focused on investing in high growth and quality companies capable of delivering strong earnings growth regardless of the macroeconomic backdrop. Given an increasingly uncertain UK economic outlook, we are focusing on investment opportunities in well financed, defensive companies which benefit from exposure to overseas earnings.

November 2016

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative table are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell securities. Past performance is not a guide to the future. The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

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COMPARATIVE TABLES

| Class 1 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 145.75 | 132.37 | 138.40 |
| Return before operating charges [†] | 15.89 | 14.86 | (4.61) |
| Operating charges | (1.49) | (1.48) | (1.42) |
| Return after operating charges [†] | 14.40 | 13.38 | (6.03) |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 160.15 | 145.75 | 132.37 |
| Retained distributions on accumulation shares | 1.92 | 1.79 | 2.01 |
| † after direct transaction costs of | (0.31) | (0.09) | (0.33) |
| Performance | | | |
| Return after operating charges | 9.88% | 10.11% | (4.36)% |
| Other information | | | |
| Closing net asset value (£000) | 139,242 | 142,963 | 142,530 |
| Closing number of shares | 86,947,413 | 98,089,638 | 107,678,720 |
| Operating charges (%) [‡] | 1.00% | 1.00% | 1.00% |
| Direct transaction costs (%) [#] | 0.21% | 0.06% | 0.23% |
| Prices[≈] | | | |
| Highest share price | 163.14 | 158.50 | 149.27 |
| Lowest share price | 135.11 | 128.73 | 131.88 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 2 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 220.14 | 199.57 | 208.32 |
| Return before operating charges [†] | 24.02 | 22.41 | (6.99) |
| Operating charges | (1.86) | (1.84) | (1.76) |
| Return after operating charges [†] | 22.16 | 20.57 | (8.75) |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 242.30 | 220.14 | 199.57 |
| Retained distributions on accumulation shares | 3.30 | 3.11 | 3.43 |
| † after direct transaction costs of | (0.47) | (0.13) | (0.49) |
| Performance | | | |
| Return after operating charges | 10.07% | 10.31% | (4.20)% |
| Other information | | | |
| Closing net asset value (£000) | 12,441 | 3,920 | 1,799 |
| Closing number of shares | 5,134,369 | 1,780,786 | 901,295 |
| Operating charges (%) [‡] | 0.83% | 0.82% | 0.83% |
| Direct transaction costs (%) [#] | 0.21% | 0.06% | 0.23% |
| Prices[≈] | | | |
| Highest share price | 246.82 | 239.22 | 224.82 |
| Lowest share price | 204.31 | 194.09 | 198.83 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 215.96 | 198.58 | 210.87 |
| Return before operating charges [†] | 23.52 | 22.29 | (7.05) |
| Operating charges | (0.72) | (0.72) | (0.71) |
| Return after operating charges [†] | 22.80 | 21.57 | (7.76) |
| Distributions on income shares | (4.33) | (4.19) | (4.53) |
| Closing net asset value per share | 234.43 | 215.96 | 198.58 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.46) | (0.13) | (0.50) |
| Performance | | | |
| Return after operating charges | 10.56% | 10.86% | (3.68)% |
| Other information | | | |
| Closing net asset value (£000) | 12,278 | 11,612 | 11,503 |
| Closing number of shares | 5,237,516 | 5,376,926 | 5,792,855 |
| Operating charges (%) [‡] | 0.33% | 0.32% | 0.33% |
| Direct transaction costs (%) [#] | 0.21% | 0.06% | 0.23% |
| Prices[≈] | | | |
| Highest share price | 241.08 | 236.77 | 228.01 |
| Lowest share price | 199.30 | 193.06 | 200.40 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Accumulation | 2016 p per share | 2015[§] p per share | 2014 p per share |
|---|-----------------------------|---|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | – | 243.70 | 253.13 |
| Return before operating charges [†] | – | (243.00) | (8.65) |
| Operating charges | – | (0.70) | (0.78) |
| Return after operating charges [†] | – | (243.70) | (9.43) |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | – | – | 243.70 |
| Retained distributions on accumulation shares | – | 2.28 | 5.47 |
| † after direct transaction costs of | – | – | (0.54) |
| Performance | | | |
| Return after operating charges | – | – | (3.73)% |
| Other information | | | |
| Closing net asset value (£000) | – | – | 3 |
| Closing number of shares | – | – | 1,382 |
| Operating charges (%) [†] | – | – | 0.33% |
| Direct transaction costs (%) [#] | – | – | 0.23% |
| Prices[≈] | | | |
| Highest share price | – | 293.02 | 273.70 |
| Lowest share price | – | 237.02 | 242.78 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

§ Class 3 Accumulation closed on 30 July 2015.

| Class A Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 134.16 | 122.60 | 129.01 |
| Return before operating charges† | 14.55 | 13.78 | (4.26) |
| Operating charges | (2.22) | (2.22) | (2.15) |
| Return after operating charges† | 12.33 | 11.56 | (6.41) |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 146.49 | 134.16 | 122.60 |
| Retained distributions on accumulation shares | 0.90 | 0.79 | 1.05 |
| † after direct transaction costs of | (0.29) | (0.08) | (0.30) |
| Performance | | | |
| Return after operating charges | 9.19% | 9.43% | (4.97)% |
| Other information | | | |
| Closing net asset value (£000) | 9,139 | 9,509 | 10,101 |
| Closing number of shares | 6,238,916 | 7,087,637 | 8,239,042 |
| Operating charges (%)‡ | 1.63% | 1.62% | 1.63% |
| Direct transaction costs (%)# | 0.21% | 0.06% | 0.23% |
| Prices* | | | |
| Highest share price | 149.25 | 146.26 | 138.79 |
| Lowest share price | 123.81 | 119.24 | 122.16 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

FUND FACTS

| Accounting dates | Ex-dividend dates | Distribution dates |
|------------------|-------------------|--------------------|
| 15 October | 16 October | 15 December |
| 15 April | 16 April | 15 June |

Ongoing Charges Figure*

| | 15.10.16 | 15.10.15 |
|---------------|----------|----------|
| Share Class 1 | 1.00% | 1.00% |
| Share Class 2 | 0.83% | 0.82% |
| Share Class 3 | 0.33% | 0.32% |
| Share Class A | 1.63% | 1.62% |

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees). The OCF for share class 1 is capped at 1.00%. This excludes, amongst other things, the charges of any other funds in which this Fund invests and which are included in the OCF. Please see the Prospectus for full details.

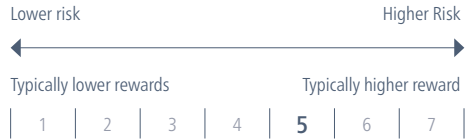
Total Return

| | Fund ¹ | FTSE® All Share ² |
|---------------|-------------------|---------------------------------|
| Share Class 1 | 9.79% | 13.95% |
| Share Class 2 | 9.98% | 13.95% |
| Share Class 3 | 10.53% | 13.95% |
| Share Class A | 9.10% | 13.95% |

¹ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) year ended 15 October 2016.

² Source: Lipper, a Thomson Reuters Company (based on close of business values) year ended 15 October 2016.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Full information on the risks applicable to the Fund is detailed in the Prospectus.

Top Ten Holdings**15.10.16**

| | |
|---|-------|
| Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP | 3.87% |
| BCA Marketplace | 3.81% |
| Compass Group | 3.65% |
| Royal Dutch Shell 'B' | 3.57% |
| British American Tobacco | 3.51% |
| RPC Group | 3.39% |
| Sanne Group | 2.91% |
| Sage Group | 2.89% |
| Prudential | 2.65% |
| Dechra Pharmaceuticals | 2.65% |

Top Ten Holdings**15.10.15**

| | |
|------------------|-------|
| BCA Marketplace | 4.28% |
| Barclays | 3.56% |
| Prudential | 2.90% |
| Synergy Health | 2.87% |
| Innovation Group | 2.80% |
| BT Group | 2.80% |
| Aviva | 2.52% |
| Compass Group | 2.48% |
| Ashtead Group | 2.45% |
| Vodafone Group | 2.36% |

Portfolio Breakdown

| | 15.10.16 | 15.10.15 |
|--|-----------------|-----------------|
| Oil, Gas & Consumable Fuels | 6.25% | 3.98% |
| Hotels, Restaurants & Leisure | 5.69% | 6.05% |
| Trading Companies & Distributors | 4.81% | 3.65% |
| Pharmaceuticals | 4.55% | 4.23% |
| Insurance | 4.49% | 5.42% |
| Internet Software & Services | 4.40% | 3.21% |
| Liquidity Funds | 3.87% | 1.19% |
| Capital Markets | 3.86% | 4.98% |
| Diversified Telecommunication Services | 3.82% | 3.83% |
| Specialty Retail | 3.81% | 4.28% |
| Other Sectors | 52.90% | 59.11% |
| Total Investments | 98.45% | 99.93% |
| Net Other Assets | 1.55% | 0.07% |
| Net Assets | 100.00% | 100.00% |

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 3 | 2014 | 4.5272 | 49.69 |
| | 2015 | 4.1935 | 46.03 |
| | 2016* | 4.3268 | 31.23 |

* Up to 15 December 2016 (the final distribution payment date).

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 1 | 2014 | 2.0136 | 14.78 |
| | 2015 | 1.7942 | 13.17 |
| | 2016* | 1.9162 | 13.83 |
| Class 2 | 2014 | 3.4267 | 22.66 |
| | 2015 | 3.1095 | 20.56 |
| | 2016* | 3.2989 | 23.81 |
| Class A | 2014 | 1.0451 | 12.03 |
| | 2015 | 0.7919 | 9.11 |
| | 2016* | 0.9013 | 6.51 |

* Up to 15 December 2016 (the final distribution payment date).

Calendar Year Performance

| Total Return | Fund ³ % | FTSE® All Share ⁴ % |
|---------------|------------------------|--------------------------------------|
| 2013 | | |
| Share Class 1 | 25.70 | 20.81 |
| Share Class 2 | 25.89 | 20.81 |
| Share Class 3 | 26.48 | 20.81 |
| Share Class A | 24.89 | 20.81 |
| 2014 | | |
| Share Class 1 | (1.73) | 1.18 |
| Share Class 2 | (1.56) | 1.18 |
| Share Class 3 | (1.06) | 1.18 |
| Share Class A | (2.34) | 1.18 |
| 2015 | | |
| Share Class 1 | 7.50 | 0.98 |
| Share Class 2 | 7.70 | 0.98 |
| Share Class 3 | 8.24 | 0.98 |
| Share Class A | 6.83 | 0.98 |
| 2016* | | |
| Share Class 1 | 3.75 | 14.11 |
| Share Class 2 | 3.89 | 14.11 |
| Share Class 3 | 4.30 | 14.11 |
| Share Class A | 3.23 | 14.11 |

³ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees).

⁴ Source: Lipper, a Thomson Reuters Company (based on close of business values).

* Up to 15 October 2016.

The value of an investment in the Aviva Investors UK Growth Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

AVIVA INVESTORS UK INDEX TRACKING FUND

INVESTMENT OBJECTIVE

To track the total return (after charges) of the FTSE® All-Share Index.

INVESTMENT POLICY

To hold all the stocks and in the same proportion as in the FTSE® All-Share Index except where prevented by the Financial Conduct Authority regulations.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, money market instruments, units in collective investment schemes, deposits and derivatives and forward transactions.

RISK PROFILE

The value of investments and the income from them will change over time. The Fund price may fall as well as rise and as a result you may not get back the original amount you invested.

Full information on the risks applicable to the Fund is detailed in the Prospectus.

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2016, the Aviva Investors UK Index Tracking Fund (share class 1) delivered a total return of 12.94 per cent net of fees. The FTSE® All-Share Index, the Fund's benchmark, returned 13.95 per cent. The sector average return generated by the Fund's peer group, the Investment Association's UK All-Companies sector was 10.50 per cent.

The effect of Fund charges will be to lower returns so the Fund will not be able to track the index return. Additional divergences will be caused by timing differences between changes in the stocks in the index and changes in the holdings in the Fund and by timing differences between re-investment of income in the index and the re-investment of distributions in the Fund.

UK equities rose on the back of gains for globally focused large cap stocks over the year under review. During the final quarter of 2015 and in early months of this year the market largely took its cue from international developments, particularly concerns over the economic outlook for China and volatility in commodity markets. As the second quarter drew to a close, attention focused on the UK referendum on membership of the European Union (EU) in June, with the unexpected result in favour of leaving the EU triggering a period of turbulence in share prices. Subsequently, the Bank of England's decision to cut interest rates to 0.25 per cent and to extend its asset purchase programme in August appears to have succeeded in mitigating the short-term downside risks to the UK economy. As a result, the UK equity market ended the third quarter on a positive footing.

AVIVA INVESTORS UK INDEX TRACKING FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

There was a marked divergence in performance by market capitalisation, as well as sector returns over the year under review. Large cap stocks with substantial international earnings performed well as sterling fell to a 31-year low against the US dollar in the aftermath of the EU referendum result. More domestically focused mid-cap and smaller companies underperformed globally-focused large caps, while sectors such as banks and retailers sold off sharply on fears of a Brexit-induced downturn in the UK economy. In contrast, less cyclical sectors such as pharmaceuticals and consumer staples performed well, as with bond yields remaining low investors continued to favour higher yielding areas of the market with a relatively stable earnings profile. Energy stocks performed well as the oil price rebounded from multi-year lows, while mining companies rallied as commodity prices recovered over the spring and summer months. The technology sector was led higher by chip designer ARM Holdings, which agreed to a takeover bid from Japanese group Softbank.

Looking ahead, it will be some time before the full implications of the EU referendum vote become apparent and we expect the UK equity market to remain focused on short-term political and economic news flow. The Bank of England has reacted swiftly to Brexit-related concerns and there are signs that their policy initiatives have helped to avert a sharp slowdown in the UK economy. The new Chancellor is adopting a more pragmatic approach towards fiscal policy than his predecessor, abandoning the target of reaching a budget surplus by 2020, and fiscal policy should become more supportive for economic growth. This reflects understandable concerns that the UK economy faces significant downside risks in the near-term and during official EU exit negotiations over the next two years.

November 2016

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative table are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

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COMPARATIVE TABLES

| Class 1 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 68.11 | 65.21 | 68.78 |
| Return before operating charges† | 9.21 | 5.46 | (1.16) |
| Operating charges | (0.49) | (0.66) | (0.66) |
| Return after operating charges† | 8.72 | 4.80 | (1.82) |
| Distributions on income shares | (2.13) | (1.90) | (1.75) |
| Closing net asset value per share | 74.70 | 68.11 | 65.21 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.03) | (0.01) | (0.02) |
| Performance | | | |
| Return after operating charges | 12.80% | 7.36% | (2.65)% |
| Other information | | | |
| Closing net asset value (£000) | 89,734 | 93,049 | 95,059 |
| Closing number of shares | 120,122,978 | 136,608,216 | 145,783,347 |
| Operating charges (%)‡ | 0.63% | 0.93% | 0.93% |
| Direct transaction costs (%)# | 0.05% | 0.02% | 0.03% |
| Prices* | | | |
| Highest share price | 76.60 | 76.15 | 73.16 |
| Lowest share price | 60.25 | 64.78 | 66.23 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

* The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 2 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 111.50 | 106.73 | 112.62 |
| Return before operating charges [†] | 15.12 | 8.98 | (1.94) |
| Operating charges | (0.26) | (0.27) | (0.27) |
| Return after operating charges [†] | 14.86 | 8.71 | (2.21) |
| Distributions on income shares | (4.05) | (3.94) | (3.68) |
| Closing net asset value per share | 122.31 | 111.50 | 106.73 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.06) | (0.02) | (0.04) |
| Performance | | | |
| Return after operating charges | 13.33% | 8.16% | (1.96)% |
| Other information | | | |
| Closing net asset value (£000) | 13,544 | 5,763 | 3,387 |
| Closing number of shares | 11,074,065 | 5,168,815 | 3,173,678 |
| Operating charges (%) [‡] | 0.23% | 0.23% | 0.23% |
| Direct transaction costs (%) [#] | 0.05% | 0.02% | 0.03% |
| Prices[≈] | | | |
| Highest share price | 125.64 | 125.08 | 120.12 |
| Lowest share price | 98.85 | 106.32 | 108.82 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|-----------------------------|-----------------------------|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 192.82 | 178.48 | 182.14 |
| Return before operating charges [†] | 26.49 | 14.80 | (3.22) |
| Operating charges | (0.44) | (0.46) | (0.44) |
| Return after operating charges [†] | 26.05 | 14.34 | (3.66) |
| Distributions on income shares | 0.00 | 0.00 | 0.00 |
| Closing net asset value per share | 218.87 | 192.82 | 178.48 |
| Retained distributions on accumulation shares | 7.06 | 6.64 | 6.00 |
| † after direct transaction costs of | (0.10) | (0.04) | (0.06) |
| Performance | | | |
| Return after operating charges | 13.51% | 8.03% | (2.01)% |
| Other information | | | |
| Closing net asset value (£000) | 634,165 | 581,239 | 550,768 |
| Closing number of shares | 289,743,273 | 301,445,279 | 308,592,250 |
| Operating charges (%) [†] | 0.23% | 0.23% | 0.23% |
| Direct transaction costs (%) [#] | 0.05% | 0.02% | 0.03% |
| Prices[≈] | | | |
| Highest share price | 221.00 | 209.85 | 197.08 |
| Lowest share price | 170.93 | 178.26 | 178.55 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class A Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 85.27 | 79.94 | 82.63 |
| Return before operating charges [†] | 11.59 | 6.64 | (1.41) |
| Operating charges | (1.00) | (1.31) | (1.28) |
| Return after operating charges [†] | 10.59 | 5.33 | (2.69) |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 95.86 | 85.27 | 79.94 |
| Retained distributions on accumulation shares | 2.29 | 1.84 | 1.62 |
| † after direct transaction costs of | (0.04) | (0.02) | (0.03) |
| Performance | | | |
| Return after operating charges | 12.42% | 6.67% | (3.26)% |
| Other information | | | |
| Closing net asset value (£000) | 71,523 | 62,142 | 56,304 |
| Closing number of shares | 74,608,822 | 72,875,634 | 70,437,292 |
| Operating charges (%) [‡] | 0.10% | 1.50% | 1.50% |
| Direct transaction costs (%) [#] | 0.05% | 0.02% | 0.03% |
| Prices[≈] | | | |
| Highest share price | 96.79 | 93.26 | 88.39 |
| Lowest share price | 75.28 | 79.84 | 79.97 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

FUND FACTS

| Accounting dates | Ex-dividend dates | Distribution dates |
|------------------|-------------------|--------------------|
| 15 October | 16 October | 15 December |
| 15 April | 16 April | 15 June |

| Ongoing Charges Figure* | 15.10.16 | 15.10.15 |
|-------------------------|----------|----------|
| Share Class 1 | 0.63% | 0.93% |
| Share Class 2 | 0.23% | 0.23% |
| Share Class 3 | 0.23% | 0.23% |
| Share Class A | 0.10% | 1.50% |

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees). The OCF for share class A and share class 1 is capped at 0.10% and 0.70% respectively. This excludes, amongst other things, the charges of any other funds in which this Fund invests and which are included in the OCF. Please see the Prospectus for full details.

Please note that with effect from 8 February 2016, the Annual Management Charge on share class 1 was reduced from 0.90% to 0.60%.

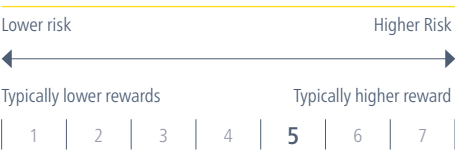
Total Return

| | Fund ¹ | FTSE® All Share ² |
|---------------|-------------------|---------------------------------|
| Share Class 1 | 12.94% | 13.95% |
| Share Class 2 | 13.50% | 13.95% |
| Share Class 3 | 13.50% | 13.95% |
| Share Class A | 12.41% | 13.95% |

¹ Source: Aviva Investors (based on 5pm values, mid to mid basis, net income reinvested, net of fees) year ended 15 October 2016.

² Source: Lipper, a Thomson Reuters Company (based on close of business values) year ended 15 October 2016.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Full information on the risks applicable to the Fund is detailed in the Prospectus.

Top Ten Holdings**15.10.16**

| | |
|--------------------------|-------|
| HSBC Holdings | 5.42% |
| BP | 4.06% |
| British American Tobacco | 4.02% |
| Royal Dutch Shell 'A' | 3.98% |
| GlaxoSmithKline | 3.63% |
| Royal Dutch Shell 'B' | 3.61% |
| AstraZeneca | 2.75% |
| Vodafone Group | 2.64% |
| Diageo | 2.44% |
| Reckitt Benckiser Group | 2.04% |

Top Ten Holdings**15.10.15**

| | |
|---------------------------|-------|
| HSBC Holdings | 4.88% |
| British American Tobacco | 3.42% |
| Royal Dutch Shell plc 'A' | 3.34% |
| BP | 3.34% |
| GlaxoSmithKline | 3.12% |
| Vodafone Group | 2.65% |
| AstraZeneca | 2.51% |
| Diageo | 2.22% |
| Lloyds Banking Group | 2.20% |
| Royal Dutch Shell plc 'B' | 2.11% |

Portfolio Breakdown

| | 15.10.16 | 15.10.15 |
|-------------------------------------|-----------------|-----------------|
| Oil, Gas & Consumable Fuels | 11.93% | 10.85% |
| Banks | 9.47% | 10.42% |
| Pharmaceuticals | 6.82% | 6.02% |
| Tobacco | 5.67% | 5.03% |
| Metal & Mining | 5.20% | 4.38% |
| Insurance | 5.17% | 5.88% |
| Investment Companies | 4.01% | 3.75% |
| Hotels, Restaurants & Leisure | 3.42% | 3.21% |
| Beverages | 2.69% | 4.30% |
| Wireless Telecommunication Services | 2.64% | 2.65% |
| Other Sectors | 39.88% | 41.77% |
| Total Investments | 96.90% | 98.26% |
| Net Other Assets | 3.10% | 1.74% |
| Net Assets | 100.00% | 100.00% |

Revenue Record

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|---------------|----------------|---------------------------|-------------------------|
| Class 1 | 2014 | 1.7486 | 25.05 |
| | 2015 | 1.9049 | 27.29 |
| | 2016* | 2.1317 | 30.54 |
| Class 2 | 2014 | 3.6849 | 32.13 |
| | 2015 | 3.9429 | 34.38 |
| | 2016* | 4.0460 | 35.28 |
| Class 3 | 2014 | 6.0048 | 32.95 |
| | 2015 | 6.6429 | 36.46 |
| | 2016* | 7.0587 | 38.74 |
| Class A (Acc) | 2014 | 1.6187 | 19.58 |
| | 2015 | 1.8446 | 22.32 |
| | 2016* | 2.2934 | 27.75 |

* Up to 15 December 2016 (the final distribution payment date).

Calendar Year Performance

| Total Return | Fund ³ % | FTSE® All Share ⁴ % |
|---------------|------------------------|--------------------------------------|
| 2013 | | |
| Share Class 1 | 19.56 | 20.81 |
| Share Class 2 | 20.40 | 20.81 |
| Share Class 3 | 20.40 | 20.81 |
| Share Class A | 18.87 | 20.81 |
| 2014 | | |
| Share Class 1 | 0.25 | 1.18 |
| Share Class 2 | 0.96 | 1.18 |
| Share Class 3 | 0.96 | 1.18 |
| Share Class A | (0.32) | 1.18 |
| 2015 | | |
| Share Class 1 | 0.14 | 0.98 |
| Share Class 2 | 0.86 | 0.98 |
| Share Class 3 | 0.85 | 0.98 |
| Share Class A | (0.42) | 0.98 |
| 2016* | | |
| Share Class 1 | 13.25 | 14.11 |
| Share Class 2 | 13.64 | 14.11 |
| Share Class 3 | 13.63 | 14.11 |
| Share Class A | 12.85 | 14.11 |

³ Source: Aviva Investors (based on 5pm values, mid to mid basis, net income reinvested, net of fees).

⁴ Source: Lipper, a Thomson Reuters Company (based on close of business values).

* Up to 15 October 2016.

The value of an investment in the Aviva Investors UK Index Tracking Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

AVIVA INVESTORS UK SMALLER COMPANIES FUND

INVESTMENT OBJECTIVE

Long term capital appreciation.

INVESTMENT POLICY

Investment principally in smaller capitalisation UK equities judged to offer prospects of above average earnings growth.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, money market instruments, units in collective investment schemes, deposits and derivatives and forward transactions.

RISK PROFILE

The Fund will invest in smaller companies listed on the UK equity market. Smaller companies are less liquid than larger companies which means that their share price may be more volatile. Movements in the UK equity market will affect Fund performance.

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2016, the Aviva Investors UK Smaller Companies Fund delivered a total return of 3.25 per cent (share class 1), net of fees, compared with an average return of 7.01 per cent for its peer group the Investment Association UK Smaller Companies sector. The FTSE® Small Cap ex IT Index, the Fund's benchmark, returned 7.22 per cent.

This calendar year has seen significant market rotation since the oil price bottomed out in mid-January, with the oil sector rising strongly on this move and on the other side consumer discretionary sectors underperforming. Our limited exposure to oil stocks detracted from performance over the year under review. In June we had the EU referendum vote, which led to material volatility post the result with dollar earners being the stock market winners as they benefited from sterling weakness. Encouragingly, UK economic data remains strong but the implications of a weaker sterling have yet to fully take effect and we are re-appraising the implications of this for the Fund's constituents.

The performance of a number of our holdings in the telecoms and technology sectors were disappointing. The People's Operator, a mobile network provider, flagged issues with its US launch, which has pushed back the company's projected breakeven date. We saw this as a timing issue. City Fibre Infrastructure, which builds and then lets fibre-optic networks in urban areas, saw its share price drop initially as it acquired the national fibre network of KCOM, another telecom group. We took the view that this acquisition carried sound strategic and financial logic. Sepura, the global handset communications provider, has struggled to meet the market's financial expectations due to delayed customer orders as a result of budgetary pressures extending customers' product lifecycles. This, along with more onerous working capital requirements in the recently acquired systems business, Teltronic, has put severe pressure on their balance sheet. The deterioration in trading since the fund raise in June this year surprised and as a result the holding is being reappraised.

AVIVA INVESTORS UK SMALLER COMPANIES FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

Included in our top ten holdings are Fevertree, RPC Group, Next Fifteen Communications and Sanne and they all performed strongly. Premium soft drinks producer Fevertree is benefiting from operational improvements, as the increased scale of its business has enhanced profit margins, while the company has added several large clients, including Asda and British Airways. Packaging group RPC and digital communications group Next Fifteen generate the bulk of their revenues outside the UK and have seen a translation boost to their earnings post the EU referendum and we remain strong supporters of both companies' growth strategies.

One of the Fund's largest holdings is Sanne Group, a specialist in corporate and fund administration outsourcing. This has been a highly successful investment since it floated in April 2015. The stock presents a number of the business attributes we look to invest in, including a diversified blue chip client base, an impressive organic growth track record and structural growth tailwinds that are likely to see outsourcing levels in corporate administration services continue to grow. They recently announced a highly significant acquisition in the US which opens up a new market for them.

In terms of transactions, we have trimmed our position in Booker, the UK's leading food wholesaler, given the likelihood of the UK entering a period of slower economic growth which would put more strain on their catering end customers. We started new positions in household and personal care product manufacturer McBride and student accommodation provider Empiric Student Property. We see student properties as a very attractive segment of the real estate sector to invest in.

Looking ahead, it will be some time before the full implications of the EU referendum vote become apparent but we expect sentiment towards UK exposed companies to remain volatile as investors focus on short-term political and economic news flow. The Bank of England has reacted swiftly to Brexit-related concerns and there are signs that their policy initiatives have helped to avert a sharp slowdown in the UK economy so far but next year the focus will be on inflation picking up in the UK which is a direct consequence of a weaker sterling. The new Chancellor is adopting a more pragmatic approach towards fiscal policy than his predecessor, abandoning the target of reaching a budget surplus by 2020, and we look to fiscal policy becoming more supportive for economic growth. In this environment, we will continue to focus on investment opportunities amongst UK smaller companies with substantial overseas earnings and where possible possessing attractive growth attributes.

November 2016

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative table are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell securities. Past performance is not a guide to the future. The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

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COMPARATIVE TABLES

| Class 1 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 307.19 | 258.63 | 262.88 |
| Return before operating charges† | 13.93 | 52.69 | (0.34) |
| Operating charges | (4.28) | (4.13) | (3.91) |
| Return after operating charges† | 9.65 | 48.56 | (4.25) |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 316.84 | 307.19 | 258.63 |
| Retained distributions on accumulation shares | 1.06 | 0.91 | 0.94 |
| † after direct transaction costs of | (0.40) | (0.24) | (0.48) |
| Performance | | | |
| Return after operating charges | 3.14% | 18.78% | (1.62)% |
| Other information | | | |
| Closing net asset value (£000) | 22,995 | 25,746 | 25,280 |
| Closing number of shares | 7,257,484 | 8,381,205 | 9,774,723 |
| Operating charges (%)‡ | 1.39% | 1.39% | 1.39% |
| Direct transaction costs (%)# | 0.13% | 0.08% | 0.17% |
| Prices* | | | |
| Highest share price | 329.00 | 319.57 | 301.78 |
| Lowest share price | 271.87 | 255.00 | 259.55 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

* The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 2 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 482.05 | 403.83 | 408.41 |
| Return before operating charges [†] | 21.95 | 82.37 | (0.68) |
| Operating charges | (4.31) | (4.15) | (3.90) |
| Return after operating charges [†] | 17.64 | 78.22 | (4.58) |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 499.69 | 482.05 | 403.83 |
| Retained distributions on accumulation shares | 4.12 | 3.78 | 3.67 |
| † after direct transaction costs of | (0.63) | (0.37) | (0.74) |
| Performance | | | |
| Return after operating charges | 3.66% | 19.37% | (1.12)% |
| Other information | | | |
| Closing net asset value (£000) | 12,616 | 10,673 | 9,566 |
| Closing number of shares | 2,524,724 | 2,214,079 | 2,368,928 |
| Operating charges (%) [‡] | 0.89% | 0.89% | 0.89% |
| Direct transaction costs (%) [#] | 0.13% | 0.08% | 0.17% |
| Prices[≈] | | | |
| Highest share price | 518.80 | 501.08 | 469.76 |
| Lowest share price | 428.14 | 398.16 | 405.25 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 518.73 | 438.00 | 447.02 |
| Return before operating charges [†] | 23.65 | 89.32 | (0.75) |
| Operating charges | (1.78) | (1.70) | (1.62) |
| Return after operating charges [†] | 21.87 | 87.62 | (2.37) |
| Distributions on income shares | (7.29) | (6.89) | (6.65) |
| Closing net asset value per share | 533.31 | 518.73 | 438.00 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.68) | (0.40) | (0.82) |
| Performance | | | |
| Return after operating charges | 4.22% | 20.00% | (0.53)% |
| Other information | | | |
| Closing net asset value (£000) | 32,257 | 31,729 | 36,512 |
| Closing number of shares | 6,048,483 | 6,116,663 | 8,336,020 |
| Operating charges (%) [‡] | 0.34% | 0.34% | 0.34% |
| Direct transaction costs (%) [#] | 0.13% | 0.08% | 0.17% |
| Prices[≈] | | | |
| Highest share price | 557.44 | 543.22 | 515.30 |
| Lowest share price | 459.36 | 431.80 | 443.51 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Accumulation | 2016 p per share | 2015 p per share | 2014[§] p per share |
|---|-----------------------------|-----------------------------|---|
| Change in net assets per share | | | |
| Opening net asset value per share | – | – | 515.67 |
| Return before operating charges [†] | – | – | (515.67) |
| Operating charges | – | – | – |
| Return after operating charges [†] | – | – | (515.67) |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | – | – | – |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | – | – | – |
| Other information | | | |
| Closing net asset value (£000) | – | – | – |
| Closing number of shares | – | – | – |
| Operating charges (%) [‡] | – | – | – |
| Direct transaction costs (%) [#] | – | – | 0.17% |
| Prices[≈] | | | |
| Highest share price | – | – | 587.80 |
| Lowest share price | – | – | 517.07 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

§ Class 3 Accumulation closed on 22 January 2014.

FUND FACTS

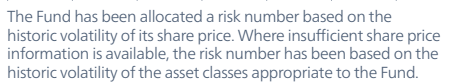
| Accounting dates | Ex-dividend dates | Distribution dates |
|------------------|-------------------|--------------------|
| 15 October | 16 October | 15 December |
| 15 April | 16 April | 15 June |

| Ongoing Charges Figure* | 15.10.16 | 15.10.15 |
|-------------------------|----------|----------|
| Share Class 1 | 1.39% | 1.39% |
| Share Class 2 | 0.89% | 0.89% |
| Share Class 3 | 0.34% | 0.34% |

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees).

² Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) year ended 15 October 2016.

³ Source: Lipper, a Thomson Reuters Company (based on close of business values) year ended 15 October 2016.



– This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.

- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.

- Full information on the risks applicable to the Fund is detailed in the Prospectus.

Top Ten Holdings
15.10.16

| | |
|---|-------|
| 4imprint Group | 5.55% |
| Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP | 4.86% |
| RPC Group | 4.80% |
| NCC Group | 3.88% |
| Acal | 3.59% |
| Next Fifteen Communications Group | 2.96% |
| BCA Marketplace | 2.95% |
| Sanne Group | 2.91% |
| CVS Group | 2.77% |
| Fevertree Drinks | 2.66% |

Top Ten Holdings
15.10.15

| | |
|----------------------|-------|
| 4imprint Group | 3.96% |
| Synergy Health | 3.51% |
| Acal | 3.39% |
| ST Modwen Properties | 3.23% |
| RPC Group | 3.03% |
| e2v technologies | 3.02% |
| BCA Marketplace | 2.89% |
| Vectura Group | 2.67% |
| AA | 2.65% |
| NCC Group | 2.48% |

Portfolio Breakdown

| | 15.10.16 | 15.10.15 |
|--|----------|----------|
| Media | 9.93% | 7.72% |
| Electronic Equipment, Instruments Components | 8.15% | 10.01% |
| Pharmaceuticals | 6.37% | 6.63% |
| Real Estate Management & Development | 5.31% | 8.93% |
| Capital Markets | 5.28% | 5.11% |
| Specialty Retail | 5.06% | 7.72% |
| Liquidity Funds | 4.86% | 0.00% |
| Containers & Packaging | 4.80% | 3.03% |
| Equity Real Estate Investment Trusts (REITs) | 4.61% | 1.64% |
| IT Services | 4.41% | 5.04% |
| Other Sectors | 39.73% | 44.14% |
| Total Investments | 98.51% | 99.97% |
| Net Other Assets | 1.49% | 0.03% |
| Net Assets | 100.00% | 100.00% |

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 3 | 2014 | 6.6497 | 14.63 |
| | 2015 | 6.8924 | 15.16 |
| | 2016* | 7.2891 | 16.04 |

* Up to 15 December 2016 (the final distribution payment date).

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 1 | 2014 | 0.9420 | 3.57 |
| | 2015 | 0.9063 | 3.43 |
| | 2016* | 1.0648 | 4.03 |
| Class 2 | 2014 | 3.6721 | 8.95 |
| | 2015 | 3.7829 | 9.22 |
| | 2016* | 4.1198 | 10.04 |
| Class 3 | 2014** | N/A | N/A |

* Up to 15 December 2016 (the final distribution payment date).

** Up to 22 January 2014 (date share class closed).

Calendar Year Performance

| Total Return | Fund ⁴ % | FTSE® Small-Cap (ex ITs) ⁵ % |
|---------------|------------------------|--|
| 2014 | | |
| Share Class 1 | (2.58) | (2.68) |
| Share Class 2 | (2.09) | (2.68) |
| Share Class 3 | (1.56) | (2.68) |
| 2015 | | |
| Share Class 1 | 15.49 | 12.99 |
| Share Class 2 | 16.07 | 12.99 |
| Share Class 3 | 16.71 | 12.99 |
| 2016* | | |
| Share Class 1 | (1.83) | 7.51 |
| Share Class 2 | (1.44) | 7.51 |
| Share Class 3 | (1.01) | 7.51 |

⁴ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees).

⁵ Source: Lipper, a Thomson Reuters Company (based on close of business values).

* Up to 15 October 2016.

The value of an investment in the Aviva Investors UK Smaller Companies Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

AVIVA INVESTORS CASH FUND

INVESTMENT OBJECTIVE

To achieve an income combined with a high degree of capital security.

INVESTMENT POLICY

The Fund will invest primarily in short-term cash deposits, near cash and other money market instruments. In addition, the Fund may occasionally invest in transferable securities, units in collective investment schemes, and derivatives and forward transactions in order to achieve its objective.

RISK PROFILE

The value of investments and the income from them will change over time. The Fund price may fall as well as rise and as a result you may not get back the original amount you invested. Money market investment values are affected by changes in interest rates, and the issuer's creditworthiness. If interest rates go up and or an issuer has their credit rating reduced, the value of the Fund's investments may fall, and vice versa. Whilst capital is relatively safe in a building society account, money market investments may fall in value, and you may get less back than the original amount you invested.

Full information on the risks applicable to the Fund is detailed in the Prospectus.

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2016, the Aviva Investors Cash Fund posted a total return of 0.30 per cent (share class 2), net of fees. The Fund's peer group, the Investment Association's (IA) Money Market sector, delivered a net return of 0.31 per cent.

The Fund's return reflected the maintenance of historically low interest rates in the UK. Already at a low of 0.5%, the UK base rate was cut to 0.25% in August 2016, the first change since March 2009, as the Bank of England (BoE) sought to cushion the economy from the impact of the Brexit vote. This pushed money market rates close to negative territory. The BoE supplemented this move with the provision of liquidity to help banks weather low interest rates and a re-launch of the quantitative easing programme which, from September, was to include the purchase of £10 billion of high-quality corporate bonds. The real rate of return of cash investments was eroded by an increase in the rate of inflation. From a position of deflation at the start of the period, the consumer prices index (CPI) began to trend higher as commodity markets recovered from their slump and the sharply depreciating pound in the aftermath of Brexit ramped up the cost of imports. CPI ended the period at 1.0%.

We manage the Fund by taking a view on portfolio 'duration', which in broad terms is an expression of the risk we deem appropriate given the outlook for the economy and monetary policy. Long duration equates to a more bullish view while short duration equates to a cautious view. In the run-up to the Brexit vote in June, the Fund was biased towards neutral to long duration as the uncertainty around the vote prompted us to shorten duration from the long position we had been running previously.

AVIVA INVESTORS CASH FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

The outcome of the vote came as a surprise to most, although the price reaction of shorter-dated maturities was muted as the market waited to hear from the monetary policy-makers and the prime minister. We moved back to a long duration position as it became clear the BoE was moving from a policy-tightening bias to a policy-easing bias. We preferred to buy certificates of deposit from high-quality Australian and Canadian banks. However, we were unable to execute many trades as issuance was low. As a result we focused on good-quality European and Scandinavian banks as well as some of the highest-quality Middle and Far-Eastern issuers.

The outlook for UK money market rates will be driven by whether there will be a 'soft' or 'hard' Brexit and the knock-on effect on the UK economy. The prime minister has targeted March 2017 as the time to trigger Article 50 which will signal the beginning of the UK's cessation from the EU and start a two-year negotiating period. This is likely to further impact on growth prospects for the UK and could see further policy easing from the Bank of England. As such we favour staying long duration in the Fund.

November 2016

Sources: Fund and peer group performance figures –Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative table are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. Past performance is not a guide to the future. The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

COMPARATIVE TABLES

| Class 1 Income | 2016 p per share | 2015 [§] p per share | 2014 p per share |
|---|---------------------|----------------------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | – | 49.02 | 49.10 |
| Return before operating charges [†] | – | 0.11 | 0.23 |
| Operating charges | – | (0.08) | (0.31) |
| Return after operating charges [†] | – | 0.03 | (0.08) |
| Distributions on income shares | – | (0.02) | – |
| Closing net asset value per share | – | – | 49.02 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | – | 0.06% | (0.16)% |
| Other information | | | |
| Closing net asset value (£000) | – | – | 236 |
| Closing number of shares | – | – | 482,214 |
| Operating charges (%) [‡] | – | 0.64% | 0.64% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | – | 49.04 | 49.10 |
| Lowest share price | – | 49.03 | 49.04 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

§ Class 1 Income closed on 15 January 2015.

| Class 1 Accumulation | 2016 p per share | 2015 [§] p per share | 2014 p per share |
|---|---------------------|----------------------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | – | 51.98 | 52.06 |
| Return before operating charges [†] | – | (51.90) | 0.25 |
| Operating charges | – | (0.08) | (0.33) |
| Return after operating charges [†] | – | (51.98) | (0.08) |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | – | – | 51.98 |
| Retained distributions on accumulation shares | – | 0.02 | 0.00 |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | – | 0.02% | (0.15)% |
| Other information | | | |
| Closing net asset value (£000) | – | – | 2,994 |
| Closing number of shares | – | – | 5,759,834 |
| Operating charges (%) [‡] | – | 0.64% | 0.64% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | – | 60.00 | 52.07 |
| Lowest share price | – | 51.99 | 52.00 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

§ Class 1 Accumulation closed on 15 January 2015.

COMPARATIVE TABLES

| Class 2 Income | 2016 p per share | 2015 [§] p per share | 2014 p per share |
|---|---------------------|----------------------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 78.58 | 78.58 | – |
| Return before operating charges [†] | 0.45 | 0.32 | – |
| Operating charges | (0.15) | (0.11) | – |
| Return after operating charges [†] | 0.30 | 0.21 | – |
| Distributions on income shares | (0.30) | (0.21) | – |
| Closing net asset value per share | 78.58 | 78.58 | – |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 0.38% | 0.27% | – |
| Other information | | | |
| Closing net asset value (£000) | 773 | 222 | – |
| Closing number of shares | 983,993 | 282,212 | – |
| Operating charges (%) [‡] | 0.19% | 0.19% | – |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 78.65 | 78.64 | – |
| Lowest share price | 78.58 | 78.58 | – |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

§ Class 2 Income was launched on 13 January 2015.

| Class 2 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 78.75 | 78.53 | 78.33 |
| Return before operating charges [†] | 0.39 | 0.37 | 0.35 |
| Operating charges | (0.15) | (0.15) | (0.15) |
| Return after operating charges [†] | 0.24 | 0.22 | 0.20 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 78.99 | 78.75 | 78.53 |
| Retained distributions on accumulation shares | 0.30 | 0.31 | 0.25 |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 0.30% | 0.28% | 0.26% |
| Other information | | | |
| Closing net asset value (£000) | 11,509 | 5,780 | 2,247 |
| Closing number of shares | 14,570,023 | 7,340,046 | 2,860,839 |
| Operating charges (%) [‡] | 0.19% | 0.19% | 0.19% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 78.99 | 78.75 | 78.53 |
| Lowest share price | 78.75 | 78.53 | 78.33 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|-----------------------------|-----------------------------|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 107.33 | 107.02 | 106.73 |
| Return before operating charges [†] | 0.54 | 0.49 | 0.47 |
| Operating charges | (0.19) | (0.18) | (0.18) |
| Return after operating charges [†] | 0.35 | 0.31 | 0.29 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 107.68 | 107.33 | 107.02 |
| Retained distributions on accumulation shares | 0.43 | 0.40 | 0.36 |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 0.33% | 0.29% | 0.27% |
| Other information | | | |
| Closing net asset value (£000) | 65,354 | 62,808 | 65,889 |
| Closing number of shares | 60,692,803 | 58,515,492 | 61,570,115 |
| Operating charges (%) [‡] | 0.17% | 0.17% | 0.17% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 107.68 | 107.33 | 107.02 |
| Lowest share price | 107.34 | 107.01 | 106.73 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

FUND FACTS

| Accounting dates | Ex-dividend dates | Distribution dates |
|------------------|-------------------|--------------------|
| 15 October | 16 October | 15 December |
| | 16 January | 15 March |
| 15 April | 16 April | 15 June |
| | 16 July | 15 September |

Ongoing Charges Figure*

| | 15.10.16 | 15.10.15 |
|---------------|----------|----------|
| Share Class 2 | 0.19% | 0.19% |
| Share Class 3 | 0.17% | 0.17% |

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees).

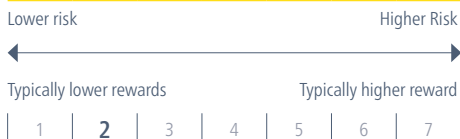
Total Return

| | Fund ² | IA Money Market ³ |
|---------------|-------------------|------------------------------|
| Share Class 2 | 0.30% | 0.31% |
| Share Class 3 | 0.33% | 0.31% |

² Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) year ended 15 October 2016.

³ Source: Lipper, a Thomson Reuters Company (based on close of business values) year ended 15 October 2016.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Money market investment values are affected changes in interest rates, and the issuer's creditworthiness. If interest rates go up and or an issuer has their credit rating reduced, the value of the Fund's investments may fall, and vice versa. Whilst capital is relatively safe in a building society account, money market investments may fall in value, and you may get less back than the original amount you invested.
- Full information on the risks applicable to the Fund is detailed in the Prospectus.

Top Ten Holdings**15.10.16**

| | |
|---|-------|
| Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP | 8.37% |
| Industrial and Commercial Bank of China 0.00% 24/10/2016 | 3.86% |
| National Bank of Abu Dhabi 0.44% 01/02/2017 | 3.86% |
| Nationwide Building Society 0.55% 04/11/2016 | 3.86% |
| Nationwide Building Society 0.38% 15/11/2016 | 3.86% |
| Natixis 0.42% 09/12/2016 | 3.86% |
| Sumitomo Mitsui Banking Corporation Europe 0.39% 14/11/2016 | 3.86% |
| Svenska Handelsbanken 0.33% 03/01/2017 | 3.86% |
| Toronto-dominion Bank 0.67% 21/10/2016 | 3.86% |
| United Overseas Bank 0.40% 23/01/2017 | 3.86% |

Portfolio Breakdown

| | 15.10.16 | 15.10.15 |
|-------------------|----------|----------|
| United Kingdom | 90.80% | 91.56% |
| Total Investments | 90.80% | 91.56% |
| Net Other Assets | 9.20% | 8.44% |
| Net Assets | 100.00% | 100.00% |

Top Ten Holdings**15.10.15**

| | |
|---|-------|
| Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP | 7.41% |
| Abbey National Treasury Services 0.58% 02/11/2015 | 4.36% |
| Australia & New Zealand Banking Group Ltd. 0.53% 12/01/2016 | 4.36% |
| Bank of America 0.58% 06/11/2015 | 4.36% |
| Bank of Tokyo-Mitsubishi UFJ 0.57% 13/11/2015 | 4.36% |
| Citibank 0.58% 02/12/2015 | 4.36% |
| Cooperatieve Centrale Raiffeisen-Boerenleenbank Bank 0.56% 26/10/2015 | 4.36% |
| Credit Agricole Corporate & Investment Bank 0.62% 02/11/2015 | 4.36% |
| ING Bank 0.58% 02/11/2015 | 4.36% |
| National Bank of Abu Dhabi 0.59% 20/10/2015 | 4.36% |

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013 (13 January 2015 for share class 2).

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 1 | 2015* | 0.0129 | 0.26 |
| Class 2 | 2015** | 0.1710 | 6.96 |
| | 2016*** | 0.2406 | 9.79 |

* Up to 15 January 2015 (date share class closed).

** From 13 January 2015 (date of launch) up to 15 December 2015 (the final distribution payment date).

*** Up to 15 December 2016 (the final distribution payment date).

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 1 | 2015* | 0.0130 | 0.25 |
| Class 2 | 2014 | 0.1968 | 8.01 |
| | 2015 | 0.2443 | 9.94 |
| | 2016** | 0.2412 | 9.82 |
| Class 3 | 2014 | 0.2855 | 11.62 |
| | 2015 | 0.3224 | 13.12 |
| | 2016** | 0.3457 | 14.07 |

* Up to 15 January 2015 (date share class closed).

** Up to 15 December 2016 (the final distribution payment date).

Calendar Year Performance

| Total Return | Fund ⁴ % | IA Money Market ⁵ % |
|------------------|------------------------|-----------------------------------|
| 2014 | | |
| Share Class 1 | 0.10 | 0.14 |
| Share Class 2 | 0.26 | 0.14 |
| Share Class 3 | 0.27 | 0.14 |
| Share Class D* | 0.00 | 0.00 |
| 2015 | | |
| Share Class 1** | 0.00 | 0.19 |
| Share Class 2*** | 0.28 | 0.19 |
| Share Class 3† | 0.31 | 0.19 |
| 2016† | | |
| Share Class 2 | 0.24 | 0.26 |
| Share Class 3† | 0.25 | 0.26 |

⁴ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees).

⁵ Source: Lipper, a Thomson Reuters Company (based on close of business values).

* Up to 6 January 2014 (date share class closed).

** Up to 15 January 2015 (date share class closed).

*** From 15 January 2015 (date of launch) up to 15 October 2015.

† Up to 15 October 2015.

The value of an investment in the Aviva Investors Cash Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

AVIVA INVESTORS CORPORATE BOND FUND

INVESTMENT OBJECTIVE

A long term total return above that available on UK Government securities.

INVESTMENT POLICY

Diversified investment in Sterling denominated debt securities issued by governments, supranational institutions and corporates.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, money market instruments, units in collective investment schemes, deposits and derivatives and forward transactions.

RISK PROFILE

The value of investments and the income from them will change over time. The Fund price may fall as well as rise and as a result you may not get back the original amount you invested. Bond values are affected by changes in interest rates, and the bond issuer's creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default.

Full information on the risks applicable to the Fund is detailed in the Prospectus.

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2016, the Aviva Investors Corporate Bond Fund delivered a total return of 7.90 per cent (share class A) net of fees. The Fund's peer group, the Investment Association's Sterling Corporate Bond sector, delivered net return of 8.80 per cent.

The Fund's underperformance relates predominantly to our decision to position the portfolio cautiously in the expectation of only modest returns from bonds. However, the market rallied following the surprise announcement by both the European Central Bank and the Bank of England that they were planning to buy corporate bonds as part of their expanded economic stimulus programmes. This move created huge technical support for the market, which was at odds with the somewhat stretched nature of many companies' balance sheets. The rebound of commodity markets from their winter slump detracted from Fund performance given our general avoidance of the oils, metals and mining sectors. Returns also suffered from the Fund's preference for smaller and medium-sized companies. These areas sold off sharply as they were deemed to be more sensitive to a Brexit-fuelled recession. The portfolio did benefit, however, from the underweighting of house builders and banks.

During the period, the portfolio was broadly diversified across sectors and the market capitalisation spectrum. In sector terms, the Fund was overweight in telecoms, a sector we felt was ripe for consolidation, media and non-bank financials. We were underweight in banks, health care, oil & gas and consumer goods. At the market capitalisation level, we preferred medium and smaller companies over the blue-chips of the FTSE® 100 Index.

AVIVA INVESTORS CORPORATE BOND FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

The most recent reporting season was characterised by deteriorating credit fundamentals as companies announced sluggish revenue growth, peaking profit margins and a further increase in borrowings. However, investors' caution on the weaker financial position of many companies has been overpowered by a wave of global liquidity and a scarcity of high-quality financial assets.

This situation can persist in the short term but, over a longer horizon, we are concerned that the risks of investing in corporate bonds will start to outweigh the potential rewards. 2017 is an election year in a number of European countries and confidence could be rattled if the results fuel uncertainty about the future of the EU. The year could also see the US and European central banks taking divergent paths in their monetary policy.

November 2016

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative table are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. Past performance is not a guide to the future. The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

COMPARATIVE TABLES

| Class 1 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 57.86 | 58.21 | 55.46 |
| Return before operating charges [†] | 5.54 | 2.07 | 5.18 |
| Operating charges | (0.48) | (0.47) | (0.45) |
| Return after operating charges [†] | 5.06 | 1.60 | 4.73 |
| Distributions on income shares | (1.85) | (1.95) | (1.98) |
| Closing net asset value per share | 61.07 | 57.86 | 58.21 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 8.75% | 2.75% | 8.53% |
| Other information | | | |
| Closing net asset value (£000) | 50,642 | 56,864 | 62,920 |
| Closing number of shares | 82,930,218 | 98,281,995 | 108,084,710 |
| Operating charges (%) [†] | 0.80% | 0.80% | 0.80% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 64.29 | 61.83 | 58.89 |
| Lowest share price | 56.95 | 57.60 | 55.46 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 2 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 87.15 | 87.68 | 83.54 |
| Return before operating charges† | 8.33 | 3.12 | 7.82 |
| Operating charges | (0.55) | (0.55) | (0.53) |
| Return after operating charges† | 7.78 | 2.57 | 7.29 |
| Distributions on income shares | (2.95) | (3.10) | (3.15) |
| Closing net asset value per share | 91.98 | 87.15 | 87.68 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 8.93% | 2.93% | 8.73% |
| Other information | | | |
| Closing net asset value (£000) | 56,689 | 58,178 | 47,674 |
| Closing number of shares | 61,631,146 | 66,758,541 | 54,370,371 |
| Operating charges (%)‡ | 0.62% | 0.62% | 0.62% |
| Direct transaction costs (%)# | – | – | – |
| Prices* | | | |
| Highest share price | 96.84 | 93.14 | 88.74 |
| Lowest share price | 85.79 | 86.75 | 83.56 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 114.84 | 115.54 | 110.08 |
| Return before operating charges [†] | 10.99 | 4.12 | 10.31 |
| Operating charges | (0.38) | (0.38) | (0.36) |
| Return after operating charges [†] | 10.61 | 3.74 | 9.95 |
| Distributions on income shares | (4.24) | (4.44) | (4.49) |
| Closing net asset value per share | 121.21 | 114.84 | 115.54 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 9.24% | 3.24% | 9.04% |
| Other information | | | |
| Closing net asset value (£000) | 2,421,216 | 2,061,567 | 2,422,872 |
| Closing number of shares | 1,997,561,329 | 1,795,200,291 | 2,096,953,136 |
| Operating charges (%) [†] | 0.32% | 0.32% | 0.32% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 127.64 | 122.75 | 117.01 |
| Lowest share price | 113.08 | 114.32 | 110.15 |

† The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|-----------------------------|-----------------------------|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 157.93 | 154.19 | 142.31 |
| Return before operating charges [†] | 14.11 | 4.25 | 12.35 |
| Operating charges | (0.53) | (0.51) | (0.47) |
| Return after operating charges [†] | 13.58 | 3.74 | 11.88 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 171.51 | 157.93 | 154.19 |
| Retained distributions on accumulation shares | 5.89 | 5.99 | 5.87 |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 8.60% | 2.43% | 8.35% |
| Other information | | | |
| Closing net asset value (£000) | 28,595 | 4,760 | 5,202 |
| Closing number of shares | 16,672,692 | 3,014,115 | 3,373,862 |
| Operating charges (%) [‡] | 0.32% | 0.32% | 0.32% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 179.46 | 165.00 | 155.71 |
| Lowest share price | 156.51 | 152.99 | 142.41 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class A Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 54.18 | 54.51 | 51.94 |
| Return before operating charges [†] | 5.17 | 1.94 | 4.85 |
| Operating charges | (0.62) | (0.62) | (0.59) |
| Return after operating charges [†] | 4.55 | 1.32 | 4.26 |
| Distributions on income shares | (1.55) | (1.65) | (1.69) |
| Closing net asset value per share | 57.18 | 54.18 | 54.51 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 8.40% | 2.42% | 8.20% |
| Other information | | | |
| Closing net asset value (£000) | 58,540 | 67,636 | 77,788 |
| Closing number of shares | 102,371,753 | 124,836,012 | 142,692,580 |
| Operating charges (%) [†] | 1.12% | 1.12% | 1.12% |
| Direct transaction costs (%) [#] | – | 0.06% | – |
| Prices[≈] | | | |
| Highest share price | 60.19 | 57.89 | 55.12 |
| Lowest share price | 53.32 | 53.93 | 51.91 |

† The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

FUND FACTS

| Accounting dates | Ex-dividend dates | Distribution dates |
|------------------|-------------------|--------------------|
| 15 October | 16 October | 15 December |
| | 16 January | 15 March |
| 15 April | 16 April | 15 June |
| | 16 July | 15 September |

Ongoing Charges Figure*

| | 15.10.16 | 15.10.15 |
|---------------|----------|----------|
| Share Class 1 | 0.80% | 0.80% |
| Share Class 2 | 0.62% | 0.62% |
| Share Class 3 | 0.32% | 0.32% |
| Share Class A | 1.12% | 1.12% |

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees). The OCF for share class 1 is capped at 0.80%. This excludes, amongst other things, the charges of any other funds in which this Fund invests and which are included in the OCF. Please see the Prospectus for full details.

Total Return

| | Fund ¹ | IA £ Corporate Bond ² |
|---------------|-------------------|--|
| Share Class 1 | 8.17% | 8.80% |
| Share Class 2 | 8.33% | 8.80% |
| Share Class 3 | 8.60% | 8.80% |
| Share Class A | 7.90% | 8.80% |

¹ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) year ended 15 October 2016.

² Source: Lipper, a Thomson Reuters Company (based on close of business values) year ended 15 October 2016.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Bond values are affected by changes in interest rates, and the bond issuer's creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default.
- Full information on the risks applicable to the Fund is detailed in the Prospectus.

Top Ten Holdings**15.10.16**

| | |
|---|-------|
| Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP | 4.65% |
| European Investment Bank 5.00% 15/04/2039 | 2.41% |
| European Investment Bank 1.50% 01/02/2019 | 2.03% |
| Western Power Distribution West Midlands 5.75% 16/04/2032 | 1.81% |
| Heathrow Funding 7.13% 14/02/2024 | 1.72% |
| UK Treasury 4.75% 07/12/2038 | 1.67% |
| Electricite de France 6.13% 02/06/2034 | 1.65% |
| HSBC Holdings 6.75% 11/09/2028 | 1.63% |
| AA Bond 6.27% 02/07/2043 | 1.56% |
| Barclays Bank 10.00% 21/05/2021 | 1.50% |

Top Ten Holdings**15.10.15**

| | |
|---|-------|
| European Investment Bank 5.00% 15/04/2039 | 2.45% |
| KFW 6.00% 07/12/2028 | 1.91% |
| Western Power Distribution West Midlands 5.75% 16/04/2032 | 1.82% |
| Heathrow Funding 7.13% 14/02/2024 | 1.76% |
| HSBC Holdings 6.75% 11/09/2028 | 1.76% |
| AA Bond Co. 6.27% 02/07/2043 | 1.72% |
| Electricite de France 6.13% 02/06/2034 | 1.62% |
| American International Group, 6.77% 15/11/2017 | 1.55% |
| RSA Insurance Group, FRN 9.37% 20/05/2039 | 1.51% |
| Barclays Bank 10.00% 21/05/2021 | 1.48% |

Portfolio Breakdown

| | 15.10.16 | 15.10.15 |
|--------------------------|-----------------|-----------------|
| United Kingdom | 44.86% | 49.14% |
| United States of America | 11.88% | 11.46% |
| France | 9.64% | 8.69% |
| Supranational | 6.63% | 2.45% |
| Netherlands | 6.17% | 9.78% |
| Jersey | 5.53% | 5.18% |
| Cayman Islands | 3.15% | 3.11% |
| Mexico | 1.47% | 1.49% |
| Spain | 1.14% | 1.13% |
| Sweden | 1.08% | 0.38% |
| Other Countries | 6.57% | 6.24% |
| Total Investments | 98.12% | 99.05% |
| Net Other Assets | 1.88% | 0.95% |
| Net Assets | 100.00% | 100.00% |

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 1 | 2014 | 1.5811 | 28.19 |
| | 2015 | 1.5614 | 27.84 |
| | 2016* | 1.4765 | 26.33 |
| Class 2 | 2014 | 2.5192 | 29.81 |
| | 2015 | 2.4828 | 29.38 |
| | 2016* | 2.3560 | 27.88 |
| Class 3 | 2014 | 3.5904 | 32.22 |
| | 2015 | 3.5545 | 31.90 |
| | 2016* | 3.3898 | 30.42 |
| Class A | 2014 | 1.3527 | 12.14 |
| | 2015 | 1.3203 | 11.85 |
| | 2016* | 1.2405 | 11.13 |

* Up to 15 December 2016 (the final distribution payment date).

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 3 | 2014 | 4.6977 | 32.88 |
| | 2015 | 4.7958 | 33.57 |
| | 2016* | 4.7113 | 32.98 |

* Up to 15 December 2016 (the final distribution payment date).

Calendar Year Performance

| Total Return | Fund ³ % | IA £ Corporate Bond ⁴ % |
|---------------|------------------------|---|
| 2013 | | |
| Share Class 1 | 0.54 | 0.22 |
| Share Class 2 | 0.69 | 0.22 |
| Share Class 3 | 0.94 | 0.22 |
| Share Class A | 0.29 | 0.22 |
| 2014 | | |
| Share Class 1 | 8.14 | 7.83 |
| Share Class 2 | 8.29 | 7.83 |
| Share Class 3 | 8.48 | 7.83 |
| Share Class A | 7.95 | 7.83 |
| 2015 | | |
| Share Class 1 | (0.23) | (0.38) |
| Share Class 2 | (0.09) | (0.38) |
| Share Class 3 | 0.15 | (0.38) |
| Share Class A | (0.49) | (0.38) |
| 2016* | | |
| Share Class 1 | 8.32 | 9.03 |
| Share Class 2 | 8.44 | 9.03 |
| Share Class 3 | 8.66 | 9.03 |
| Share Class A | 8.11 | 9.03 |

³ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees).

⁴ Source: Lipper, a Thomson Reuters Company (based on close of business values).

* Up to 15 October 2016.

The value of an investment in the Aviva Investors Corporate Bond Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

AVIVA INVESTORS DISTRIBUTION FUND

INVESTMENT OBJECTIVE

A high and growing level of income with prospects for long term capital appreciation.

INVESTMENT POLICY

Diversified investment in high yielding UK equities and UK fixed interest securities.

Allocations to fixed interest securities, equities and cash will vary over time. Equity selections will be based on price and long term total return prospects.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, money market instruments, units in collective investment schemes, deposits and derivatives and forward transactions.

RISK PROFILE

The value of investments and the income from them will change over time. The Fund price may fall as well as rise and as a result you may not get back the original amount you invested. Bond values are affected by changes in interest rates, and the bond issuer's creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default. The value of investments will be affected by changes in exchange rates.

Full information on the risks applicable to the Fund is detailed in the Prospectus.

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2016, the Aviva Investors Distribution Fund delivered a total return of 9.09 per cent (share class 1), net of fees. The Fund's peer group, the Investment Association's (IA) Mixed Investment 20-60% Shares sector, generated a net return of 11.09 per cent.

The Fund's corporate bond exposure suffered from its relatively cautious positioning given the general expectation at the start of the period that returns from the market would be modest. However there was a surprise, a rally following the announcement by both the European Central Bank and the Bank of England (BoE) that they were planning to buy corporate bonds as part of their expanded economic stimulus programmes. The rebound of commodity markets from their winter slump also detracted from Fund performance given our general avoidance of the oils, metals and mining sectors. This was also the case for the equity Fund. Elsewhere in the equity exposure, the holdings in Sage, Melrose Industries and BBA Aviation were among the leading individual contributors to relative performance. In contrast, the performance of holdings in BT and satellite operator Inmarsat was disappointing.

During the period, the corporate bond portfolio was broadly diversified across sectors and the market capitalisation spectrum. In sector terms, it was overweight in telecoms, a sector we felt was ripe for consolidation, media and non-bank financials. It was underweight in banks, health care, oil & gas and consumer goods. At the market capitalisation level, we preferred medium and smaller companies over the blue-chips of the FTSE® 100 Index. In equities, we exited our position in Majestic Wine and took up a holding in asset manager Schroders.

AVIVA INVESTORS DISTRIBUTION FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

Following a period of strong performance, we considered that Majestic Wine was unlikely to deliver sufficient returns to justify its valuation. In contrast, Schroders' share price had sold off, which presented us with an attractive entry point as the company has a strong balance sheet with opportunities for long-term growth given the recent pension reforms.

For corporate bonds, the most recent reporting season was characterised by deteriorating fundamentals as companies announced sluggish revenue growth, peaking profit margins and a further increase in borrowings. However, investors' caution on the weaker financial position of many companies has been overpowered by a wave of global liquidity and a scarcity of high-quality financial assets.

This situation can persist in the short term but, over a longer horizon, we are concerned that the risks of investing in corporate bonds will start to outweigh the potential rewards. We expect the UK equity market to remain focused on short-term political and economic news flow. The BoE has reacted swiftly to Brexit-related concerns and there are signs that their policy initiatives have helped to avert a sharp slowdown in the UK economy. The new chancellor is adopting a more pragmatic approach towards fiscal policy than his predecessor, abandoning the target of reaching a budget surplus by 2020, and fiscal policy should become more supportive for economic growth. This reflects understandable concerns that the UK economy faces significant downside risks in the near-term and during official EU exit negotiations over the next two years.

November 2016

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative table are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell securities. Past performance is not a guide to the future. The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

COMPARATIVE TABLES

| Class 1 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 195.76 | 192.05 | 188.59 |
| Return before operating charges [†] | 21.60 | 13.04 | 12.62 |
| Operating charges | (2.77) | (2.78) | (2.68) |
| Return after operating charges [†] | 18.83 | 10.26 | 9.94 |
| Distributions on income shares | (6.28) | (6.55) | (6.48) |
| Closing net asset value per share | 208.31 | 195.76 | 192.05 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.08) | (0.26) | (0.14) |
| Performance | | | |
| Return after operating charges | 9.62% | 5.34% | 5.27% |
| Other information | | | |
| Closing net asset value (£000) | 70,069 | 74,301 | 80,895 |
| Closing number of shares | 33,636,838 | 37,953,999 | 42,122,466 |
| Operating charges (%) [‡] | 1.38% | 1.38% | 1.39% |
| Direct transaction costs (%) [#] | 0.04% | 0.13% | 0.07% |
| Prices[≈] | | | |
| Highest share price | 216.14 | 208.92 | 196.41 |
| Lowest share price | 189.86 | 190.92 | 189.25 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 1 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 302.19 | 288.84 | 276.12 |
| Return before operating charges [†] | 31.74 | 17.56 | 16.68 |
| Operating charges | (4.32) | (4.21) | (3.96) |
| Return after operating charges [†] | 27.42 | 13.35 | 12.72 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 329.61 | 302.19 | 288.84 |
| Retained distributions on accumulation shares | 9.79 | 9.95 | 9.59 |
| † after direct transaction costs of | (0.13) | (0.40) | (0.20) |
| Performance | | | |
| Return after operating charges | 9.07% | 4.62% | 4.61% |
| Other information | | | |
| Closing net asset value (£000) | 31,432 | 28,825 | 20,722 |
| Closing number of shares | 9,536,054 | 9,538,808 | 7,174,185 |
| Operating charges (%) [‡] | 1.38% | 1.38% | 1.39% |
| Direct transaction costs (%) [#] | 0.04% | 0.13% | 0.07% |
| Prices[≈] | | | |
| Highest share price | 340.00 | 315.89 | 293.37 |
| Lowest share price | 294.65 | 287.13 | 277.08 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 2 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 202.65 | 198.19 | 193.99 |
| Return before operating charges [†] | 22.42 | 13.43 | 12.99 |
| Operating charges | (1.52) | (1.52) | (1.46) |
| Return after operating charges [†] | 20.90 | 11.91 | 11.53 |
| Distributions on income shares | (7.20) | (7.45) | (7.33) |
| Closing net asset value per share | 216.35 | 202.65 | 198.19 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.08) | (0.27) | (0.14) |
| Performance | | | |
| Return after operating charges | 10.31% | 6.01% | 5.94% |
| Other information | | | |
| Closing net asset value (£000) | 127,044 | 75,906 | 37,331 |
| Closing number of shares | 58,710,555 | 37,448,834 | 18,835,532 |
| Operating charges (%) [†] | 0.73% | 0.73% | 0.73% |
| Direct transaction costs (%) [#] | 0.04% | 0.13% | 0.07% |
| Prices[≈] | | | |
| Highest share price | 224.46 | 216.10 | 202.67 |
| Lowest share price | 196.83 | 197.03 | 194.03 |

† The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 2 Accumulation | 2016 [§] p per share | 2015 p per share | 2014 p per share |
|---|----------------------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 205.53 | – | – |
| Return before operating charges [†] | 15.50 | – | – |
| Operating charges | (1.62) | – | – |
| Return after operating charges [†] | 13.88 | – | – |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 219.41 | – | – |
| Retained distributions on accumulation shares | 3.76 | – | – |
| † after direct transaction costs of | (0.09) | – | – |
| Performance | | | |
| Return after operating charges | 6.75% | – | – |
| Other information | | | |
| Closing net asset value (£000) | 4,320 | – | – |
| Closing number of shares | 1,969,087 | – | – |
| Operating charges (%) [‡] | 0.73% | – | – |
| Direct transaction costs (%) [#] | 0.04% | – | – |
| Prices[≈] | | | |
| Highest share price | 226.10 | – | – |
| Lowest share price | 204.24 | – | – |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

§ Class 2 Accumulation was launched on 25 April 2016.

| Class 3 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|-----------------------------|-----------------------------|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 207.72 | 202.80 | 198.21 |
| Return before operating charges [†] | 23.00 | 13.79 | 13.27 |
| Operating charges | (0.71) | (0.71) | (0.68) |
| Return after operating charges [†] | 22.29 | 13.08 | 12.59 |
| Distributions on income shares | (7.92) | (8.16) | (8.00) |
| Closing net asset value per share | 222.09 | 207.72 | 202.80 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.09) | (0.28) | (0.14) |
| Performance | | | |
| Return after operating charges | 10.73% | 6.45% | 6.35% |
| Other information | | | |
| Closing net asset value (£000) | 3,505 | 3,346 | 3,435 |
| Closing number of shares | 1,578,277 | 1,610,973 | 1,693,915 |
| Operating charges (%) [‡] | 0.33% | 0.33% | 0.34% |
| Direct transaction costs (%) [#] | 0.04% | 0.13% | 0.07% |
| Prices[≈] | | | |
| Highest share price | 230.36 | 221.40 | 207.39 |
| Lowest share price | 201.84 | 201.62 | 199.25 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 4 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|-----------------------------|-----------------------------|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 110.17 | 107.81 | 105.60 |
| Return before operating charges [†] | 12.19 | 7.32 | 7.07 |
| Operating charges | (1.00) | (0.99) | (0.96) |
| Return after operating charges [†] | 11.19 | 6.33 | 6.11 |
| Distributions on income shares | (3.83) | (3.97) | (3.90) |
| Closing net asset value per share | 117.53 | 110.17 | 107.81 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.05) | (0.15) | (0.08) |
| Performance | | | |
| Return after operating charges | 10.16% | 5.87% | 5.79% |
| Other information | | | |
| Closing net asset value (£000) | 363 | 317 | 175 |
| Closing number of shares | 308,901 | 287,848 | 162,100 |
| Operating charges (%) [‡] | 0.88% | 0.88% | 0.89% |
| Direct transaction costs (%) [#] | 0.04% | 0.13% | 0.07% |
| Prices[≈] | | | |
| Highest share price | 121.92 | 117.49 | 110.25 |
| Lowest share price | 106.95 | 107.17 | 105.63 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

FUND FACTS

| Accounting dates | Ex-dividend dates | Distribution dates |
|------------------|-------------------|--------------------|
| 15 October | 16 October | 15 December |
| | 16 January | 15 March |
| 15 April | 16 April | 15 June |
| | 16 July | 15 September |

| Ongoing Charges Figure* | 15.10.16 | 15.10.15 |
|-------------------------|----------|----------|
| Share Class 1 | 1.38% | 1.38% |
| Share Class 2 | 0.73% | 0.73% |
| Share Class 3 | 0.33% | 0.33% |
| Share Class 4 | 0.88% | 0.88% |

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees).

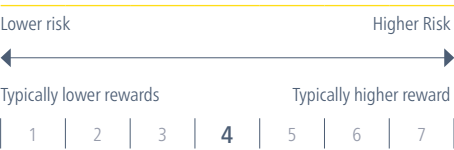
Total Return

| | Fund ² | IA Mixed Investment 20-60% Shares ³ |
|---------------|-------------------|--|
| Share Class 1 | 9.09% | 11.09% |
| Share Class 2 | 9.73% | 11.09% |
| Share Class 3 | 10.11% | 11.09% |
| Share Class 4 | 9.58% | 11.09% |

² Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) year ended 15 October 2016.

³ Source: Lipper, a Thomson Reuters Company (based on close of business values) year ended 15 October 2016.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean ‘risk free’.
- Bond values are affected by changes in interest rates, and the bond issuer’s creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default.
- The value of investments will be affected by changes in exchange rates.
- Full information on the risks applicable to the Fund is detailed in the Prospectus.

Top Ten Holdings**15.10.16**

| | |
|--|-------|
| Royal Dutch Shell 'B' | 1.69% |
| BBA Aviation | 1.49% |
| British American Tobacco | 1.44% |
| Heathrow Funding 7.13% 14/02/2024 | 1.32% |
| Electricite de France 6.13% 02/06/2034 | 1.29% |
| GlaxoSmithKline | 1.26% |
| Imperial Brands | 1.23% |
| UK Treasury 4.75% 07/12/2038 | 1.18% |
| Imperial Brands Finance 9.00% 17/02/2022 | 1.15% |
| HSBC Bank, FRN 5.38% 04/11/2030 | 1.13% |

Top Ten Holdings**15.10.15**

| | |
|--|-------|
| UK Treasury 6.00% 07/12/2028 | 1.86% |
| Electricite de France 6.13% 02/06/2034 | 1.46% |
| GlaxoSmithKline | 1.36% |
| Heathrow Funding 7.13% 14/02/2024 | 1.36% |
| Imperial Tobacco Group | 1.32% |
| UK Treasury 4.50% 07/12/2042 | 1.29% |
| British American Tobacco | 1.21% |
| Aviva | 1.21% |
| BT Group | 1.18% |
| Vodafone Group | 1.11% |

Portfolio Breakdown

| | 15.10.16 | 15.10.15 |
|--------------------------|-----------------|-----------------|
| United Kingdom | 61.63% | 63.39% |
| United States of America | 7.44% | 7.56% |
| France | 5.61% | 5.45% |
| Jersey | 4.92% | 5.00% |
| Netherlands | 4.46% | 5.28% |
| Supranationals | 1.69% | 0.75% |
| Cayman Islands | 1.46% | 1.59% |
| Italy | 1.27% | 1.21% |
| Mexico | 1.25% | 0.66% |
| Australia | 0.98% | 1.21% |
| Other Countries | 3.19% | 3.05% |
| Total Investments | 93.90% | 95.15% |
| Net Other Assets | 6.10% | 4.85% |
| Net Assets | 100.00% | 100.00% |

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 1 | 2014 | 5.1847 | 27.23 |
| | 2015 | 5.2423 | 27.53 |
| | 2016* | 5.0276 | 26.41 |
| Class 2 | 2014 | 5.8666 | 29.94 |
| | 2015 | 5.9624 | 30.42 |
| | 2016* | 5.7593 | 29.39 |
| Class 3 | 2014 | 6.4025 | 31.96 |
| | 2015 | 6.5307 | 32.60 |
| | 2016* | 6.3342 | 31.62 |
| Class 4 | 2014 | 3.1229 | 29.28 |
| | 2015 | 3.1739 | 29.76 |
| | 2016* | 3.0605 | 28.69 |

* Up to 15 December 2016 (the final distribution payment date).

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 1 | 2014 | 7.6698 | 27.69 |
| | 2015 | 7.9623 | 28.75 |
| | 2016* | 7.8348 | 28.29 |
| | 2016** | 3.0110 | 10.87 |

* Up to 15 December 2016 (the final distribution payment date).

** From launch date 25 April 2016 to 15 December 2016 (the final distribution payment date).

Calendar Year Performance

| | Fund ⁴ % | IA Mixed Investment 20-60% Shares ⁵ % |
|---------------------|------------------------|---|
| Total Return | | |
| 2013 | | |
| Share Class 1 | 9.19 | 8.87 |
| Share Class 2 | 9.83 | 8.87 |
| Share Class 3 | 10.21 | 8.87 |
| Share Class 4 | 9.68 | 8.87 |
| 2014 | | |
| Share Class 1 | 7.24 | 4.77 |
| Share Class 2 | 7.88 | 4.77 |
| Share Class 3 | 8.25 | 4.77 |
| Share Class 4 | 7.72 | 4.77 |
| 2015 | | |
| Share Class 1 | 1.57 | 1.27 |
| Share Class 2 | 2.16 | 1.27 |
| Share Class 3 | 2.52 | 1.27 |
| Share Class 4 | 2.03 | 1.27 |
| 2016** | | |
| Share Class 1 | 8.26 | 10.08 |
| Share Class 2 | 8.76 | 10.08 |
| Share Class 3 | 9.06 | 10.08 |
| Share Class 4 | 8.64 | 10.08 |

⁴ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees).

⁵ Source: Lipper, a Thomson Reuters Company (based on close of business values).

** Up to 15 October 2016.

The value of an investment in the Aviva Investors Distribution Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

AVIVA INVESTORS HIGH YIELD BOND FUND

INVESTMENT OBJECTIVE

To maximise total return while generating a high level of income through investment in a diversified portfolio of fixed interest securities.

INVESTMENT POLICY

Diversified investment in high yield bonds but also other fixed income assets, such as government bonds and investment grade corporates.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, money market instruments, units in collective investment schemes, deposits and derivatives and forward transactions.

Note: At least 80 per cent of assets will either be in sterling or currency hedged back to sterling.

RISK PROFILE

The value of investments and the income from them will change over time. The Fund price may fall as well as rise and as a result you may not get back the original amount you invested. Bond values are affected by changes in interest rates, and the bond issuer's creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default. The value of investments will be affected by changes in exchange rates.

Full information on the risks applicable to the Fund is detailed in the Prospectus.

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2016, the Aviva Investors High Yield Bond Fund delivered a total return of 6.96 per cent (share class 1) net of fees. The Fund's peer group, the Investment Association's (IA) Sterling High Yield sector, generated a net return of 7.24 per cent.

The Fund's underperformance was caused predominantly by sector allocation, in particular our avoidance of commodity-related companies. While having little or no exposure to oil, mining and metals companies was helpful to performance in the first half of the period, this reversed as commodity prices staged a recovery starting in February 2016. A further negative was the Fund's exposure to retailers in the wake of the Brexit vote. The result of the EU membership referendum took us and many other investors by surprise and the Fund suffered by having holdings in sectors, such as retailers that were perceived to be vulnerable to falling consumer confidence. Among the main contributors to relative performance over the period was security selection within the telecommunications and chemicals sectors. In technical terms, having a higher sensitivity than the benchmark to changes in interest rates was helpful to the Fund. Holdings in Germany's second-largest cable operator Unitymedia, a subsidiary of Liberty Global, did particularly well as it continued to consolidate market share. Debt issued by Italian telecommunications firm Telecom Italia further bolstered gains as rumours emerged that it could be an acquisition target.

AVIVA INVESTORS HIGH YIELD BOND FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

During the review period we held generally more risk than the benchmark in terms of the portfolio's sensitivity to changes in interest rates. We favoured corporate hybrid bonds, which are a mixture of debt and equity that had been issued by good-quality utility and telecoms companies. While the Fund was overweight in both these sectors, it was underweight in basic industries and had no exposure to commodity-related issuers. We also tended to avoid European banks as in the high-yield sector issuance is dominated by the more volatile Eurozone periphery countries. At the currency level, we preferred sterling and US dollar-denominated high-yield bonds over those issued in euros.

The most recent reporting season was characterised by deteriorating credit fundamentals as companies announced sluggish revenue growth, peaking profit margins and a further increase in borrowings. However, investors' caution on the weaker financial position of many companies has been overpowered by a wave of global liquidity and a scarcity of high-quality financial assets.

This situation can persist in the short term but, over a longer horizon, we are concerned that the risks of investing in corporate bonds will start to outweigh the potential rewards. 2017 is an election year in a number of European countries and confidence could be rattled if the results fuel uncertainty about the future of the EU. The year could also see the US and European central banks taking divergent paths in their monetary policy.

November 2016

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative table are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. Past performance is not a guide to the future. The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

COMPARATIVE TABLES

| Class 1 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 69.79 | 69.62 | 68.05 |
| Return before operating charges [†] | 6.33 | 4.37 | 5.90 |
| Operating charges | (0.81) | (0.82) | (0.81) |
| Return after operating charges [†] | 5.52 | 3.55 | 5.09 |
| Distributions on income shares | (3.48) | (3.38) | (3.52) |
| Closing net asset value per share | 71.83 | 69.79 | 69.62 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 7.91% | 5.10% | 7.48% |
| Other information | | | |
| Closing net asset value (£000) | 5,792 | 7,918 | 9,523 |
| Closing number of shares | 8,063,859 | 11,344,922 | 13,678,412 |
| Operating charges (%) [†] | 1.14% | 1.14% | 1.14% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 73.50 | 73.43 | 72.82 |
| Lowest share price | 66.86 | 69.44 | 68.52 |

† The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 2 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 105.77 | 105.51 | 103.14 |
| Return before operating charges [†] | 9.60 | 6.63 | 8.94 |
| Operating charges | (0.69) | (0.70) | (0.69) |
| Return after operating charges [†] | 8.91 | 5.93 | 8.25 |
| Distributions on income shares | (5.82) | (5.67) | (5.88) |
| Closing net asset value per share | 108.86 | 105.77 | 105.51 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | (0.01) |
| Performance | | | |
| Return after operating charges | 8.42% | 5.62% | 8.00% |
| Other information | | | |
| Closing net asset value (£000) | 120,030 | 42,179 | 14,299 |
| Closing number of shares | 110,257,473 | 39,876,562 | 13,552,895 |
| Operating charges (%) [‡] | 0.64% | 0.64% | 0.64% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 111.46 | 111.40 | 110.45 |
| Lowest share price | 101.36 | 105.25 | 104.03 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Income¹ | 2016 p per share | 2015 p per share | 2014[§] p per share |
|---|-----------------------------|-----------------------------|---|
| Change in net assets per share | | | |
| Opening net asset value per share | – | – | 137.56 |
| Return before operating charges [†] | – | – | (134.82) |
| Operating charges | – | – | (0.48) |
| Return after operating charges [†] | – | – | (135.30) |
| Distributions on income shares | – | – | (2.26) |
| Closing net asset value per share | – | – | – |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | (0.01) |
| Performance | | | |
| Return after operating charges | – | – | 0.00% |
| Other information | | | |
| Closing net asset value (£000) | – | – | – |
| Closing number of shares | – | – | – |
| Operating charges (%) [‡] | – | – | 0.00% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | – | – | 143.46 |
| Lowest share price | – | – | 138.51 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

§ Class 3 Income closed on 22 January 2014.

| Class 3 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|-----------------------------|-----------------------------|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 212.60 | 202.89 | 189.42 |
| Return before operating charges [†] | 17.17 | 10.43 | 14.16 |
| Operating charges | (0.74) | (0.72) | (0.69) |
| Return after operating charges [†] | 16.43 | 9.71 | 13.47 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 229.03 | 212.60 | 202.89 |
| Retained distributions on accumulation shares | 12.55 | 11.72 | 11.59 |
| † after direct transaction costs of | – | – | (0.01) |
| Performance | | | |
| Return after operating charges | 7.73% | 4.79% | 7.11% |
| Other information | | | |
| Closing net asset value (£000) | 74,148 | 71,231 | 68,539 |
| Closing number of shares | 32,375,023 | 33,504,009 | 33,780,521 |
| Operating charges (%) [‡] | 0.34% | 0.34% | 0.34% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 232.09 | 216.97 | 207.80 |
| Lowest share price | 206.21 | 202.40 | 191.04 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

FUND FACTS

| Accounting dates | Ex-dividend dates | Distribution dates |
|------------------|-------------------|--------------------|
| 15 October | 16 October | 15 December |
| | 16 January | 15 March |
| 15 April | 16 April | 15 June |
| | 16 July | 15 September |

| Ongoing Charges Figure* | 15.10.16 | 15.10.15 |
|-------------------------|----------|----------|
| Share Class 1 | 1.14% | 1.14% |
| Share Class 2 | 0.64% | 0.64% |
| Share Class 3 | 0.34% | 0.34% |

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees).

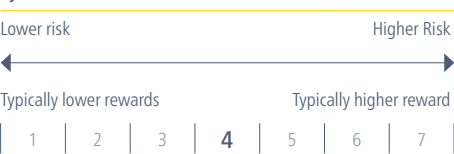
Total Return

| | Fund ² | IA £ High Yield ³ |
|---------------|-------------------|---------------------------------|
| Share Class 1 | 6.96% | 7.24% |
| Share Class 2 | 7.64% | 7.24% |
| Share Class 3 | 7.38% | 7.24% |

² Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) year ended 15 October 2016.

³ Source: Lipper, a Thomson Reuters Company (based on close of business values) year ended 15 October 2016.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean ‘risk free’.
- Bond values are affected by changes in interest rates, and the bond issuer’s creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default.
- The value of investments will be affected by changes in exchange rates.
- Full information on the risks applicable to the Fund is detailed in the Prospectus.

Top Ten Holdings**15.10.16**

| | |
|---|-------|
| UK Treasury 1.00% 07/09/2017 | 3.63% |
| Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP | 1.90% |
| Telefonica Europe, FRN 6.75% Perpetual | 1.86% |
| Enel, FRN 8.75% 24/09/2073 | 1.64% |
| Frontier Communications 11.00% 15/09/2025 | 1.58% |
| Unitymedia Hessen 4.63% 15/02/2026 | 1.55% |
| Glasstank 8.50% 15/05/2019 | 1.50% |
| Fiat Chrysler Finance Europe 4.75% 15/07/2022 | 1.47% |
| Royal Bank of Scotland Group, FRN 9.50% 16/03/2022 | 1.47% |
| AA Bond 5.50% 31/07/2043 | 1.44% |

Top Ten Holdings**15.10.15**

| | |
|---|-------|
| Telefonica Europe, FRN 6.75% Perpetual | 2.55% |
| Enel, FRN 8.75% 24/09/2073 | 2.13% |
| Virgin Media Secured Finance 5.50% 15/01/2025 | 1.98% |
| Telecom Italia 5.88% 19/05/2023 | 1.95% |
| Koninklijke KPN, FRN 6.88% 14/03/2073 | 1.92% |
| Jaguar Land Rover Automotive 5.00% 15/02/2022 | 1.88% |
| Altice Luxembourg 7.25% 15/05/2022 | 1.87% |
| Glasstank 8.50% 15/05/2019 | 1.84% |
| Lafarge 10.00% 30/05/2017 | 1.84% |
| Veolia Environnement, FRN 4.85% Perpetual | 1.66% |

Portfolio Breakdown

| | 15.10.16 | 15.10.15 |
|--------------------------|-----------------|-----------------|
| United Kingdom | 31.77% | 35.00% |
| Netherlands | 11.61% | 10.84% |
| Luxembourg | 9.94% | 8.82% |
| France | 9.51% | 14.15% |
| United States of America | 8.67% | 2.89% |
| Germany | 8.19% | 4.02% |
| Italy | 6.12% | 7.85% |
| Jersey | 4.41% | 3.52% |
| Japan | 0.99% | – |
| Denmark | 0.97% | 1.13% |
| Other Countries | 4.55% | 9.25% |
| Total Investments | 96.73% | 97.47% |
| Net Other Assets | 3.27% | 2.53% |
| Net Assets | 100.00% | 100.00% |

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 1 | 2014 | 2.8180 | 40.72 |
| | 2015 | 2.7016 | 39.04 |
| | 2016* | 2.7847 | 40.24 |
| Class 2 | 2014 | 4.7070 | 44.83 |
| | 2015 | 4.5347 | 43.19 |
| | 2016* | 4.6542 | 44.33 |
| Class 3 | 2014** | 1.8043 | 12.88 |

* Up to 15 December 2016 (the final distribution payment date).

** Up to 22 January 2014 (date share class closed).

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 3 | 2014 | 9.2714 | 48.67 |
| | 2015 | 9.3740 | 49.21 |
| | 2016* | 10.0403 | 52.71 |

* Up to 15 December 2016 (the final distribution payment date).

Calendar Year Performance

| | Fund ⁴ % | IA £ High Yield ⁵ % |
|---------------------|------------------------|--------------------------------------|
| Total Return | | |
| 2013 | | |
| Share Class 1 | 9.19 | 6.58 |
| Share Class 2 | 9.62 | 6.58 |
| Share Class 3 | 9.88 | 6.58 |
| 2014 | | |
| Share Class 1 | 5.47 | 1.11 |
| Share Class 2 | 5.91 | 1.11 |
| Share Class 3 | 6.16 | 1.11 |
| 2015 | | |
| Share Class 1 | 2.98 | (0.61) |
| Share Class 2 | 3.38 | (0.61) |
| Share Class 3 | 3.64 | (0.61) |
| 2016* | | |
| Share Class 1 | 6.96 | 7.24 |
| Share Class 2 | 7.64 | 7.24 |
| Share Class 3 | 7.38 | 7.24 |

⁴ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees).

⁵ Source: Lipper, a Thomson Reuters Company (based on close of business values).

* Up to 15 October 2016.

The value of an investment in the Aviva Investors High Yield Bond Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

AVIVA INVESTORS HIGHER INCOME PLUS FUND

INVESTMENT OBJECTIVE

A high level of investment income.

INVESTMENT POLICY

Diversified investment in fixed interest securities issued by corporates, governments and supranational institutions. Investment is principally in Sterling denominated securities but the Fund may also invest in global securities issued in a variety of currencies.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, money market instruments, units in collective investment schemes, deposits and derivatives and forward transactions.

RISK PROFILE

The value of investments and the income from them will change over time. The Fund price may fall as well as rise and as a result you may not get back the original amount you invested. Bond values are affected by changes in interest rates, and the bond issuer's creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default. The value of investments will be affected by changes in exchange rates.

Full information on the risks applicable to the Fund is detailed in the Prospectus.

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2016, the Aviva Investors Higher Income Plus Fund delivered a total return of 8.30 per cent (share class A), net of fees. The Fund's peer group, the Investment Association's (IA) Sterling Strategic Bond sector, generated a net return of 6.81 per cent.

The Fund's outperformance was driven by the overweighting of UK corporate bonds, which performed better than their US and European peers. The exposure to rallying emerging market bonds was also supportive. These positives offset the drag of the Fund's cautious positioning in what turned out to be a strong twelve months for bonds. The major surprise was the announcement by both the European Central Bank and the Bank of England that they were intervening in the markets to buy up corporate bonds. This created huge technical support, which was at odds with the somewhat stretched nature of many companies' balance sheets. The rebound of commodity markets from their winter slump also detracted from performance given our general avoidance of the oils, metals and mining sectors. The portfolio did benefit, however, from the underweighting of house builders and financials.

During the period, the portfolio was broadly diversified across countries, sectors and the market capitalisation spectrum. In sector terms, the Fund was overweight in telecoms, a sector we felt was ripe for consolidation, media and non-bank financials. We were underweight in banks, health care, oil & gas and consumer goods. In the UK market, which we held as an overweight position relative to the US and Europe, we preferred medium and smaller companies over the blue-chips of the FTSE® 100 Index.

AVIVA INVESTORS HIGHER INCOME PLUS FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

The most recent reporting season was characterised by deteriorating credit fundamentals as companies announced sluggish revenue growth, peaking profit margins and a further increase in borrowings. However, investors' caution on the weaker financial position of many companies has been overpowered by a wave of global liquidity and a scarcity of high-quality financial assets.

This situation can persist in the short term but, over a longer horizon, we are concerned that the risks of investing in corporate bonds will start to outweigh the potential rewards. 2017 is an election year in a number of European countries and confidence could be rattled if the results fuel uncertainty about the future of the EU. The year could also see the US and European central banks taking divergent paths in their monetary policy.

November 2016

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative table are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. Past performance is not a guide to the future. The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

COMPARATIVE TABLES

| Class 1 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 49.48 | 50.23 | 48.14 |
| Return before operating charges† | 5.16 | 2.12 | 4.80 |
| Operating charges | (0.51) | (0.51) | (0.50) |
| Return after operating charges† | 4.65 | 1.61 | 4.30 |
| Distributions on income shares | (2.22) | (2.36) | (2.21) |
| Closing net asset value per share | 51.91 | 49.48 | 50.23 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 9.40% | 3.21% | 8.93% |
| Other information | | | |
| Closing net asset value (£000) | 226,802 | 246,880 | 270,828 |
| Closing number of shares | 436,887,377 | 498,979,977 | 539,180,700 |
| Operating charges (%)‡ | 1.00% | 1.00% | 1.00% |
| Direct transaction costs (%)# | – | – | – |
| Prices* | | | |
| Highest share price | 53.79 | 52.44 | 50.98 |
| Lowest share price | 48.21 | 49.53 | 48.43 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 2 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 74.47 | 75.60 | 72.47 |
| Return before operating charges [†] | 7.79 | 3.19 | 7.21 |
| Operating charges | (0.49) | (0.48) | (0.47) |
| Return after operating charges [†] | 7.30 | 2.71 | 6.74 |
| Distributions on income shares | (3.63) | (3.84) | (3.61) |
| Closing net asset value per share | 78.14 | 74.47 | 75.60 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 9.80% | 3.58% | 9.30% |
| Other information | | | |
| Closing net asset value (£000) | 79,937 | 24,502 | 9,557 |
| Closing number of shares | 102,304,849 | 32,899,506 | 12,640,917 |
| Operating charges (%) [‡] | 0.64% | 0.63% | 0.63% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 80.88 | 78.89 | 76.69 |
| Lowest share price | 72.52 | 74.43 | 72.90 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|-----------------------------|-----------------------------|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 101.91 | 103.45 | 99.16 |
| Return before operating charges [†] | 10.64 | 4.38 | 9.87 |
| Operating charges | (0.35) | (0.35) | (0.34) |
| Return after operating charges [†] | 10.29 | 4.03 | 9.53 |
| Distributions on income shares | (5.28) | (5.57) | (5.24) |
| Closing net asset value per share | 106.92 | 101.91 | 103.45 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 10.10% | 3.90% | 9.61% |
| Other information | | | |
| Closing net asset value (£000) | 54,266 | 54,273 | 59,134 |
| Closing number of shares | 50,754,821 | 53,257,133 | 57,159,860 |
| Operating charges (%) [‡] | 0.34% | 0.33% | 0.33% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 110.69 | 107.98 | 104.95 |
| Lowest share price | 99.23 | 101.86 | 99.75 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class A Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 55.30 | 56.14 | 53.81 |
| Return before operating charges† | 5.78 | 2.38 | 5.36 |
| Operating charges | (0.79) | (0.79) | (0.77) |
| Return after operating charges† | 4.99 | 1.59 | 4.59 |
| Distributions on income shares | (2.27) | (2.43) | (2.26) |
| Closing net asset value per share | 58.02 | 55.30 | 56.14 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 9.02% | 2.83% | 8.53% |
| Other information | | | |
| Closing net asset value (£000) | 27,271 | 29,527 | 32,184 |
| Closing number of shares | 47,001,773 | 53,393,926 | 57,327,544 |
| Operating charges (%)‡ | 1.39% | 1.38% | 1.38% |
| Direct transaction costs (%)# | – | – | – |
| Prices* | | | |
| Highest share price | 60.10 | 58.57 | 56.97 |
| Lowest share price | 53.88 | 55.32 | 54.13 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

* The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

FUND FACTS

| Accounting dates | Ex-dividend dates | Distribution dates |
|------------------|-----------------------------------|---|
| 15 October | Monthly, on the 16th of the month | Monthly, on the 14th of the following month |
| 15 April | | |

| Ongoing Charges Figure* | 15.10.16 | 15.10.15 |
|-------------------------|----------|----------|
| Share Class 1 | 1.00% | 1.00% |
| Share Class 2 | 0.64% | 0.63% |
| Share Class 3 | 0.34% | 0.33% |
| Share Class A | 1.39% | 1.38% |

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees). The OCF for share class 1 is capped at 1.00%. This excludes, amongst other things, the charges of any other funds in which this Fund invests and which are included in the OCF. Please see the Prospectus for full details.

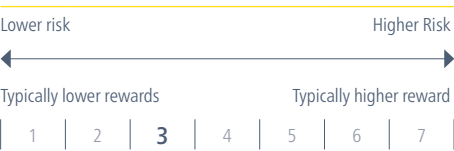
Total Return

| | Fund ¹ | IA £ Strategic Bond ² |
|---------------|-------------------|--|
| Share Class 1 | 8.64% | 6.81% |
| Share Class 2 | 8.95% | 6.81% |
| Share Class 3 | 9.22% | 6.81% |
| Share Class A | 8.30% | 6.81% |

¹ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) year ended 15 October 2016.

² Source: Lipper, a Thomson Reuters Company (based on close of business values) year ended 15 October 2016.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Bond values are affected by changes in interest rates, and the bond issuer's creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default.
- The value of investments will be affected by changes in exchange rates.
- Full information on the risks applicable to the Fund is detailed in the Prospectus.

Top Ten Holdings**15.10.16**

| | |
|---|-------|
| Aviva Investors – Emerging Markets Bond Fund, Class Zqh, Income shares, EUR | 9.36% |
| UK Treasury 4.50% 07/12/2042 | 2.03% |
| Lafarge 8.75% 30/05/2017 | 2.02% |
| Enel, FRN 8.75% 24/09/2073 | 1.72% |
| AT&T 4.25% 01/06/2043 | 1.53% |
| RSA Insurance Group, FRN 9.37% 20/05/2039 | 1.49% |
| Legal & General Group, FRN 10.00% 23/07/2041 | 1.47% |
| America Movil 4.38% 07/08/2041 | 1.42% |
| Imperial Brands Finance 9.00% 17/02/2022 | 1.41% |
| Telecom Italia 5.88% 19/05/2023 | 1.40% |

Top Ten Holdings**15.10.15**

| | |
|---|-------|
| Aviva Investors – Emerging Markets Bond Fund, Class Zqh, Income shares, EUR | 8.16% |
| Lafarge 10.00% 30/05/2017 | 2.35% |
| UK Treasury 4.75% 07/12/2038 | 1.97% |
| Aviva Investors Sterling Liquidity Fund | 1.74% |
| RSA Insurance Group, FRN 9.37% 20/05/2039 | 1.65% |
| Imperial Tobacco Finance 9.00% 17/02/2022 | 1.50% |
| First Hydro Finance 9.00% 31/07/2021 | 1.49% |
| Enel, FRN 8.75% 24/09/2073 | 1.47% |
| Legal & General Group, FRN 10.00% 23/07/2041 | 1.47% |
| Paragon Group of Cos., FRN 3.73% 20/04/2017 | 1.46% |

Portfolio Breakdown

| | 15.10.16 | 15.10.15 |
|--------------------------|-----------------|-----------------|
| United Kingdom | 44.53% | 49.80% |
| Luxembourg | 12.10% | 10.28% |
| Netherlands | 8.77% | 8.02% |
| United States of America | 8.53% | 8.17% |
| France | 7.46% | 10.02% |
| Jersey | 4.70% | 3.57% |
| Italy | 3.12% | 2.38% |
| Germany | 2.44% | 0.70% |
| Mexico | 1.75% | 1.70% |
| Australia | 0.53% | 0.60% |
| Other Countries | (0.45)% | 2.74% |
| Total Investments | 93.48% | 97.98% |
| Net Other Assets | 6.52% | 2.02% |
| Net Assets | 100.00% | 100.00% |

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 1 | 2014 | 1.7696 | 36.39 |
| | 2015 | 1.8910 | 38.88 |
| | 2016* | 1.7777 | 36.55 |
| Class 2 | 2014 | 2.8864 | 39.46 |
| | 2015 | 3.0733 | 42.01 |
| | 2016* | 2.9035 | 39.69 |
| Class 3 | 2014 | 4.1946 | 41.90 |
| | 2015 | 4.4558 | 44.51 |
| | 2016* | 4.2215 | 42.17 |
| Class A | 2014 | 1.8089 | 33.29 |
| | 2015 | 1.9400 | 35.70 |
| | 2016* | 1.8157 | 33.42 |

* Up to 14 November 2016 (the final distribution payment date).

Calendar Year Performance

| | Fund ³ % | IA £ Strategic Bond ⁴ % |
|---------------------|------------------------|---|
| Total Return | | |
| 2014 | | |
| Share Class 1 | 8.16 | 6.34 |
| Share Class 2 | 8.49 | 6.34 |
| Share Class 3 | 8.74 | 6.34 |
| Share Class A | 7.82 | 6.34 |
| 2015 | | |
| Share Class 1 | 0.98 | (0.24) |
| Share Class 2 | 1.27 | (0.24) |
| Share Class 3 | 1.52 | (0.24) |
| Share Class A | 0.40 | (0.24) |
| 2016* | | |
| Share Class 1 | 8.45 | 7.34 |
| Share Class 2 | 8.72 | 7.34 |
| Share Class 3 | 8.93 | 7.34 |
| Share Class A | 8.20 | 7.34 |

³ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees).

⁴ Source: Lipper, a Thomson Reuters Company (based on close of business values).

* Up to 15 October 2016.

The value of an investment in the Aviva Investors Higher Income Plus Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

AVIVA INVESTORS MANAGED HIGH INCOME FUND

INVESTMENT OBJECTIVE

To provide a high level of investment income.

INVESTMENT POLICY

Diversified investment in global fixed interest securities issued in a variety of currencies by governments, supranational institutions and corporates.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, money market instruments, units in collective investment schemes, deposits and derivatives and forward transactions.

RISK PROFILE

The value of investments and the income from them will change over time. The Fund price may fall as well as rise and as a result you may not get back the original amount you invested. Bond values are affected by changes in interest rates, and the bond issuer's creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default. The value of investments will be affected by changes in exchange rates.

Full information on the risks applicable to the Fund is detailed in the Prospectus.

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2016, the Aviva Investors Managed High Income Fund delivered a total return of 8.04 per cent (share class 1), net of fees. The Fund's peer group, the Investment Association's (IA) Sterling Strategic Bond sector, generated a net return of 6.81 per cent.

The Fund's outperformance was driven by the overweighting of UK corporate bonds, which performed better than their US and European peers. The exposure to rallying emerging market bonds was also supportive of returns. These positives offset the drag of the Fund's cautious positioning in what turned out to be a strong twelve months for bond markets. The major surprise was the announcement by both the European Central Bank and the Bank of England that they were intervening in the markets to buy corporate bonds. This created huge technical support, which was at odds with the somewhat stretched nature of many companies' balance sheets. The rebound of commodity markets from their winter slump also detracted from performance given our general avoidance of the oils, metals and mining sectors. The portfolio did benefit, however, from the underweighting of house builders and financials.

During the period, the portfolio was broadly diversified across countries, sectors and the market capitalisation spectrum. In sector terms, the Fund was overweight in telecoms, a sector we felt was ripe for consolidation, media and non-bank financials. We were underweight in banks, health care, oil & gas and consumer goods. In the UK market, which we held as an overweight position relative to the US and Europe, we preferred medium and smaller companies over the blue-chips of the FTSE® 100 Index.

AVIVA INVESTORS MANAGED HIGH INCOME FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

The most recent reporting season was characterised by deteriorating credit fundamentals as companies announced sluggish revenue growth, peaking profit margins and a further increase in borrowings. However, investors' caution on the weaker financial position of many companies has been overpowered by a wave of global liquidity and a scarcity of high-quality financial assets.

This situation can persist in the short term but, over a longer horizon, we are concerned that the risks of investing in corporate bonds will start to outweigh the potential rewards. 2017 is an election year in a number of European countries and confidence could be rattled if the results fuel uncertainty about the future of the EU. The year could also see the US and European central banks taking divergent paths in their monetary policy.

November 2016

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative table are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. Past performance is not a guide to the future. The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

COMPARATIVE TABLES

| Class 1 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 50.87 | 52.16 | 50.40 |
| Return before operating charges [†] | 5.19 | 1.53 | 4.68 |
| Operating charges | (0.72) | (0.73) | (0.72) |
| Return after operating charges [†] | 4.47 | 0.80 | 3.96 |
| Distributions on income shares | (2.24) | (2.09) | (2.20) |
| Closing net asset value per share | 53.10 | 50.87 | 52.16 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 8.79% | 1.53% | 7.86% |
| Other information | | | |
| Closing net asset value (£000) | 48,265 | 53,266 | 60,990 |
| Closing number of shares | 90,893,924 | 104,702,819 | 116,932,422 |
| Operating charges (%) [‡] | 1.39% | 1.39% | 1.39% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 54.54 | 53.96 | 53.13 |
| Lowest share price | 48.83 | 50.62 | 51.00 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 2 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 76.34 | 78.26 | 75.62 |
| Return before operating charges† | 7.77 | 2.47 | 7.03 |
| Operating charges | (0.50) | (0.50) | (0.50) |
| Return after operating charges† | 7.27 | 1.97 | 6.53 |
| Distributions on income shares | (3.94) | (3.89) | (3.89) |
| Closing net asset value per share | 79.67 | 76.34 | 78.26 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 9.52% | 2.52% | 8.64% |
| Other information | | | |
| Closing net asset value (£000) | 13,116 | 13,537 | 5,461 |
| Closing number of shares | 16,462,664 | 17,732,794 | 6,978,512 |
| Operating charges (%)‡ | 0.64% | 0.64% | 0.64% |
| Direct transaction costs (%)# | – | – | – |
| Prices* | | | |
| Highest share price | 81.77 | 80.97 | 79.71 |
| Lowest share price | 73.23 | 75.91 | 76.53 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|-----------------------------|-----------------------------|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 102.51 | 105.10 | 101.55 |
| Return before operating charges† | 10.44 | 3.31 | 9.44 |
| Operating charges | (0.36) | (0.35) | (0.36) |
| Return after operating charges† | 10.08 | 2.96 | 9.08 |
| Distributions on income shares | (5.60) | (5.55) | (5.53) |
| Closing net asset value per share | 106.99 | 102.51 | 105.10 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 9.83% | 2.82% | 8.94% |
| Other information | | | |
| Closing net asset value (£000) | 92,579 | 88,205 | 88,574 |
| Closing number of shares | 86,526,224 | 86,042,989 | 84,277,685 |
| Operating charges (%)‡ | 0.34% | 0.34% | 0.34% |
| Direct transaction costs (%)# | – | – | – |
| Prices* | | | |
| Highest share price | 109.83 | 108.76 | 107.05 |
| Lowest share price | 98.34 | 101.95 | 102.78 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

* The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Accumulation | 2016 p per share | 2015 p per share | 2014 [§] p per share |
|---|---------------------|---------------------|----------------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | – | – | 142.98 |
| Return before operating charges [†] | – | – | 0.50 |
| Operating charges | – | – | (0.50) |
| Return after operating charges [†] | – | – | 0.00 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | – | – | – |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | – | – | – |
| Other information | | | |
| Closing net asset value (£000) | – | – | – |
| Closing number of shares | – | – | – |
| Operating charges (%) [‡] | – | – | 0.34% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | – | – | 148.05 |
| Lowest share price | – | – | 145.15 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

§ Class 3 Accumulation closed on 22 January 2014.

FUND FACTS

| Accounting dates | Ex-dividend dates | Distribution dates |
|------------------|-----------------------------------|---|
| 15 October | Monthly, on the 16th of the month | Monthly, on the 27th of the following month |
| 15 April | | |

| Ongoing Charges Figure* | 15.10.16 | 15.10.15 |
|-------------------------|----------|----------|
| Share Class 1 | 1.39% | 1.39% |
| Share Class 2 | 0.64% | 0.64% |
| Share Class 3 | 0.34% | 0.34% |

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees).

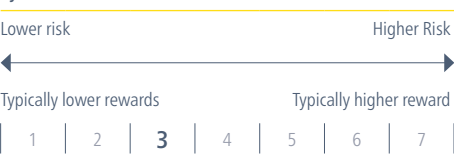
Total Return

| | Fund ² | IA £ Strategic Bond ³ |
|---------------|-------------------|--|
| Share Class 1 | 8.04% | 6.81% |
| Share Class 2 | 8.68% | 6.81% |
| Share Class 3 | 8.94% | 6.81% |

² Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) year ended 15 October 2016.

³ Source: Lipper, a Thomson Reuters Company (based on close of business values) year ended 15 October 2016.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Bond values are affected by changes in interest rates, and the bond issuer's creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default.
- The value of investments will be affected by changes in exchange rates.
- Full information on the risks applicable to the Fund is detailed in the Prospectus.

Top Ten Holdings**15.10.16**

| | |
|---|-------|
| Aviva Investors – Emerging Markets Bond Fund, Class Zqh, Income shares, EUR | 9.81% |
| Enel, FRN 8.75% 24/09/2073 | 1.70% |
| RSA Insurance Group, FRN 9.37% 20/05/2039 | 1.51% |
| AT&T 4.25% 01/06/2043 | 1.50% |
| Telecom Italia 5.88% 19/05/2023 | 1.48% |
| Mitchells & Butlers Finance, Series C1 6.47% 15/09/2030 | 1.44% |
| Legal & General Group, FRN 10.00% 23/07/2041 | 1.34% |
| Imperial Brands Finance 9.00% 17/02/2022 | 1.33% |
| Barclays Bank 10.00% 21/05/2021 | 1.24% |
| Aviva, FRN 6.87% 20/05/2058 | 1.21% |

Top Ten Holdings**15.10.15**

| | |
|---|-------|
| Aviva Investors – Emerging Markets Bond Fund, Class Zqh, Income shares, EUR | 8.13% |
| UK Treasury 4.75% 07/12/2038 | 1.81% |
| RSA Insurance Group, FRN 9.37% 20/05/2039 | 1.51% |
| Mitchells & Butlers Finance Series C1 6.47% 15/09/2032 | 1.43% |
| Legal & General Group, FRN 10.00% 23/07/2041 | 1.34% |
| Enel, FRN 8.75% 24/09/2073 | 1.33% |
| Imperial Tobacco Finance 9.00% 17/02/2022 | 1.29% |
| Barclays Bank 10.00% 21/05/2021 | 1.25% |
| AT&T 4.25% 01/06/2043 | 1.25% |
| First Hydro Finance 9.00% 31/07/2021 | 1.19% |

Portfolio Breakdown

| | 15.10.16 | 15.10.15 |
|--------------------------|-----------------|-----------------|
| United States of America | 35.66% | 34.35% |
| United Kingdom | 27.95% | 29.72% |
| Luxembourg | 11.70% | 10.43% |
| Netherlands | 6.41% | 3.56% |
| France | 4.90% | 6.72% |
| Italy | 3.18% | 2.02% |
| Jersey | 2.54% | 2.16% |
| Canada | 2.17% | 2.33% |
| Cayman Islands | 1.54% | 1.38% |
| Bermuda | 1.51% | 0.61% |
| Other Countries | 1.43% | 3.49% |
| Total Investments | 98.99% | 96.77% |
| Net Other Assets | 1.01% | 3.23% |
| Net Assets | 100.00% | 100.00% |

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 1 | 2014 | 1.7611 | 34.61 |
| | 2015 | 1.6734 | 32.88 |
| | 2016* | 1.7910 | 35.19 |
| Class 2 | 2014 | 3.1097 | 40.75 |
| | 2015 | 3.1154 | 40.83 |
| | 2016* | 3.1514 | 41.30 |
| Class 3 | 2014 | 4.4265 | 43.19 |
| | 2015 | 4.4369 | 43.29 |
| | 2016* | 4.4819 | 43.73 |

* Up to 27 November 2016 (the final distribution payment date).

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 3 | 2014* | 1.6316 | 11.36 |

* Up to 22 January 2014 (date share class closed).

Calendar Year Performance

| Total Return | Fund ⁴ % | IA £ Strategic Bond ⁵ % |
|---------------|------------------------|---|
| 2014 | | |
| Share Class 1 | 6.46 | 6.34 |
| Share Class 2 | 7.09 | 6.34 |
| Share Class 3 | 7.35 | 6.34 |
| 2015 | | |
| Share Class 1 | (1.06) | (0.24) |
| Share Class 2 | (0.47) | (0.24) |
| Share Class 3 | (0.22) | (0.24) |
| 2016* | | |
| Share Class 1 | 9.12 | 7.34 |
| Share Class 2 | 9.63 | 7.34 |
| Share Class 3 | 9.84 | 7.34 |

⁴ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees).

⁵ Source: Lipper, a Thomson Reuters Company (based on close of business values).

* Up to 15 October 2016.

The value of an investment in the Aviva Investors Managed High Income Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

AVIVA INVESTORS MONTHLY INCOME PLUS FUND

INVESTMENT OBJECTIVE

A high income payable monthly and to guard against capital erosion.

INVESTMENT POLICY

Diversified investment, principally in the UK, in fixed interest securities, convertibles, preference shares and high yielding equities.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, money market instruments, units in collective investment schemes, deposits and derivatives and forward transactions.

RISK PROFILE

The value of investments and the income from them will change over time. The Fund price may fall as well as rise and as a result you may not get back the original amount you invested. Bond values are affected by changes in interest rates, and the bond issuer's creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default. The value of investments will be affected by changes in exchange rates.

Full information on the risks applicable to the Fund is detailed in the Prospectus.

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2016, the Aviva Investors Monthly Income Plus Fund delivered a total return of 8.94 per cent (share class 1), net of fees. The Fund's peer group, the Investment Association's (IA) Sterling Corporate Bond sector, generated a net return of 8.80 per cent.

The Fund's outperformance was driven by the overweighting of UK corporate bonds, which performed better than their US and European peers. This offset the drag of the Fund's cautious positioning in what turned out to be a strong twelve months for bonds. The major surprise was the announcement by both the European Central Bank and the Bank of England that they were intervening in the markets to buy corporate bonds. This created huge technical support, which was at odds with the somewhat stretched nature of many companies' balance sheets. The rebound of commodity markets from their winter slump also detracted from performance given our general avoidance of the oils, metals and mining sectors. The portfolio did benefit, however, from the underweighting of house builders and financials.

During the period, the portfolio was broadly diversified across sectors and the market capitalisation spectrum. In sector terms, the Fund was overweight in telecoms, a sector we felt was ripe for consolidation, media and non-bank financials. We were underweight in banks, health care, oil & gas and consumer goods. At the market capitalisation level, we preferred medium and smaller companies over the blue-chips of the FTSE® 100 Index.

AVIVA INVESTORS MONTHLY INCOME PLUS FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

The most recent reporting season was characterised by deteriorating credit fundamentals as companies announced sluggish revenue growth, peaking profit margins and a further increase in borrowings. However, investors' caution on the weaker financial position of many companies has been overpowered by a wave of global liquidity and a scarcity of high-quality financial assets.

This situation can persist in the short term but, over a longer horizon, we are concerned that the risks of investing in corporate bonds will start to outweigh the potential rewards. 2017 is an election year in a number of European countries and confidence could be rattled if the results fuel uncertainty about the future of the EU. The year could also see the US and European central banks taking divergent paths in their monetary policy.

November 2016

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative table are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. Past performance is not a guide to the future. The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

COMPARATIVE TABLES

| Class 1 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 49.52 | 49.74 | 47.06 |
| Return before operating charges [†] | 4.93 | 1.75 | 4.74 |
| Operating charges | (0.58) | (0.57) | (0.55) |
| Return after operating charges [†] | 4.35 | 1.18 | 4.19 |
| Distributions on income shares | (1.32) | (1.40) | (1.51) |
| Closing net asset value per share | 52.55 | 49.52 | 49.74 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 8.78% | 2.37% | 8.90% |
| Other information | | | |
| Closing net asset value (£000) | 129,914 | 141,302 | 157,258 |
| Closing number of shares | 247,204,320 | 285,360,703 | 316,149,782 |
| Operating charges (%) [‡] | 1.13% | 1.13% | 1.13% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 55.34 | 52.80 | 50.21 |
| Lowest share price | 48.49 | 49.43 | 47.21 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 1 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|-----------------------------|-----------------------------|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 138.04 | 134.90 | 123.79 |
| Return before operating charges [†] | 13.93 | 4.71 | 12.57 |
| Operating charges | (1.63) | (1.57) | (1.46) |
| Return after operating charges [†] | 12.30 | 3.14 | 11.11 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 150.34 | 138.04 | 134.90 |
| Retained distributions on accumulation shares | 4.64 | 4.80 | 4.94 |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 8.91% | 2.33% | 8.97% |
| Other information | | | |
| Closing net asset value (£000) | 99,166 | 105,141 | 113,346 |
| Closing number of shares | 65,962,940 | 76,164,662 | 84,024,608 |
| Operating charges (%) [‡] | 1.13% | 1.13% | 1.13% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 157.46 | 144.16 | 135.76 |
| Lowest share price | 136.41 | 134.19 | 124.50 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Income¹ | 2016 p per share | 2015 p per share | 2014[§] p per share |
|---|-----------------------------|-----------------------------|---|
| Change in net assets per share | | | |
| Opening net asset value per share | – | – | 47.02 |
| Return before operating charges [†] | – | – | (46.38) |
| Operating charges | – | – | (0.16) |
| Return after operating charges [†] | – | – | (46.54) |
| Distributions on income shares | – | – | (0.48) |
| Closing net asset value per share | – | – | – |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | – | – | (98.98)% |
| Other information | | | |
| Closing net asset value (£000) | – | – | – |
| Closing number of shares | – | – | – |
| Operating charges (%) [‡] | – | – | 0.33% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | – | – | 48.32 |
| Lowest share price | – | – | 47.18 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

§ Class 3 Income closed on 22 January 2014.

| Class 3 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|-----------------------------|-----------------------------|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 150.33 | 145.96 | 133.09 |
| Return before operating charges [†] | 14.95 | 4.87 | 13.33 |
| Operating charges | (0.52) | (0.50) | (0.46) |
| Return after operating charges [†] | 14.43 | 4.37 | 12.87 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 164.76 | 150.33 | 145.96 |
| Retained distributions on accumulation shares | 6.33 | 6.42 | 6.44 |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 9.60% | 2.99% | 9.67% |
| Other information | | | |
| Closing net asset value (£000) | 12,505 | 12,278 | 12,276 |
| Closing number of shares | 7,589,582 | 8,167,578 | 8,410,549 |
| Operating charges (%) [‡] | 0.33% | 0.33% | 0.33% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 172.38 | 156.29 | 146.90 |
| Lowest share price | 148.88 | 145.24 | 133.85 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class R3 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 107.02 | 107.51 | 101.71 |
| Return before operating charges [†] | 10.56 | 3.67 | 10.13 |
| Operating charges | (0.70) | (0.69) | (0.66) |
| Return after operating charges [†] | 9.86 | 2.98 | 9.47 |
| Distributions on income shares | (3.29) | (3.47) | (3.67) |
| Closing net asset value per share | 113.59 | 107.02 | 107.51 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 9.21% | 2.77% | 9.31% |
| Other information | | | |
| Closing net asset value (£000) | 22,510 | 10,487 | 3,885 |
| Closing number of shares | 19,816,713 | 9,798,206 | 3,613,401 |
| Operating charges (%) [‡] | 0.63% | 0.63% | 0.63% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 119.68 | 114.14 | 108.52 |
| Lowest share price | 104.81 | 106.85 | 102.05 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class R3 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 119.12 | 115.94 | 105.96 |
| Return before operating charges [†] | 11.92 | 3.93 | 10.69 |
| Operating charges | (0.79) | (0.75) | (0.71) |
| Return after operating charges [†] | 11.13 | 3.18 | 9.98 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 130.25 | 119.12 | 115.94 |
| Retained distributions on accumulation shares | 4.64 | 4.74 | 4.80 |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 9.34% | 2.74% | 9.42% |
| Other information | | | |
| Closing net asset value (£000) | 31,498 | 15,923 | 7,615 |
| Closing number of shares | 24,183,877 | 13,367,309 | 6,567,888 |
| Operating charges (%) [‡] | 0.63% | 0.63% | 0.63% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 136.32 | 124.05 | 116.68 |
| Lowest share price | 117.87 | 115.35 | 106.57 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

FUND FACTS

| Accounting dates | Ex-dividend dates | Distribution dates |
|------------------|-----------------------------------|---|
| 15 October | Monthly, on the 16th of the month | Monthly, on the 27th of the following month |
| 15 April | | |

| Ongoing Charges Figure* | 15.10.16 | 15.10.15 |
|-------------------------|----------|----------|
| Share Class 1 | 1.13% | 1.13% |
| Share Class 3 | 0.33% | 0.33% |
| Share Class R3 | 0.63% | 0.63% |

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees).

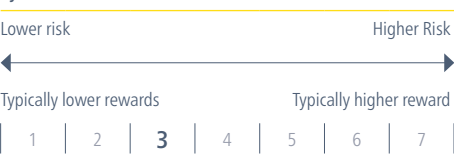
Total Return

| | Fund ² | IA £ Corporate Bond ³ |
|----------------|-------------------|--|
| Share Class 1 | 8.94% | 8.80% |
| Share Class 3 | 9.64% | 8.80% |
| Share Class R3 | 9.37% | 8.80% |

² Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) year ended 15 October 2016.

³ Source: Lipper, a Thomson Reuters Company (based on close of business values) year ended 15 October 2016.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Bond values are affected by changes in interest rates, and the bond issuer's creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default.
- The value of investments will be affected by changes in exchange rates.
- Full information on the risks applicable to the Fund is detailed in the Prospectus.

Top Ten Holdings

15.10.16

| | |
|---|-------|
| European Investment Bank 1.50% 01/02/2019 | 3.04% |
| European Investment Bank 5.00% 15/04/2039 | 2.48% |
| Imperial Brands Finance 9.00% 17/02/2022 | 2.41% |
| UK Treasury 4.50% 07/12/2042 | 2.35% |
| Heathrow Funding 7.13% 14/02/2024 | 1.90% |
| THPA Finance, Series B 8.24% 15/03/2028 | 1.88% |
| Western Power Distribution West Midlands 5.75% 16/04/2032 | 1.81% |
| European Investment Bank 3.88% 08/06/2037 | 1.81% |
| HSBC Bank, FRN 5.38% 04/11/2030 | 1.73% |
| AA Bond 6.27% 02/07/2043 | 1.71% |

Top Ten Holdings

15.10.15

| | |
|---|-------|
| UK Treasury 4.75% 07/12/2038 | 1.96% |
| UK Treasury 4.75% 07/03/2020 | 1.96% |
| UK Treasury 4.50% 07/12/2042 | 1.95% |
| THPA Finance Series B 8.24% 15/03/2028 | 1.89% |
| Aggregate Industries Holdings 7.25% 31/05/2016 | 1.81% |
| European Investment Bank 5.00% 15/04/2039 | 1.79% |
| AA Bond 6.27% 02/07/2043 | 1.70% |
| Western Power Distribution West Midlands 5.75% 16/04/2032 | 1.65% |
| Imperial Tobacco Finance 9.00% 17/02/2022 | 1.52% |
| GlaxoSmithKline Capital 4.25% 18/12/2045 | 1.50% |

Portfolio Breakdown

| | 15.10.16 | 15.10.15 |
|--------------------------|----------|----------|
| United Kingdom | 45.10% | 47.81% |
| United States of America | 11.45% | 10.29% |
| France | 8.86% | 9.75% |
| Supranational | 7.33% | 1.79% |
| Jersey | 7.24% | 5.94% |
| Netherlands | 5.13% | 9.50% |
| Cayman Islands | 3.27% | 3.24% |
| Mexico | 2.45% | 1.23% |
| Ireland | 2.14% | 1.86% |
| Italy | 1.99% | 1.96% |
| Other Countries | 3.05% | 5.05% |
| Total Investments | 98.01% | 98.42% |
| Net Other Assets | 1.99% | 1.58% |
| Net Assets | 100.00% | 100.00% |

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 1 | 2014 | 1.5125 | 31.86 |
| | 2015 | 1.3999 | 29.48 |
| | 2016* | 1.3164 | 27.73 |
| Class 3** | 2014 | 0.4793 | 10.10 |
| Class R3 | 2014 | 3.6745 | 27.46 |
| | 2015 | 3.4672 | 25.91 |
| | 2016* | 3.2885 | 24.57 |

* Up to 27 November 2016 (the final distribution payment date).

** Share class 3 Income was closed on 22 January 2014.

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 1 | 2014 | 4.0304 | 32.38 |
| | 2015 | 3.8433 | 30.87 |
| | 2016* | 3.7133 | 29.83 |
| Class 3 | 2014 | 5.2154 | 38.97 |
| | 2015 | 5.1396 | 38.40 |
| | 2016* | 5.0628 | 37.83 |
| Class R3 | 2014 | 3.8895 | 29.06 |
| | 2015 | 3.7915 | 28.33 |
| | 2016* | 3.7097 | 27.72 |

* Up to 27 November 2016 (the final distribution payment date).

Calendar Year Performance

| | Fund ⁴ % | IA £ Corporate Bond ⁵ % |
|---------------------|------------------------|---|
| Total Return | | |
| 2013 | | |
| Share Class 1 | 1.37 | 0.22 |
| Share Class 3 | 2.03 | 0.22 |
| Share Class R3 | 1.79 | 0.22 |
| 2014 | | |
| Share Class 1 | 10.76 | 9.95 |
| Share Class 3 | 11.47 | 9.95 |
| Share Class R3 | 11.21 | 9.95 |
| 2015 | | |
| Share Class 1 | 0.02 | (0.38) |
| Share Class 3 | 0.66 | (0.38) |
| Share Class R3 | 0.42 | (0.38) |
| 2016* | | |
| Share Class 1 | 9.08 | 9.03 |
| Share Class 3 | 9.64 | 9.03 |
| Share Class R3 | 9.42 | 9.03 |

⁴ Source: Aviva Investors (based on midday values).

⁵ Source: Lipper, a Thomson Reuters Company (based on close of business values).

** Up to 15 October 2016.

The value of an investment in the Aviva Investors Monthly Income Plus Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

AVIVA INVESTORS STRATEGIC BOND FUND

INVESTMENT OBJECTIVE

To provide a high total return from a diversified portfolio of global debt securities.

INVESTMENT POLICY

Diversified investment in global fixed interest securities, including non-investment grade.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, money market instruments, units in collective investment schemes, deposits and derivatives and forward transactions.

Note: At least 80 per cent of assets will either be in sterling or currency hedged back to sterling.

RISK PROFILE

The value of investments and the income from them will change over time. The Fund price may fall as well as rise and as a result you may not get back the original amount you invested. Bond values are affected by changes in interest rates, and the bond issuer's creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default. The value of investments will be affected by changes in exchange rates. Where a third party appointed to manage transactions or ensure the safe keeping of assets fails in their duty a loss may occur. Financial derivatives may only require a low initial deposit relative to the asset exposure, a relatively small price movement in the underlying asset may result in substantial losses to the Fund.

Full information on the risks applicable to the Fund is detailed in the Prospectus.

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2016, the Aviva Investors Strategic Bond Fund delivered a total return of 5.47 per cent (share class 1) net of fees. The Fund's peer group, the Investment Association's (IA) Sterling Strategic Bond sector, generated net return of 6.81 per cent.

The Fund's underperformance was caused predominantly by its cautious positioning given growing concerns about the prospects for growth around the world. The watchful stance had proved beneficial in the early part of the period as a number of factors, such as the release of disappointing data on the Chinese economy, raised fears of a global recession. However, as economic indicators started to stabilise and commodity prices rebounded from their slump, relative performance suffered, with the avoidance of resources-related companies being one of the main detractors. The benefit of effective strategy within the investment-grade holdings was offset by some mildly disappointing returns from the high-yield exposure. However, the Fund was boosted by its exposure to gilts, which performed well as the Bank of England loosened monetary further in response to the UK's shock vote to leave the EU.

The portfolio was positioned cautiously relative to its benchmark given the generally uncertain outlook for the global economy. With new technologies and uneven demand disrupting the commodity markets, we opted to take no exposure to commodity-related corporate bonds. Within the high-yield bond portion of the Fund, we preferred US dollar and sterling credits over those issued in euros. At the sector level, we were overweight in telecoms and underweight in basic industries. In terms of our government bond exposure, we were underweight in US treasuries.

AVIVA INVESTORS STRATEGIC BOND FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

The most recent reporting season was characterised by deteriorating credit fundamentals as companies announced sluggish revenue growth, peaking profit margins and a further increase in borrowings. However, investors' caution on the weaker financial position of many companies has been overpowered by a wave of global liquidity and a scarcity of high-quality financial assets. This situation can persist in the short term but, over a longer horizon, we are concerned that the risks of investing in corporate bonds will start to outweigh the potential rewards. 2017 is an election year in a number of European countries and confidence could be rattled if the results fuel uncertainty about the future of the EU.

The year could also see the US and European central banks taking divergent paths in their monetary policy. We continue to take a guarded stance on commodity-related issuers in the high-yield sector as we believe the low-price environment will persist, despite the recent recovery. That said, the recent uptick in inflation expectations, which has been partially driven by commodity prices, leads us to be cautious towards government bond markets.

November 2016

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative table are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. Past performance is not a guide to the future. The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

COMPARATIVE TABLES

| Class 1 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 70.80 | 71.19 | 68.77 |
| Return before operating charges [†] | 5.11 | 3.07 | 5.83 |
| Operating charges | (0.81) | (0.82) | (0.81) |
| Return after operating charges [†] | 4.30 | 2.25 | 5.02 |
| Distributions on income shares | (2.41) | (2.64) | (2.60) |
| Closing net asset value per share | 72.69 | 70.80 | 71.19 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 6.07% | 3.16% | 7.30% |
| Other information | | | |
| Closing net asset value (£000) | 3,215 | 4,030 | 5,160 |
| Closing number of shares | 4,423,269 | 5,692,906 | 7,248,322 |
| Operating charges (%) [‡] | 1.13% | 1.13% | 1.13% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 74.44 | 74.23 | 72.70 |
| Lowest share price | 68.53 | 70.99 | 69.14 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 2 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 106.60 | 107.19 | 103.54 |
| Return before operating charges [†] | 7.71 | 4.62 | 8.79 |
| Operating charges | (0.68) | (0.69) | (0.68) |
| Return after operating charges [†] | 7.03 | 3.93 | 8.11 |
| Distributions on income shares | (4.18) | (4.52) | (4.46) |
| Closing net asset value per share | 109.45 | 106.60 | 107.19 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 6.59% | 3.67% | 7.83% |
| Other information | | | |
| Closing net asset value (£000) | 299,552 | 218,582 | 126,663 |
| Closing number of shares | 273,690,970 | 205,046,770 | 118,167,935 |
| Operating charges (%) [‡] | 0.63% | 0.63% | 0.63% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 112.16 | 111.88 | 109.55 |
| Lowest share price | 103.21 | 106.97 | 104.10 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|-----------------------------|-----------------------------|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 194.91 | 189.15 | 176.34 |
| Return before operating charges [†] | 12.64 | 6.41 | 13.42 |
| Operating charges | (0.66) | (0.65) | (0.61) |
| Return after operating charges [†] | 11.98 | 5.76 | 12.81 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 206.89 | 194.91 | 189.15 |
| Retained distributions on accumulation shares | 8.33 | 8.68 | 8.26 |
| † after direct transaction costs of | – | – | – |
| Performance | | | |
| Return after operating charges | 6.15% | 3.05% | 7.26% |
| Other information | | | |
| Closing net asset value (£000) | 174,355 | 123,722 | 119,488 |
| Closing number of shares | 84,274,000 | 63,474,817 | 63,171,744 |
| Operating charges (%) [‡] | 0.33% | 0.33% | 0.33% |
| Direct transaction costs (%) [#] | – | – | – |
| Prices[≈] | | | |
| Highest share price | 210.42 | 199.25 | 191.40 |
| Lowest share price | 190.38 | 189.36 | 177.29 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

FUND FACTS

| Accounting dates | Ex-dividend dates | Distribution dates |
|------------------|-------------------|--------------------|
| 15 October | 16 October | 15 December |
| | 16 January | 15 March |
| 15 April | 16 April | 15 June |
| | 16 July | 15 September |

Ongoing Charges Figure*

| | 15.10.16 | 15.10.15 |
|---------------|----------|----------|
| Share Class 1 | 1.13% | 1.13% |
| Share Class 2 | 0.63% | 0.63% |
| Share Class 3 | 0.33% | 0.33% |

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees).

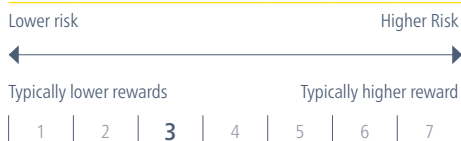
Total Return

| | Fund ¹ | IA £ Strategic Bond ² |
|---------------|-------------------|--|
| Share Class 1 | 5.47% | 6.81% |
| Share Class 2 | 5.90% | 6.81% |
| Share Class 3 | 6.14% | 6.81% |

¹ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) year ended 15 October 2016.

² Source: Lipper, a Thomson Reuters Company (based on close of business values) year ended 15 October 2016.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Bond values are affected by changes in interest rates, and the bond issuer's creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default.
- The value of investments will be affected by changes in exchange rates.
- Where a third party appointed to manage transactions or ensure the safe keeping of assets fails in their duty a loss may occur.
- Financial derivatives may only require a low initial deposit relative to the asset exposure, a relatively small price movement in the underlying asset may result in substantial losses to the Fund.
- Full information on the risks applicable to the Fund is detailed in the Prospectus.

Top Ten Holdings**15.10.16**

| | |
|---|-------|
| UK Treasury 1.00% 07/09/2017 | 4.73% |
| US Treasury Inflation Indexed 0.64% 15/01/2024 | 3.68% |
| US Treasury Inflation Indexed 0.39% 15/07/2023 | 3.65% |
| US Treasury 0.75% 31/08/2018 | 3.42% |
| UK Treasury 5.00% 07/03/2018 | 3.22% |
| UK Treasury 3.75% 07/09/2021 | 2.69% |
| Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP | 2.68% |
| Enel, FRN 8.75% 24/09/2073 | 1.99% |
| Virgin Media Secured Finance 5.50% 15/01/2025 | 1.92% |
| US Treasury Inflation Indexed 1.02% 15/02/2046 | 1.85% |

Top Ten Holdings**15.10.15**

| | |
|---|-------|
| Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP | 7.56% |
| UK Treasury 1.75% 22/01/2017 | 3.52% |
| UK Treasury 5.00% 07/03/2018 | 3.52% |
| UK Treasury 3.75% 07/09/2021 | 3.30% |
| UK Treasury 4.00% 07/09/2016 | 3.27% |
| UK Treasury 2.00% 22/01/2016 | 3.19% |
| Enel, FRN 8.75% 24/09/2073 | 1.95% |
| US Treasury Inflation Indexed 0.64% 15/01/2024 | 1.93% |
| US Treasury Inflation Indexed 0.39% 15/07/2023 | 1.90% |
| Virgin Media Secured Finance 5.50% 15/01/2025 | 1.89% |

Portfolio Breakdown

| | 15.10.16 | 15.10.15 |
|--------------------------|-----------------|-----------------|
| United Kingdom | 42.77% | 47.71% |
| United States of America | 20.48% | 9.25% |
| France | 8.02% | 10.16% |
| Netherlands | 6.05% | 6.52% |
| Italy | 4.52% | 3.19% |
| Germany | 3.59% | 1.69% |
| Jersey | 3.45% | 3.31% |
| Luxembourg | 2.13% | 2.13% |
| Ireland | 1.43% | 1.20% |
| Mexico | 1.33% | 1.05% |
| Other Countries | 3.71% | 13.11% |
| Total Investments | 97.48% | 99.32% |
| Net Other Assets | 2.52% | 0.68% |
| Net Assets | 100.00% | 100.00% |

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 1 | 2014 | 2.0832 | 29.91 |
| | 2015 | 2.1107 | 30.30 |
| | 2016* | 1.9304 | 27.72 |
| Class 2 | 2014 | 3.5710 | 51.27 |
| | 2015 | 3.6199 | 51.97 |
| | 2016* | 3.3404 | 47.96 |
| Class 3 | 2014** | 1.4440 | 20.73 |

* Up to 15 December 2016 (the final distribution payment date).

** Up to 22 January 2014 (date share class closed).

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 3 | 2014 | 6.6064 | 94.85 |
| | 2015 | 6.9417 | 99.67 |
| | 2016* | 6.6640 | 95.68 |

* Up to 15 December 2016 (the final distribution payment date).

Calendar Year Performance

| Total Return | Fund ³ % | IA £ Strategic Bond ⁴ % |
|---------------|------------------------|---|
| 2014 | | |
| Share Class 1 | 6.02 | 6.34 |
| Share Class 2 | 6.46 | 6.34 |
| Share Class 3 | 6.71 | 6.34 |
| 2015 | | |
| Share Class 1 | 1.02 | (0.24) |
| Share Class 2 | 1.41 | (0.24) |
| Share Class 3 | 1.65 | (0.24) |
| 2016* | | |
| Share Class 1 | 5.67 | 7.34 |
| Share Class 2 | 6.02 | 7.34 |
| Share Class 3 | 6.21 | 7.34 |

⁴ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees).

⁵ Source: Lipper, a Thomson Reuters Company (based on close of business values).

* Up to 15 October 2016.

The value of an investment in the Aviva Investors Strategic Bond Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

AVIVA INVESTORS EUROPEAN EQUITY FUND

INVESTMENT OBJECTIVE

Long term capital appreciation.

INVESTMENT POLICY

Diversified investment within and across European equity markets. Allocations to individual markets will vary over time. Individual equity selections will be based on price and long term total return prospects.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, money market instruments, units in collective investment schemes, deposits and derivatives and forward transactions.

RISK PROFILE

The value of investments and the income from them will change over time. The Fund price may fall as well as rise and as a result you may not get back the original amount you invested. The value of investments will be affected by changes in exchange rates.

Full information on the risks applicable to the Fund is detailed in the Prospectus.

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2016, the Aviva Investors European Equity Fund delivered a total return of 25.35 per cent (share class A), net of fees, compared to an average return of 21.53 per cent for its peer group the Investment Association Europe excluding UK sector. The Fund's benchmark, the FTSE® AW Europe ex UK Index, returned 22.40 per cent.

Stock selection in the technology sector was the key factor that contributed to the Fund's outperformance of the benchmark index over the year under review. Key holdings SAP, Temenos and ASML all reported strong earnings that the market reacted well to. Software providers Temenos and SAP both posted impressive licence growth over the past twelve months and S4 Hana has attracted both new customers and gained traction amongst SAP's existing customer base. Swiss group Temenos, which sells software to banks, continued to perform strongly as it won large contracts with Nordea, Standard Chartered Bank and Bank of Ireland. Dutch group ASML, a major provider to semiconductor makers, continued to advance its EUV technology product offering including several orders from key customers. The Fund's holding in German semiconductor manufacturer Infineon Technologies also performed well as investors continued to focus on the potential sales the company could generate from automotive electrification.

AVIVA INVESTORS EUROPEAN EQUITY FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

Holdings in the industrials sector also contributed to the performance of the Fund. Key contributors included Rexel and Coor Service Management. Facilities management firm Coor delivered very strong second quarter results, which easily exceeded market expectations for sales and profit growth. Electrical distributor Rexel showed steady progress in its quarterly results and the new CEO confirmed he would update the market on the company's longer-term ambitions in 2017. In the healthcare sector, the Fund's holding in German group Fresenius performed well. The company announced that it would expand its European hospital footprint with the acquisition of Quironsalud for an enterprise value of €5.7 billion, which received a favourable reaction from the market.

The Fund's limited exposure to consumer staples, and the food and beverages sectors in particular, was detrimental as investors favoured stocks with relatively predictable earnings, while a low weighting in energy stocks was also detrimental as the oil price rallied over the spring and summer months.

The Fund participated in the Initial Public Offering (IPO) of shares in Dutch bank ABN Amro, which performed well following flotation. We have limited exposure to banks owing to the sector's poor returns record, however we acquired a holding in ABN Amro for its focus on the strongly growing Dutch economy and the bank's favourable capital ratios.

The Fund sold its position in Novo Nordisk and Sanofi given increasing evidence of pricing pressure in the insulin market in the USA, which both companies are heavily exposed to. We also sold the Fund's position in biotechnology company Genmab given the share price had reached its fair value in our view.

We assess investment opportunities on each company's individual merits rather than on a market view. Nonetheless we are cautiously optimistic on the medium-term prospects for European equities. European equity markets have recovered their poise after the Brexit-related plunge in late June and early July. Fundamental support has come from positive, albeit sluggish earnings growth, as well as the accommodative monetary policy backdrop. More recently, cyclical stocks have led the gains suggesting confidence in the economic outlook may have increased. Economic growth in the Eurozone slowed during the second quarter, but is still running above the trend place. Inflation is rising slowly and fears of deflation have abated.

November 2016

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative table are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell securities. Past performance is not a guide to the future. The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

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COMPARATIVE TABLES

| Class 1 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 169.93 | 142.61 | 148.43 |
| Return before operating charges [†] | 46.49 | 29.00 | (4.29) |
| Operating charges | (1.88) | (1.68) | (1.53) |
| Return after operating charges [†] | 44.61 | 27.32 | (5.82) |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 214.54 | 169.93 | 142.61 |
| Retained distributions on accumulation shares | 1.81 | 1.23 | 0.76 |
| † after direct transaction costs of | (0.15) | (0.20) | (0.26) |
| Performance | | | |
| Return after operating charges | 26.25% | 19.16% | (3.92)% |
| Other information | | | |
| Closing net asset value (£000) | 116,462 | 109,092 | 101,198 |
| Closing number of shares | 54,284,226 | 64,198,426 | 70,960,046 |
| Operating charges (%) [†] | 1.00% | 1.00% | 1.00% |
| Direct transaction costs (%) [#] | 0.08% | 0.12% | 0.17% |
| Prices[≈] | | | |
| Highest share price | 217.16 | 183.04 | 160.57 |
| Lowest share price | 166.73 | 138.31 | 142.38 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 2 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 264.46 | 221.61 | 230.32 |
| Return before operating charges [†] | 72.41 | 45.09 | (6.66) |
| Operating charges | (2.50) | (2.24) | (2.05) |
| Return after operating charges [†] | 69.91 | 42.85 | (8.71) |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 334.37 | 264.46 | 221.61 |
| Retained distributions on accumulation shares | 3.45 | 2.39 | 1.62 |
| † after direct transaction costs of | (0.24) | (0.32) | (0.40) |
| Performance | | | |
| Return after operating charges | 26.43% | 19.34% | (3.78)% |
| Other information | | | |
| Closing net asset value (£000) | 29,675 | 7,370 | 2,851 |
| Closing number of shares | 8,874,729 | 2,786,918 | 1,286,685 |
| Operating charges (%) [‡] | 0.85% | 0.85% | 0.86% |
| Direct transaction costs (%) [#] | 0.08% | 0.12% | 0.17% |
| Prices[≈] | | | |
| Highest share price | 338.44 | 284.64 | 249.29 |
| Lowest share price | 259.60 | 214.92 | 221.25 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|-----------------------------|-----------------------------|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 277.18 | 234.37 | 245.37 |
| Return before operating charges [†] | 75.98 | 39.92 | (7.16) |
| Operating charges | (1.06) | (0.97) | (0.92) |
| Return after operating charges [†] | 74.92 | 38.95 | (8.08) |
| Distributions on income shares | (5.00) | 3.86 | (2.92) |
| Closing net asset value per share | 347.10 | 277.18 | 234.37 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.24) | (0.33) | (0.43) |
| Performance | | | |
| Return after operating charges | 27.03% | 16.62% | (3.29)% |
| Other information | | | |
| Closing net asset value (£000) | 17,279 | 16,138 | 14,697 |
| Closing number of shares | 4,978,001 | 5,822,213 | 6,270,711 |
| Operating charges (%) [‡] | 0.35% | 0.35% | 0.36% |
| Direct transaction costs (%) [#] | 0.08% | 0.12% | 0.17% |
| Prices[≈] | | | |
| Highest share price | 355.39 | 301.68 | 266.09 |
| Lowest share price | 272.56 | 227.24 | 236.37 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class A Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 167.40 | 141.40 | 148.14 |
| Return before operating charges [†] | 45.59 | 28.73 | (4.20) |
| Operating charges | (3.03) | (2.73) | (2.54) |
| Return after operating charges [†] | 42.56 | 26.00 | (6.74) |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 209.96 | 167.40 | 141.40 |
| Retained distributions on accumulation shares | 0.57 | 0.10 | – |
| † after direct transaction costs of | (0.15) | (0.20) | (0.26) |
| Performance | | | |
| Return after operating charges | 25.42% | 18.39% | (4.55)% |
| Other information | | | |
| Closing net asset value (£000) | 13,269 | 12,335 | 12,647 |
| Closing number of shares | 6,319,938 | 7,368,603 | 8,943,894 |
| Operating charges (%) [‡] | 1.65% | 1.65% | 1.66% |
| Direct transaction costs (%) [#] | 0.08% | 0.12% | 0.17% |
| Prices[≈] | | | |
| Highest share price | 212.53 | 180.91 | 159.84 |
| Lowest share price | 163.89 | 137.14 | 141.18 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

FUND FACTS

| Accounting dates | Ex-dividend dates | Distribution dates |
|------------------|-------------------|--------------------|
| 15 October | 16 October | 15 December |
| 15 April | 16 April | 15 June |

| Ongoing Charges Figure* | 15.10.16 | 15.10.15 |
|-------------------------|----------|----------|
| Share Class 1 | 1.00% | 1.00% |
| Share Class 2 | 0.85% | 0.85% |
| Share Class 3 | 0.35% | 0.35% |
| Share Class A | 1.65% | 1.65% |

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees). The OCF for share class 1 is capped at 1.00%. This excludes, amongst other things, the charges of any other funds in which this Fund invests and which are included in the OCF. Please see the Prospectus for full details.

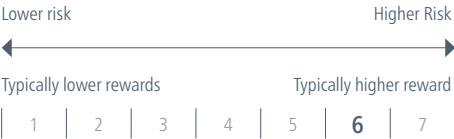
Total Return

| | Fund ¹ | FTSE® All World Europe (ex UK) Index ² |
|---------------------|-------------------|---|
| Share Class 1 (Acc) | 26.18% | 22.40% |
| Share Class 2 (Acc) | 26.36% | 22.40% |
| Share Class 3 | 26.99% | 22.40% |
| Share Class A (Acc) | 25.35% | 22.40% |

¹ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) year ended 15 October 2016.

² Source: Lipper, a Thomson Reuters Company (based on close of business values) year ended 15 October 2016.

Synthetic Risk and Reward Indicator



- The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.
- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
 - The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
 - The value of investments will be affected by changes in exchange rates.
 - Full information on the risks applicable to the Fund is detailed in the Prospectus.

Top Ten Holdings**15.10.16**

| | |
|-----------------------|-------|
| Roche Holding | 4.58% |
| SAP | 4.37% |
| Temenos Group | 3.91% |
| Unilever, CVA | 3.56% |
| ASML Holding | 2.76% |
| Infineon Technologies | 2.68% |
| Bayer | 2.67% |
| Schneider Electric | 2.65% |
| Syngenta | 2.50% |
| Amadeus IT Group | 2.49% |

Top Ten Holdings**15.10.15**

| | |
|--------------------------|-------|
| Roche Holding | 5.65% |
| SAP | 5.39% |
| Unilever CVA | 3.49% |
| Bayer | 3.02% |
| Temenos Group | 2.92% |
| Novo Nordisk 'B' | 2.70% |
| Sanofi | 2.50% |
| Deutsche Boerse | 2.42% |
| Cie Financiere Richemont | 2.23% |
| Anima Holding | 2.15% |

Portfolio Breakdown

| | 15.10.16 | 15.10.15 |
|-------------------|-----------------|-----------------|
| France | 25.66% | 20.89% |
| Germany | 19.13% | 18.95% |
| Switzerland | 13.99% | 14.25% |
| Netherlands | 11.43% | 8.43% |
| Ireland | 6.29% | 6.72% |
| Italy | 4.73% | 3.96% |
| Spain | 4.68% | 3.83% |
| Denmark | 3.02% | 7.96% |
| Belgium | 2.77% | 5.08% |
| Finland | 2.37% | 1.69% |
| Other Countries | 4.57% | 5.79% |
| Total Investments | 98.64% | 97.55% |
| Net Other Assets | 1.36% | 2.45% |
| Net Assets | 100.00% | 100.00% |

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 3 | 2014 | 2.9249 | 11.78 |
| | 2015 | 3.8644 | 15.56 |
| | 2016* | 5.0032 | 20.14 |

* Up to 15 December 2016 (the final distribution payment date).

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|---------------|----------------|---------------------------|-------------------------|
| Class 1 (Acc) | 2014 | 0.7553 | 5.08 |
| | 2015 | 1.2322 | 8.30 |
| | 2016* | 1.8121 | 12.20 |
| Class 2 (Acc) | 2014 | 1.6227 | 7.04 |
| | 2015 | 2.3923 | 10.38 |
| | 2016* | 3.4515 | 14.98 |
| Class A (Acc) | 2014 | 0.0000 | 0.00 |
| | 2015 | 0.1001 | 0.68 |
| | 2016* | 0.5714 | 3.85 |

* Up to 15 December 2016 (the final distribution payment date).

Calendar Year Performance

| | Fund ³ % | FTSE® All World Europe (ex UK) Index ⁴ % |
|---------------------|------------------------|--|
| Total Return | | |
| 2013 | | |
| Share Class 1 | 25.73 | 26.32 |
| Share Class 2 | 25.92 | 26.32 |
| Share Class 3 | 26.55 | 26.32 |
| Share Class A | 24.91 | 26.32 |
| 2014 | | |
| Share Class 1 | 1.71 | 7.13 |
| Share Class 2 | 1.85 | 7.13 |
| Share Class 3 | 2.37 | 7.13 |
| Share Class A | 1.04 | 7.13 |
| 2015 | | |
| Share Class 1 | 18.97 | (0.29) |
| Share Class 2 | 19.16 | (0.29) |
| Share Class 3 | 19.75 | (0.29) |
| Share Class A | 18.20 | (0.29) |
| 2016* | | |
| Share Class 1 | 15.27 | (0.62) |
| Share Class 2 | 15.40 | (0.62) |
| Share Class 3 | 15.85 | (0.62) |
| Share Class A | 14.67 | (0.62) |

⁴ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees).

⁵ Source: Lipper, a Thomson Reuters Company (based on close of business values).

* Up to 15 October 2016.

The value of an investment in the Aviva Investors European Equity Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND

INVESTMENT OBJECTIVE

To track the total return (after charges) of the FTSE® World (ex UK) Index.

INVESTMENT POLICY

To invest in international equities employing a combination of sampling and full replication strategies across the equity markets which comprise the FTSE® World (ex UK) Index.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, money market instruments, units in collective investment schemes, deposits and derivatives and forward transactions.

RISK PROFILE

The value of investments and the income from them will change over time. The Fund price may fall as well as rise and as a result you may not get back the original amount you invested. The value of investments will be affected by changes in exchange rates.

Full information on the risks applicable to the Fund is detailed in the Prospectus.

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2016, the Aviva Investors International Index Tracking Fund (share class 1) delivered a total return of 32.09 per cent net of fees. The Fund's benchmark, the FTSE® World ex UK index, returned 33.39 per cent. The sector average return generated by the Fund's peer group, the Investment Association's Global (equity) sector was 27.52 per cent.

The effect of Fund charges will be to lower returns so the Fund will not be able to track the index return. Additional divergences will be caused by timing differences between changes in the stocks in the index and changes in the holdings in the Fund and by timing differences between re-investment of income in the index and the re-investment of distributions in the Fund.

International equity markets gained ground over the year under review as investors became convinced interest rates would remain lower for longer. Several central banks, notably the Bank of Japan (BOJ) and the European Central Bank (ECB), adopted the unorthodox policy of negative interest rates as inflation remained very subdued. For UK-based investors, the weakness of sterling substantially enhanced returns from international markets as the pound plunged to a 31-year low against the US dollar in the aftermath of the UK referendum result. European markets were among the weakest as the ECB's decision to ease monetary policy further left investors underwhelmed, while the UK referendum vote in favour of Brexit provided a severe jolt to investor sentiment. Although markets recovered during the third quarter, concerns over the fragility of the European banking system resurfaced with Deutsche Bank in the spotlight. Japan was the weakest major market.

AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

Although Japanese stocks rallied after the BOJ unexpectedly announced the adoption of negative interest rates in January, equities subsequently fell back on concerns that a resurgent yen would erode corporate profits and business confidence, while domestic economic indicators continued to highlight sluggish growth. US stocks outperformed other major markets over the period. After months of frenzied speculation, the Federal Reserve (Fed) finally raised interest rates in December, its first rate hike in almost a decade, although equities took this news in their stride. While the strengthening dollar remains a significant impediment for revenue growth, corporate earnings announcements have been broadly encouraging with results from a number of leading IT stocks exceeding forecasts. Asian and emerging equity markets rallied strongly towards the end of the year under review as concern over the health of the Chinese economy abated, while the Fed refrained from further interest rate hikes. Latin American markets performed relatively well, as commodity prices recovered over the spring and summer months.

Despite an initial sharp fall after the UK referendum result in favour of withdrawal from the European Union, international equity markets have regained their poise, with most indices back to their pre-Brexit levels. Cyclical stocks have been the main drivers of the rebound, with defensive sectors that had led the way during the first half of the year giving back some of their gains. We expect markets to remain volatile after the recent US presidential elections in November though history has shown US equities are fairly resilient to election outcomes. Having acknowledged that, we do expect certain sectors will be more sensitive to the outcome than others. Infrastructure stocks are gaining attention, as the clamour across the globe for fiscal stimulus measures increases.

November 2016

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative table are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

Any opinions expressed are those of the fund manager. They should not be viewed as a guarantee of a return from an investment in the funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell securities. Past performance is not a guide to the future. The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

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COMPARATIVE TABLES

| Class 1 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 110.29 | 103.72 | 99.72 |
| Return before operating charges [†] | 36.26 | 7.67 | 4.99 |
| Operating charges | (0.86) | (1.10) | (0.99) |
| Return after operating charges [†] | 35.40 | 6.57 | 4.00 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 145.69 | 110.29 | 103.72 |
| Retained distributions on accumulation shares | 1.81 | 1.23 | 1.15 |
| † after direct transaction costs of | (0.02) | – | (0.01) |
| Performance | | | |
| Return after operating charges | 32.10% | 6.33% | 4.01% |
| Other information | | | |
| Closing net asset value (£000) | 64,060 | 79,707 | 91,751 |
| Closing number of shares | 43,969,907 | 72,272,560 | 88,457,862 |
| Operating charges (%) [‡] | 0.70% | 0.96% | 0.96% |
| Direct transaction costs (%) [#] | 0.02% | – | – |
| Prices[≈] | | | |
| Highest share price | 147.19 | 124.70 | 111.25 |
| Lowest share price | 104.07 | 101.76 | 96.36 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 2 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 116.91 | 109.19 | 104.24 |
| Return before operating charges [†] | 38.71 | 8.04 | 5.23 |
| Operating charges | (0.42) | (0.32) | (0.28) |
| Return after operating charges [†] | 38.29 | 7.72 | 4.95 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 155.20 | 116.91 | 109.19 |
| Retained distributions on accumulation shares | 2.56 | 2.14 | 1.97 |
| † after direct transaction costs of | (0.03) | – | (0.01) |
| Performance | | | |
| Return after operating charges | 32.75% | 7.07% | 4.75% |
| Other information | | | |
| Closing net asset value (£000) | 234,891 | 42,716 | 36,240 |
| Closing number of shares | 151,344,422 | 36,538,278 | 33,189,797 |
| Operating charges (%) [‡] | 0.31% | 0.26% | 0.26% |
| Direct transaction costs (%) [#] | 0.02% | – | – |
| Prices[≈] | | | |
| Highest share price | 156.79 | 131.72 | 117.03 |
| Lowest share price | 110.57 | 107.12 | 100.95 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|-----------------------------|-----------------------------|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 226.40 | 211.45 | 201.87 |
| Return before operating charges [†] | 74.93 | 15.56 | 10.13 |
| Operating charges | (0.77) | (0.61) | (0.55) |
| Return after operating charges [†] | 74.16 | 14.95 | 9.58 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 300.56 | 226.40 | 211.45 |
| Retained distributions on accumulation shares | 4.95 | 4.15 | 3.82 |
| † after direct transaction costs of | (0.05) | – | (0.01) |
| Performance | | | |
| Return after operating charges | 32.76% | 7.07% | 4.75% |
| Other information | | | |
| Closing net asset value (£000) | 348,416 | 274,962 | 265,108 |
| Closing number of shares | 115,923,531 | 121,448,624 | 125,373,077 |
| Operating charges (%) [†] | 0.31% | 0.26% | 0.26% |
| Direct transaction costs (%) [#] | 0.02% | – | – |
| Prices[≈] | | | |
| Highest share price | 303.63 | 255.09 | 226.63 |
| Lowest share price | 214.12 | 207.44 | 195.49 |

† The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

FUND FACTS

| Accounting dates | Ex-dividend dates | Distribution dates |
|------------------|-------------------|--------------------|
| 15 October | 16 October | 15 December |
| 15 April | 16 April | 15 June |

Ongoing Charges Figure*

| | 15.10.16 | 15.10.15 |
|-----------------|----------|----------|
| Share Class 1** | 0.70% | 0.96% |
| Share Class 2 | 0.31% | 0.26% |
| Share Class 3 | 0.31% | 0.26% |

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees). The OCF for share class 1 is capped at 0.70%. This excludes, amongst other things, the charges of any other funds in which this Fund invests and which are included in the OCF. Please see the Prospectus for full details.

** Please note that with effect from 8 February 2016, the Annual Management Charge on share class 1 was reduced from 0.90% to 0.60%.

Total Return

| | Fund ¹ | FTSE® World (ex UK) Index ² |
|---------------|-------------------|--|
| Share Class 1 | 32.09% | 33.39% |
| Share Class 2 | 32.75% | 33.39% |
| Share Class 3 | 32.74% | 33.39% |

¹ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) year ended 15 October 2016.

² Source: Lipper, a Thomson Reuters Company (based on close of business values) year ended 15 October 2016.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- The value of investments will be affected by changes in exchange rates.
- Full information on the risks applicable to the Fund is detailed in the Prospectus.

Top Ten Holdings
15.10.16

| | |
|-------------------|-------|
| Apple | 1.89% |
| Microsoft | 1.29% |
| Exxon Mobil | 1.08% |
| Johnson & Johnson | 0.97% |
| Amazon.com | 0.95% |
| Facebook 'A' | 0.84% |
| General Electric | 0.77% |
| JPMorgan Chase | 0.73% |
| AT&T | 0.73% |
| Alphabet 'A' | 0.71% |

Top Ten Holdings
15.10.15

| | |
|-------------------|-------|
| Apple | 1.94% |
| Exxon Mobil | 1.04% |
| Microsoft | 1.03% |
| General Electric | 0.85% |
| Wells Fargo | 0.82% |
| Johnson & Johnson | 0.80% |
| Nestle | 0.76% |
| JPMorgan Chase | 0.68% |
| Amazon.com | 0.63% |
| AT&T | 0.63% |

Portfolio Breakdown

| | 15.10.16 | 15.10.15 |
|--------------------------|-----------------|-----------------|
| United States of America | 54.33% | 54.09% |
| Japan | 9.43% | 9.53% |
| Switzerland | 3.56% | 3.84% |
| France | 3.36% | 3.65% |
| Germany | 3.32% | 3.38% |
| Canada | 3.17% | 3.15% |
| Australia | 2.78% | 2.62% |
| South Korea | 1.77% | 1.78% |
| Netherlands | 1.58% | 1.60% |
| Taiwan | 1.49% | 1.39% |
| Other Countries | 13.40% | 13.83% |
| Total Investments | 98.19% | 98.86% |
| Net Other Assets | 1.81% | 1.14% |
| Net Assets | 100.00% | 100.00% |

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 1 | 2014 | 1.1544 | 11.34 |
| | 2015 | 1.2271 | 12.06 |
| | 2016* | 1.8082 | 17.77 |
| Class 2 | 2014 | 1.9711 | 18.52 |
| | 2015 | 2.1440 | 20.14 |
| | 2016* | 2.5560 | 24.01 |
| Class 3 | 2014 | 3.8184 | 18.52 |
| | 2015 | 4.1520 | 20.14 |
| | 2016* | 4.9471 | 24.00 |

* Up to 15 December 2016 (the final distribution payment date).

Calendar Year Performance

| | Fund ³ % | FTSE® World (ex UK) Index ⁴ % |
|---------------------|------------------------|--|
| Total Return | | |
| 2013 | | |
| Share Class 1 | 21.18 | 22.69 |
| Share Class 2 | 22.03 | 22.69 |
| Share Class 3 | 22.02 | 22.69 |
| 2014 | | |
| Share Class 1 | 11.60 | 12.26 |
| Share Class 2 | 12.36 | 12.26 |
| Share Class 3 | 12.37 | 12.26 |
| 2015 | | |
| Share Class 1 | 2.82 | 4.77 |
| Share Class 2 | 3.55 | 4.77 |
| Share Class 3 | 3.55 | 4.77 |
| 2016* | | |
| Share Class 1 | 25.55 | 27.75 |
| Share Class 2 | 25.98 | 27.75 |
| Share Class 3 | 25.98 | 27.75 |

³ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees).

⁴ Source: Lipper, a Thomson Reuters Company (based on close of business values).

* Up to 15 October 2016.

The value of an investment in the Aviva Investors International Index Tracking Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

AVIVA INVESTORS GLOBAL EQUITY INCOME FUND

INVESTMENT OBJECTIVE

To provide an annualised income yield at least one and a quarter times that of the annual income yield obtainable on the MSCI World Index (GBP)[†], with the potential for capital growth. Income on the Fund will be paid quarterly. The income aim is a 12 month rolling target and is before the deduction of charges and after the deduction of tax for a UK basic rate income taxpayer. For the purposes of measuring the income aim the annual income yield of the Index will also be calculated on a 12 month rolling basis.

INVESTMENT POLICY

The Fund aims to achieve the investment objective by investing principally in global equities judged to offer above average dividend yields with prospects of dividend growth and the potential for long term capital growth. The Fund may also invest in other transferable securities, collective investment schemes, money market instruments, deposits, cash, near cash, derivatives and forward transactions.

RISK PROFILE

The value of investments and the income from them will change over time. The Fund price may fall as well as rise and as a result you may not get back the original amount you invested. The value of investments will be affected by changes in exchange rates. The level of targeted income is not guaranteed and may not be achieved.

Full information on the risks applicable to the Fund is detailed in the Prospectus.

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2016, the Aviva Investors Global Equity Income Fund (share class 1) returned 24.74 per cent net of fees, in comparison with a sector average return of 26.99 per cent for the Investment Association Global Equity Income sector. The MSCI World Index[†], the Fund's benchmark, returned 31.57 per cent.

Stock selection in the consumer sectors detracted from performance relative to the benchmark MSCI World index over the year under review. US-based specialty apparel retailer L Brands lost ground as first quarter revenues fell short of expectations, leading the company to lower full-year earnings guidance. Although auto manufacturer Ford reported first quarter earnings well ahead of forecasts, subsequently management cautioned that trading would slow significantly over the second half of the year as higher raw material costs and the strength of the dollar weaken earnings momentum. The Fund's holding in German media company ProSiebenSat detracted as the shares fell back on profit taking after the company had announced a jump in second quarter revenues, driven by stronger trading conditions in its German speaking markets.

Amongst financials, the Fund's holding in Legal & General detracted after management projected slower dividend growth. Legal & General is shifting away from individual annuity business, which is more capital intensive as it carries stricter solvency requirements, to bulk annuities, where the insurer takes on the liabilities of a final salary pension scheme.

AVIVA INVESTORS GLOBAL EQUITY INCOME FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

In contrast, Japanese construction group Daito Trust, which operates in the real estate market, was a key contributor as the sector is viewed as a prime beneficiary of the Bank of Japan's negative interest rate policy, aimed at reviving domestic economic growth. The Fund's holding in Finnish engineering group Kone, acquired in the early part of the year under review, performed well. Kone's primary focus is the elevator and escalator industries, and the company is a major beneficiary of urbanisation, through the construction of apartment blocks generating higher demand for elevators. Amongst technology stocks, chip maker Texas Instruments performed well on the back of strong revenue growth in the automotive and industrial markets, focusing on analog chips and embedded processors which have a higher profit margin.

In terms of portfolio activity, we initiated a new position in Dutch retailer Ahold. The recent merger with Belgian retailer Delhaize gives them a strong presence in Europe, whilst their US business (where they own the Food Lion and Giant chains) is also well-positioned, with a focus on quality and fresh produce. We see significant potential for cash generation which should lead to attractive returns for shareholders. The Fund sold its holding in German chemicals maker BASF, which has suffered as a result of weaker demand from farmers for their agricultural products as well as lower oil prices which has impacted their commodities business.

Despite an initial sharp fall after the UK referendum result in favour of withdrawal from the European Union, global equity markets have regained their poise, with most indices back to their pre-Brexit levels. Cyclical stocks have been the main drivers of the rebound, with defensive sectors that had led the way during the first half of the year giving back some of their gains. From a corporate perspective, earnings growth remains sluggish, though we do expect earnings to rebound this quarter. We expect markets to remain volatile after the recent US presidential elections in November though history has shown US equities are fairly resilient to election outcomes. Having acknowledged that, we do expect certain sectors will be more sensitive to the outcome than others. Infrastructure stocks are gaining attention, as the clamour across the globe for fiscal stimulus measures increases.

November 2016

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

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As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative table are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell stocks. Past performance is not a guide to the future. The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

COMPARATIVE TABLES

| Class 1 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 108.06 | 101.10 | 100.81 |
| Return before operating charges [†] | 28.34 | 11.72 | 4.94 |
| Operating charges | (1.95) | (1.86) | (1.68) |
| Return after operating charges [†] | 26.39 | 9.86 | 3.26 |
| Distributions on income shares | (3.99) | (2.90) | (2.97) |
| Closing net asset value per share | 130.46 | 108.06 | 101.10 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.15) | (0.15) | (0.06) |
| Performance | | | |
| Return after operating charges | 24.42% | 9.75% | 3.23% |
| Other information | | | |
| Closing net asset value (£000) | 286 | 154 | 71 |
| Closing number of shares | 218,917 | 142,307 | 70,447 |
| Operating charges (%) [‡] | 1.67% | 1.66% | 1.65% |
| Direct transaction costs (%) [#] | 0.13% | 0.13% | 0.06% |
| Prices[≈] | | | |
| Highest share price | 132.40 | 123.57 | 108.00 |
| Lowest share price | 103.81 | 99.29 | 96.16 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 1 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 105.66 | 96.36 | 93.29 |
| Return before operating charges [†] | 28.06 | 11.09 | 4.64 |
| Operating charges | (1.92) | (1.79) | (1.57) |
| Return after operating charges [†] | 26.14 | 9.30 | 3.07 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 131.80 | 105.66 | 96.36 |
| Retained distributions on accumulation shares | 3.94 | 2.79 | 2.78 |
| † after direct transaction costs of | (0.15) | (0.14) | (0.06) |
| Performance | | | |
| Return after operating charges | 24.74% | 9.65% | 3.29% |
| Other information | | | |
| Closing net asset value (£000) | 26,025 | 22,494 | 22,281 |
| Closing number of shares | 19,744,883 | 21,290,636 | 23,123,586 |
| Operating charges (%) [‡] | 1.67% | 1.66% | 1.65% |
| Direct transaction costs (%) [#] | 0.13% | 0.13% | 0.06% |
| Prices[≈] | | | |
| Highest share price | 133.06 | 118.34 | 102.19 |
| Lowest share price | 102.03 | 94.65 | 89.55 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 2 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 110.15 | 102.27 | 101.20 |
| Return before operating charges [†] | 29.00 | 11.87 | 4.96 |
| Operating charges | (1.10) | (1.04) | (0.93) |
| Return after operating charges [†] | 27.90 | 10.83 | 4.03 |
| Distributions on income shares | (4.08) | (2.95) | (2.96) |
| Closing net asset value per share | 133.97 | 110.15 | 102.27 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.16) | (0.15) | (0.06) |
| Performance | | | |
| Return after operating charges | 25.33% | 10.59% | 3.98% |
| Other information | | | |
| Closing net asset value (£000) | 731 | 330 | 30 |
| Closing number of shares | 545,962 | 299,965 | 29,208 |
| Operating charges (%) [‡] | 0.92% | 0.91% | 0.90% |
| Direct transaction costs (%) [#] | 0.13% | 0.13% | 0.06% |
| Prices[≈] | | | |
| Highest share price | 135.96 | 125.47 | 109.17 |
| Lowest share price | 106.07 | 100.45 | 96.76 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 2 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|---------------------|---------------------|---------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 115.73 | 104.75 | 100.65 |
| Return before operating charges [†] | 30.90 | 12.05 | 5.03 |
| Operating charges | (1.17) | (1.07) | (0.93) |
| Return after operating charges [†] | 29.73 | 10.98 | 4.10 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 145.46 | 115.73 | 104.75 |
| Retained distributions on accumulation shares | 4.34 | 3.05 | 3.02 |
| † after direct transaction costs of | (0.17) | (0.15) | (0.06) |
| Performance | | | |
| Return after operating charges | 25.69% | 10.48% | 4.07% |
| Other information | | | |
| Closing net asset value (£000) | 3,509 | 1,856 | 534 |
| Closing number of shares | 2,412,454 | 1,603,500 | 509,383 |
| Operating charges (%) [‡] | 0.92% | 0.91% | 0.90% |
| Direct transaction costs (%) [#] | 0.13% | 0.13% | 0.06% |
| Prices[≈] | | | |
| Highest share price | 146.84 | 129.13 | 111.01 |
| Lowest share price | 112.04 | 102.90 | 96.84 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Income | 2016 p per share | 2015 p per share | 2014 p per share |
|---|-----------------------------|-----------------------------|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 103.28 | 95.56 | 94.48 |
| Return before operating charges [†] | 27.25 | 11.08 | 4.65 |
| Operating charges | (0.53) | (0.49) | (0.43) |
| Return after operating charges [†] | 26.72 | 10.59 | 4.22 |
| Distributions on income shares | (3.94) | (2.87) | (3.14) |
| Closing net asset value per share | 126.06 | 103.28 | 95.56 |
| Retained distributions on accumulation shares | – | – | – |
| † after direct transaction costs of | (0.15) | (0.14) | (0.06) |
| Performance | | | |
| Return after operating charges | 25.87% | 11.08% | 4.47% |
| Other information | | | |
| Closing net asset value (£000) | 301 | 165 | 189 |
| Closing number of shares | 238,643 | 159,451 | 197,171 |
| Operating charges (%) [‡] | 0.47% | 0.46% | 0.45% |
| Direct transaction costs (%) [#] | 0.13% | 0.13% | 0.06% |
| Prices[≈] | | | |
| Highest share price | 127.96 | 117.46 | 101.99 |
| Lowest share price | 99.58 | 93.86 | 90.52 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

| Class 3 Accumulation | 2016 p per share | 2015 p per share | 2014 p per share |
|---|-----------------------------|-----------------------------|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 111.88 | 100.76 | 96.39 |
| Return before operating charges [†] | 30.02 | 11.63 | 4.82 |
| Operating charges | (0.54) | (0.51) | (0.45) |
| Return after operating charges [†] | 29.48 | 11.12 | 4.37 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 141.36 | 111.88 | 100.76 |
| Retained distributions on accumulation shares | 4.37 | 3.10 | 2.99 |
| † after direct transaction costs of | (0.16) | (0.14) | (0.06) |
| Performance | | | |
| Return after operating charges | 26.35% | 11.04% | 4.53% |
| Other information | | | |
| Closing net asset value (£000) | 2 | 2 | 40,483 |
| Closing number of shares | 1,682 | 1,682 | 40,178,068 |
| Operating charges (%) [‡] | 0.47% | 0.46% | 0.45% |
| Direct transaction costs (%) [#] | 0.13% | 0.13% | 0.06% |
| Prices[≈] | | | |
| Highest share price | 142.69 | 124.49 | 106.73 |
| Lowest share price | 108.50 | 98.98 | 92.86 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

FUND FACTS

| Accounting dates | Ex-dividend dates | Distribution dates |
|------------------|-------------------|--------------------|
| 15 October | 16 October | 15 December |
| | 16 January | 15 March |
| 15 April | 16 April | 15 June |
| | 16 July | 15 September |

Ongoing Charges Figure*

| | 15.10.16 | 15.10.15 |
|---------------|----------|----------|
| Share Class 1 | 1.67% | 1.66% |
| Share Class 2 | 0.92% | 0.91% |
| Share Class 3 | 0.47% | 0.46% |

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees).

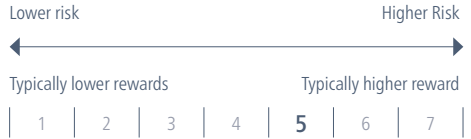
Total Return

| | Fund ¹ | MSCI World Index ² |
|---------------|-------------------|-------------------------------|
| Share Class 1 | 24.74% | 31.57% |
| Share Class 2 | 25.68% | 31.57% |
| Share Class 3 | 26.24% | 31.57% |

¹ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) year ended 15 October 2016.

² Source: Lipper, a Thomson Reuters Company (based on close of business values) year ended 15 October 2016.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- The value of investments will be affected by changes in exchange rates.
- Full information on the risks applicable to the Fund is detailed in the Prospectus.

Top Ten Holdings**15.10.16**

| | |
|----------------------------|-------|
| Home Depot | 3.41% |
| Koninklijke Ahold Delhaize | 3.31% |
| Altria Group | 3.31% |
| Pfizer | 3.28% |
| AT&T | 3.21% |
| Microsoft | 3.05% |
| Amgen | 2.97% |
| McDonald's | 2.96% |
| JPMorgan Chase | 2.96% |
| Honeywell International | 2.93% |

Top Ten Holdings**15.10.15**

| | |
|---------------------------|-------|
| Apple | 4.15% |
| Altria Group | 3.21% |
| Roche Holding | 3.02% |
| Honeywell International | 3.00% |
| Home Depot | 2.99% |
| LyondellBasell Industries | 2.88% |
| Danske Bank | 2.84% |
| Unilever | 2.82% |
| Boeing | 2.79% |
| Pfizer | 2.76% |

Portfolio Breakdown

| | 15.10.16 | 15.10.15 |
|--------------------------|-----------------|-----------------|
| United States of America | 47.47% | 48.34% |
| United Kingdom | 11.69% | 9.94% |
| France | 8.99% | 2.35% |
| Netherlands | 8.72% | 4.62% |
| Germany | 7.34% | 9.13% |
| Denmark | 2.79% | 2.84% |
| Switzerland | 2.73% | 3.02% |
| Curacao | 2.70% | 2.19% |
| Finland | 2.22% | 1.55% |
| Canada | 1.75% | 1.60% |
| Other Countries | — | 10.23% |
| Total Investments | 96.40% | 95.81% |
| Net Other Assets | 3.60% | 4.19% |
| Net Assets | 100.00% | 100.00% |

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 1 | 2014 | 2.9749 | 29.30 |
| | 2015 | 2.9048 | 28.61 |
| | 2016* | 3.9852 | 39.25 |
| Class 2 | 2014 | 2.9614 | 29.06 |
| | 2015 | 2.9514 | 28.96 |
| | 2016* | 4.0781 | 40.01 |
| Class 3 | 2014 | 3.1384 | 33.00 |
| | 2015 | 2.8666 | 30.15 |
| | 2016* | 3.9414 | 41.45 |

* Up to 15 December 2016 (the final distribution payment date).

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 15 October 2013.

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 1 | 2014 | 2.7842 | 29.84 |
| | 2015 | 2.7941 | 29.94 |
| | 2016* | 3.9441 | 42.27 |
| Class 2 | 2014 | 3.0160 | 29.96 |
| | 2015 | 3.0505 | 30.30 |
| | 2016* | 4.3370 | 43.08 |
| Class 3 | 2014 | 2.9929 | 31.04 |
| | 2015 | 3.0986 | 32.14 |
| | 2016* | 4.3743 | 45.37 |

* Up to 15 December 2016 (the final distribution payment date).

Calendar Year Performance

| Total Return | Fund ³ % | MSCI World Index ⁴ % |
|---------------|------------------------|---------------------------------------|
| 2013 | | |
| Share Class 1 | 15.06 | 25.00 |
| Share Class 2 | 15.92 | 25.00 |
| Share Class 3 | 17.30 | 25.00 |
| 2014 | | |
| Share Class 1 | 10.54 | 12.07 |
| Share Class 2 | 11.38 | 12.07 |
| Share Class 3 | 11.87 | 12.07 |
| 2015 | | |
| Share Class 1 | 7.60 | 5.45 |
| Share Class 2 | 8.42 | 5.45 |
| Share Class 3 | 8.91 | 5.45 |
| 2016* | | |
| Share Class 1 | 17.77 | 25.87 |
| Share Class 2 | 18.47 | 25.87 |
| Share Class 3 | 18.88 | 25.87 |

³ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees).

⁴ Source: Lipper, a Thomson Reuters Company (based on close of business values).

* Up to 15 October 2016.

The value of an investment in the Aviva Investors Global Equity Income Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

AVIVA INVESTORS MULTI-STRATEGY TARGET RETURN FUND

INVESTMENT OBJECTIVE

To deliver a positive return over rolling three year periods regardless of the prevailing stock market environment. The Fund aims to generate a positive return, on average 5% per annum above the Bank of England Base Rate before the deduction of charges, over rolling three year periods. In seeking to target this level of return the Fund also aims to manage volatility to a target of less than half the volatility of global equities, measured over the same rolling three year periods. These aims, however, are not guaranteed and it may not always be possible to achieve positive returns or to achieve the target level of volatility over rolling three year periods, or over any period of investment. Consequently, investors' capital is at risk.

INVESTMENT POLICY

In aiming to achieve the investment objective the Fund may invest globally in any of the following financial instruments: transferable securities, money market instruments, fixed interest securities, units in collective investment schemes, derivatives, forwards and deposits.

The Fund will make significant use of derivative instruments including: futures, options, swaps, swaptions and forwards. The Fund may take both long and synthetic short positions and derivative usage may include but is not limited to derivatives on interest rates, inflation rates, bonds, credit, equity, financial indices, volatility, dividend payments and currencies. Derivatives usage may be for the purposes of hedging, efficient portfolio management, or investment purposes and may be exchange traded or traded off exchange through market counterparties. The use of derivative instruments as part of the investment policy will mean that the Fund may, from time to time, have substantial holdings in liquid assets including deposits and money market instruments.

RISK PROFILE

The value of investments and the income from them will change over time. The Fund price may fall as well as rise and as a result you may not get back the original amount you invested. Leverage techniques may be used by the Fund. A relatively small price movement in an underlying asset may amplify losses and the Fund may be exposed to losses which are greater than the initial amount invested. Any derivatives usage can result in substantial losses to the Fund where expectations as to how a derivative will perform prove to be incorrect or inefficient, or in adverse market conditions. Losses may occur if an organisation through which the Fund transacts become insolvent or fails to meet its obligations. This risk may be reduced by obtaining assets as collateral from these organisations. Bond values are affected by changes in interest rates, and the bond issuer's creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default. Developing market investments can be less easy to buy and sell, and their values may be influenced by the economic and political risks of the countries of issue. The value of investments will be affected by changes in exchange rates.

Full information on the risks applicable to the Fund is detailed in the Prospectus.

AVIVA INVESTORS MULTI-STRATEGY TARGET RETURN FUND (CONTINUED)

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2016, the Aviva Investors Multi-Strategy Target Return Fund posted a total return of -0.45 per cent (share class 6) net of fees. The Fund's peer group, the Investment Association's Targeted Absolute Return sector, delivered a net return of 5.48 per cent.

In a first half of the period, when financial markets suffered heightened volatility, the Fund sustained losses from strategies giving exposure to Japanese, European and Chinese equities.

Strategies that were looking to profit from the US dollar rising against a range of other currencies also weighed on performance as the US currency declined despite the US central bank having lifted interest rates for the first time in nearly a decade in December. These negatives were partially offset by gains in a strategy looking to profit from lower interest rates in Australia, and a 'relative-value' US equity position that anticipated shares in larger US companies outperforming the 'small-cap' sector.

The second half of the period saw markets stabilise before making encouraging progress as earlier worries about the Chinese economy and commodity prices eased and the European Central Bank announced a move to negative interest rates and an expansion of its quantitative easing programme. During this time the Australian interest rates position continued to add value, as did the investments in US corporate bonds. The main detractor was our negative stance on 10-year German government bond futures.

For the review period overall, the most profitable positions were the exposure to rallying emerging market equities and US corporate bonds. The holdings in Chinese equities were the biggest detractor.

When constructing the portfolio we maintain an investment horizon of three years. That means continually monitoring both existing and potential new positions to assess the expected performance over that horizon.

As part of this process, during March we made a number of changes to the portfolio, the net effect of which was to increase portfolio risk. In particular, we added to our equity positions and a strategy that looks to profit from an increase in European inflation. We also initiated a position in US high-yield corporate bonds. We simultaneously cut some risk-reducing positions, including two which were looking to profit from an increase in the US Dollar's value relative to the euro and Mexican peso.

November 2016

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative table are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell stocks. Past performance is not a guide to the future. The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

COMPARATIVE TABLES

| Class 2 Accumulation | 2016 p per share | 2015 p per share | 2014 [§] p per share |
|---|---------------------|---------------------|----------------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 108.44 | 100.63 | 100.00 |
| Return before operating charges [†] | 0.56 | 8.71 | 0.87 |
| Operating charges | (0.91) | (0.90) | (0.24) |
| Return after operating charges [†] | (0.35) | 7.81 | 0.63 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 108.09 | 108.44 | 100.63 |
| Retained distributions on accumulation shares | 0.56 | – | – |
| † after direct transaction costs of | (0.06) | (0.04) | 0.00 |
| Performance | | | |
| Return after operating charges | (0.32)% | 7.76% | 0.63% |
| Other information | | | |
| Closing net asset value (£000) | 889,063 | 168,885 | 6,928 |
| Closing number of shares | 822,545,446 | 155,745,487 | 6,885,148 |
| Operating charges (%) [‡] | 0.85% | 0.85% | 0.24% |
| Direct transaction costs (%) [#] | 0.06% | 0.04% | 0.00% |
| Prices[≈] | | | |
| Highest share price | 110.49 | 110.57 | 102.11 |
| Lowest share price | 106.69 | 100.28 | 99.77 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

§ Class 2 Accumulation was launched on 1 July 2014.

| | 2016 p per share | 2015 p per share | 2014 [§] p per share |
|---|---------------------|---------------------|----------------------------------|
| Class 3 Accumulation | | | |
| Change in net assets per share | | | |
| Opening net asset value per share | 109.19 | 100.76 | 100.00 |
| Return before operating charges [†] | 0.42 | 8.57 | 0.83 |
| Operating charges | (0.15) | (0.14) | (0.07) |
| Return after operating charges [†] | 0.27 | 8.43 | 0.76 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 109.46 | 109.19 | 100.76 |
| Retained distributions on accumulation shares | 1.15 | 0.54 | 0.05 |
| † after direct transaction costs of | (0.07) | (0.04) | 0.00 |
| Performance | | | |
| Return after operating charges | 0.25% | 8.37% | 0.76% |
| Other information | | | |
| Closing net asset value (£000) | 927,892 | 619,921 | 108,950 |
| Closing number of shares | 847,676,075 | 567,723,812 | 108,123,851 |
| Operating charges (%) [‡] | 0.13% | 0.13% | 0.07% |
| Direct transaction costs (%) [#] | 0.06% | 0.04% | 0.00% |
| Prices[≈] | | | |
| Highest share price | 111.46 | 111.02 | 102.19 |
| Lowest share price | 107.86 | 100.42 | 99.78 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

§ Class 3 Accumulation was launched on 1 July 2014.

| Class 5 Accumulation | 2016 p per share | 2015 p per share | 2014[§] p per share |
|---|-----------------------------|-----------------------------|---|
| Change in net assets per share | | | |
| Opening net asset value per share | 108.42 | 100.57 | 100.00 |
| Return before operating charges [†] | 0.55 | 8.70 | 1.30 |
| Operating charges | (0.86) | (0.85) | (0.73) |
| Return after operating charges [†] | (0.31) | 7.85 | 0.57 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 108.11 | 108.42 | 100.57 |
| Retained distributions on accumulation shares | 0.58 | – | – |
| † after direct transaction costs of | (0.07) | (0.04) | 0.00 |
| Performance | | | |
| Return after operating charges | (0.29)% | 7.81% | 0.57% |
| Other information | | | |
| Closing net asset value (£000) | 55,511 | 32,593 | 449 |
| Closing number of shares | 51,348,744 | 30,063,180 | 446,305 |
| Operating charges (%) [‡] | 0.80% | 0.80% | 0.72% |
| Direct transaction costs (%) [#] | 0.06% | 0.04% | 0.00% |
| Prices[≈] | | | |
| Highest share price | 110.49 | 110.53 | 102.05 |
| Lowest share price | 106.69 | 100.23 | 99.78 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

§ Class 5 Accumulation was launched on 11 July 2014.

| Class 6 Accumulation | 2016 p per share | 2015 p per share | 2014[§] p per share |
|---|-----------------------------|-----------------------------|---|
| Change in net assets per share | | | |
| Opening net asset value per share | 108.15 | 100.57 | 100.00 |
| Return before operating charges [†] | 0.63 | 8.75 | 0.81 |
| Operating charges | (1.19) | (1.17) | (0.24) |
| Return after operating charges [†] | (0.56) | 7.58 | 0.57 |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 107.59 | 108.15 | 100.57 |
| Retained distributions on accumulation shares | 0.34 | – | – |
| † after direct transaction costs of | (0.06) | (0.04) | 0.00 |
| Performance | | | |
| Return after operating charges | (0.52)% | 7.54% | 0.57% |
| Other information | | | |
| Closing net asset value (£000) | 2,514 | 1,880 | 451 |
| Closing number of shares | 2,337,096 | 1,738,593 | 448,435 |
| Operating charges (%) [‡] | 1.10% | 1.10% | 0.24% |
| Direct transaction costs (%) [#] | 0.06% | 0.04% | 0.00% |
| Prices[≈] | | | |
| Highest share price | 110.14 | 110.39 | 102.07 |
| Lowest share price | 106.26 | 100.22 | 99.77 |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

§ Class 6 Accumulation was launched on 11 July 2014.

| Class 8 Accumulation | 2016 p per share | 2015[§] p per share | 2014 p per share |
|---|-----------------------------|---|-----------------------------|
| Change in net assets per share | | | |
| Opening net asset value per share | 109.18 | 109.41 | – |
| Return before operating charges [†] | 0.52 | (0.21) | – |
| Operating charges | (0.64) | (0.02) | – |
| Return after operating charges [†] | (0.12) | (0.23) | – |
| Distributions on income shares | – | – | – |
| Closing net asset value per share | 109.06 | 109.18 | – |
| Retained distributions on accumulation shares | 0.77 | 0.52 | – |
| † after direct transaction costs of | (0.07) | 0.00 | – |
| Performance | | | |
| Return after operating charges | (0.11)% | (0.21)% | – |
| Other information | | | |
| Closing net asset value (£000) | 1,010,951 | 43 | – |
| Closing number of shares | 926,973,852 | 38,894 | – |
| Operating charges (%) [‡] | 0.59% | 0.59% | – |
| Direct transaction costs (%) [#] | 0.06% | 0.00% | – |
| Prices[≈] | | | |
| Highest share price | 111.33 | 109.75 | – |
| Lowest share price | 107.58 | 109.12 | – |

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

§ Class 8 Accumulation was launched on 1 October 2015.

FUND FACTS

| Accounting dates | Ex-dividend dates | Distribution dates |
|------------------|-------------------|--------------------|
| 15 October | 16 October | 15 December |
| 15 April | N/A | N/A |

Ongoing Charges Figure*

| | 15.10.16 | 15.10.15 |
|---------------|----------|----------|
| Share Class 2 | 0.85% | 0.85% |
| Share Class 3 | 0.13% | 0.13% |
| Share Class 5 | 0.80% | 0.80% |
| Share Class 6 | 1.10% | 1.10% |
| Share Class 8 | 0.59% | 0.59% |

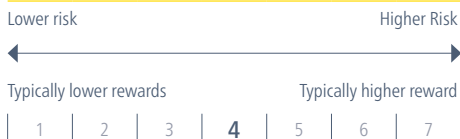
* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees). The OCF for share classes 2, 5 and 6 is capped at 0.85%, 0.80% and 1.10% respectively. This excludes, amongst other things, the charges of any other funds in which this Fund invests and which are included in the OCF. Please see the Prospectus for full details.

| Total Return | Fund ³ | IA Targeted Absolute Return ⁴ |
|---------------|-------------------|--|
| Share Class 2 | (0.26)% | 5.48% |
| Share Class 3 | 0.30% | 5.48% |
| Share Class 5 | (0.22)% | 5.48% |
| Share Class 6 | (0.45)% | 5.48% |
| Share Class 8 | (0.05)% | 5.48% |

³ Source: Aviva Investors (based on 11.59pm values, mid to mid basis, net income reinvested, net of fees) year ended 15 October 2016.

⁴ Source: Lipper, a Thomson Reuters Company (based on close of business values) year ended 15 October 2016.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- The value of investments will be affected by changes in exchange rates.
- Full information on the risks applicable to the Fund is detailed in the Prospectus.

Top Ten Holdings**15.10.16**

| | |
|--|--------|
| US Treasury Inflation Indexed 0.63% 15/01/2026 | 16.29% |
| South Africa Government Bond 10.50% 21/12/2026 | 5.17% |
| Poland Government Bond 2.50% 25/07/2026 | 4.81% |
| Indonesia Treasury Bond 8.25% 15/07/2021 | 3.80% |
| South Africa Government Bond 8.75% 28/02/2048 | 1.81% |
| Credit Agricole Corporate and Investment Bank 0.40% 01/12/2016 | 1.73% |
| OP Corporate Bank 0.54% 28/10/2016 | 1.63% |
| Mizuho Bank 0.40% 23/11/2016 | 1.38% |
| Indonesia Treasury Bond 8.38% 15/09/2026 | 1.37% |
| Banque Federative Du Credit Mutuel 0.44% 13/02/2017 | 1.21% |

Top Ten Holdings**15.10.15**

| | |
|---|-------|
| Italy Buoni Poliennali Del Tesoro 5.00% 01/09/2040 | 6.45% |
| Standard Chartered Bank 0.64% 03/12/2015 | 4.25% |
| Cooperatieve Centrale Raiffeisen-Boerenleenbank Bank 0.60% 16/11/2015 | 3.64% |
| Bank of Tokyo-Mitsubishi UFJ 0.56% 06/11/2015 | 3.64% |
| UBS 0.65% 07/12/2015 | 3.64% |
| ING Bank 0.58% 02/11/2015 | 3.04% |
| Nationwide Building Society 0.60% 02/12/2015 | 3.04% |
| Toronto-Dominion Bank 0.55% 22/10/2015 | 3.04% |
| Industrial & Commercial Bank of China 0.60% 11/12/2015 | 3.04% |
| Citibank 0.58% 02/12/2015 | 2.43% |

Portfolio Breakdown

| | 15.10.16 | 15.10.15 |
|--------------------------|-----------------|-----------------|
| United Kingdom | 30.98% | 74.33% |
| United States of America | 30.47% | 4.71% |
| South Africa | 7.44% | 0.00% |
| Poland | 6.10% | 0.00% |
| Indonesia | 5.31% | 0.00% |
| Options | 3.00% | 1.79% |
| Swaptions | 1.75% | 1.25% |
| Switzerland | 1.18% | 0.00% |
| France | 0.77% | 0.00% |
| Swaps | 0.75% | 1.14% |
| Other Countries | 1.91% | 7.67% |
| Total Investments | 89.66% | 90.89% |
| Net Other Assets | 10.34% | 9.11% |
| Net Assets | 100.00% | 100.00% |

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 1 July 2014 (11 July 2014 for Share Class 5 and 1 October 2015 for Share Class 8).

| Share class | Financial year | Net revenue per share (p) | Per £1,000 invested (£) |
|-------------|----------------|---------------------------|-------------------------|
| Class 2 | 2014 | 0.0000 | 0.00 |
| | 2015 | 0.0000 | 0.00 |
| | 2016* | 0.5586 | 5.59 |
| Class 3 | 2014 | 0.0495 | 0.50 |
| | 2015 | 0.5360 | 5.36 |
| | 2016* | 1.1463 | 11.46 |
| Class 5 | 2014 | 0.0000 | 0.00 |
| | 2015 | 0.0000 | 0.00 |
| | 2016* | 0.5785 | 5.79 |
| Class 6 | 2014 | 0.0000 | 0.00 |
| | 2015 | 0.0000 | 0.00 |
| | 2016* | 0.3360 | 3.36 |
| Class 8 | 2015** | 0.5243 | 4.79 |
| | 2016* | 0.7715 | 7.05 |

* Up to 15 December 2016 (the final distribution payment date).

** From 1 October 2015 (date of launch).

Calendar Year Performance

| Total Return | Fund ⁵ % | IA Targeted Absolute Return ⁶ % |
|-----------------|------------------------|---|
| 2014 | | |
| Share Class 2 | 0.65 | 0.24 |
| Share Class 3 | 0.78 | 0.24 |
| Share Class 5 | 0.59 | 0.36 |
| Share Class 6 | 0.59 | 0.24 |
| Share Class 8 | – | – |
| 2015 | | |
| Share Class 2 | 4.54 | 5.50 |
| Share Class 3 | 5.14 | 5.50 |
| Share Class 5 | 4.58 | 5.50 |
| Share Class 6 | 4.33 | 5.50 |
| Share Class 8** | 0.73 | 1.32 |
| 2016* | | |
| Share Class 2 | (0.26) | 4.10 |
| Share Class 3 | 0.30 | 4.10 |
| Share Class 5 | (0.22) | 4.10 |
| Share Class 6 | (0.45) | 4.10 |
| Share Class 8 | (0.95) | 4.10 |

⁵ Source: Aviva Investors (based on 11.59pm values, mid to mid basis, net income reinvested, net of fees).

⁶ Source: Lipper, a Thomson Reuters Company (based on close of business values).

* Up to 15 October 2016.

** From 1 October 2015 (date of launch).

The value of an investment in the Aviva Investors Multi-Strategy Target Return Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

OTHER INFORMATION

More information about the activities and performance of the Aviva Investors Investment Funds ICVC for this period and previous periods can be obtained from the Authorised Corporate Director.

Any future returns and opinions expressed should not be relied upon as indicating any guarantee of return from investment in the funds.

The information contained within this document should not be construed as a recommendation to purchase or sell stocks.

The Shareholders are not liable for the debts of the Aviva Investors Investment Funds ICVC.

Changes to the Prospectus

On 12 August 2016, we made several updates to our prospectuses, as we do annually to include updated fund performance information and to make sure all elements of the prospectus are up to date. One of the changes made was to set out that if, following the closure of one of our funds, any amount remaining after the payment of all amounts due to shareholders and the liabilities of the fund is agreed with the fund's depositary to be "immaterial", this amount will be paid to charity. We also made some changes to the way in which the charges applicable to the funds are displayed, in order to make this clearer for our investors.

Aviva Investors UK Growth Fund – closure of Share Class 3 (Accumulation)

With effect from 30 July 2015, the ACD closed Accumulation Share Class 3 for the Aviva Investors UK Growth Fund.

Aviva Investors UK Index Tracking Fund and Aviva Investors International Index Tracking Fund - AMC Reductions

The AMC for Share Class 1 of the Aviva Investors UK Index Tracking Fund and the Aviva Investors International Tracking Fund was changed from 0.90% to 0.60% with effect from 8th February 2016.

The AMC for Share Class A of the Aviva Investors UK Index Tracking Fund was changed from 1.50% to 0.15% with effect from 25 July 2016, and was further reduced to 0.10% with effect from 1 November 2016.

Closure of Funds

On 9 February 2016 the termination of the Aviva Investors Blue Chip Tracking Fund, the Aviva Investors Balanced Managed Fund, and the Aviva Investors UK Income and Growth Fund was completed and the FCA authorisation of the funds was revoked.

Aviva Investors Multi-Strategy Target Return Fund – changes to Share Class 3

With effect from 24 October 2016, the AMC in share class 3 of the Aviva Investors Multi-Strategy Target Return Fund was increased to 0.67%. The eligibility criteria for share class 3, which is aimed at institutional investors, were also changed. Please the prospectus for full details.

Aviva Investors Strategic Bond Fund – launch of Share Class 5

On 28 October 2016, a new share class 5 (income) was launched in the Aviva Investors Strategic Bond Fund. Full details of this class are set out in the prospectus.

OTHER INFORMATION (CONTINUED)

Aviva Investors Multi-Strategy Target Return Fund - Addition of eligible securities markets

Following approval by the depositary, over the course of the period, the Mauritius Stock Exchange, the Pakistan Stock Exchange, the Abu Dhabi Securities Market, the Dubai Financial Market, the NASDAQ Dubai, Colombia Stock Exchange, the Qatar Exchange, the Moscow Exchange, the Colombo Stock Exchange, and the NYSE ARCA have been added as eligible securities markets for the Aviva Investors Multi-Strategy Target Return Fund. Significant Information

FATCA and CRS Reporting

Tax regulations require us to collect information about your tax residency and you will have therefore provided this at the time of making your investment with us. The term tax regulations refers to the International Tax Compliance Regulations 2015 which implements the Foreign Account Tax Compliance Act (FATCA) and the OECD Common Reporting Standard (CRS) for Automatic Exchange of Financial Account Information. As a result, in certain circumstances we will be obliged to share information about your account(s) with Her Majesty's Revenue & Customs (HMRC) who may in turn share this information with any or all jurisdictions that have agreed to exchange information under FATCA and CRS. The information previously provided by you at the time of making your investment will be used by us to report to HMRC regarding your account(s), where so required. This does not apply where you have invested with us solely via an ISA.

Regular Savings Mandates Set Up Before 31 December 2012

From 13 April 2016, the ACD has discontinued the initial charge in full on all future investment made in each of the Funds through regular investment mandates set up before 31 December 2012.

Annual General Meetings

The Company will not be holding Annual General Meetings.

Publication of Prices

Information on the prices of Shares will be available by calling 0800 051 2003 or on the internet at www.avivainvestors.com. Calls may be recorded for training or monitoring purposes.

Report and Financial Statements

Copies of the annual and half yearly long form report and financial statements are available free of charge by calling us on 0800 051 2003, or by writing to us at:

Aviva Investors Administration Office
PO Box 10410
Chelmsford
Essex, CM99 2AY

Calls to this number may be recorded for training and monitoring purposes. Calls are free from landlines and mobiles.

Paper Information

The paper used to produce this document originates from forests that are managed in accordance with the principles and criteria of the Forest Stewardship Council (FSC). The paper is chlorine free.

COMPANY INFORMATION

Authorised Corporate Director

Aviva Investors UK Fund Services Limited
St Helen's
1 Undershaft
London, EC3P 3DQ

Aviva Investors UK Fund Services Limited (the ACD) is a wholly owned subsidiary of Aviva Investors Holdings Limited, a company incorporated in the United Kingdom and within the Aviva Group of Companies. The ACD is a member of the Investment Association and is authorised and regulated by the Financial Conduct Authority.

With effect from 19 December 2016, the registered office for the Aviva Investors Investment Funds ICVC was changed to St Helen's, 1 Undershaft, London, EC3P 3DQ. Prior to this date, the registered office was No. 1 Poultry, London, EC2R 8EJ.

Directors of the Authorised Corporate Director

I Buckle
E Potter (resigned 19 October 2015)
J Misselbrook
D Dahan (resigned 31 March 2016)
S Ebenston
C Abrahams (resigned 31 December 2015)
A Brown (appointed 2 February 2016, resigned 22 July 2016)
M Craston (appointed 22 March 2016)
G Cass (appointed 16 June 2016)

Administrator and Registrar

International Financial Data Services (UK) Limited
IFDS House
St Nicholas Lane
Basildon
Essex, SS15 5FS

Investment Manager

Aviva Investors Global Services Limited
St Helen's
1 Undershaft
London, EC3P 3DQ

Aviva Investors Global Services Limited is a member of the Investment Association and is authorised and regulated by the Financial Conduct Authority. The ultimate parent company of Aviva Investors Global Services Limited is Aviva Plc.

With effect from 19 December 2016, the registered office for the Aviva Investors Investment Funds ICVC was changed to St Helen's, 1 Undershaft, London, EC3P 3DQ. Prior to this date, the registered office was No. 1 Poultry, London, EC2R 8EJ."

Trustee and Depositary

Citibank Europe plc, UK Branch
Citigroup Centre
25 Canada Square, Canary Wharf
London, E14 5LB

Citibank Europe plc is authorised and regulated by the Central Bank of Ireland, however, the UK branch is subject to Financial Conduct Authority (FCA) regulation.

On 1 January 2016, the Trustee and Depositary, Citibank International Limited, was replaced by Citibank Europe plc, UK Branch. All legal obligations, personnel and resources of Citibank International Limited were transferred to Citibank Europe plc, UK Branch. Citibank Europe plc, UK Branch, has the same substance and capability as Citibank International Limited.

Independent Auditors

PricewaterhouseCoopers LLP
7 More London Riverside
London, SE1 2RT

PricewaterhouseCoopers LLP have been reappointed as auditors of the Company.



Please use the details below to ask for additional information, to buy or sell investments, or if you wish to complain to us.

If you wish to write to us:

Aviva Investors Administration Office
PO Box 10410
Chelmsford CM99 2AY

If you wish to call us:

Customer services: 0800 051 2003
(8.30am – 5.30pm Monday to Friday)

Dealing services: 0800 051 2003
(8.30am – 5.00pm Monday to Friday)

Calls to this number may be recorded for training and monitoring purposes. Calls are free from landlines and mobiles.

Aviva Investors UK Fund Services Limited.
Registered in England No. 1973412. Authorised and regulated by the Financial Conduct Authority. FCA Registered No. 1 19310
Registered address: St Helen's, 1 Undershaft, London, EC3P 3DQ.
An Aviva company.

**Further information about
Aviva Investors can be found
on our website**

avivainvestors.com