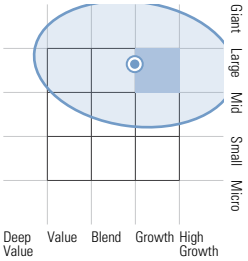
Aviva Investors UK Equity Fund 2 GBP Acc

GB0004460357

Morningstar Analyst Rating
Bronze
22 Jun 2017 20:00, UTC-0500

Morningstar Category	Category Index	Total Assets	Current Yield %	Inception Date	Domicile/ Currency	Morningstar Rating
UK Large-Cap Blend Equity	FTSE AllSh TR GBP	292.49 Mil GBP	—	13/11/98	GBR/GBP	★★★★★

Equity Style Map

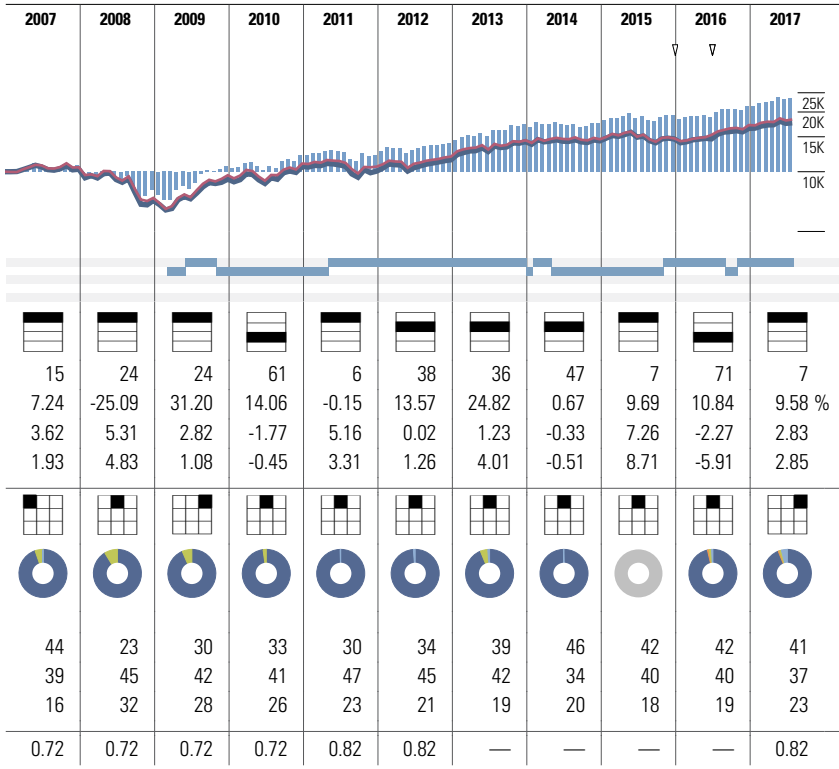


People

Chris Murphy	10/06
Trevor Green	06/16
Total Named Managers	2

Morningstar Pillars

Process	Positive
Performance	Positive
People	Neutral
Parent	Neutral
Price	Neutral



Performance 31/07/17

Growth of 10,000 Annualized	Value GBP	Ret %
Fund	22,818	8.11
Category	18,561	6.02
Index	18,335	5.90

▼ Full Manager Change
▽ Partial Manager Change

Morningstar Rating

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
											Quartile Rank in Category
15	24	24	61	6	38	36	47	7	71	7	Percentile Rank in Category
7.24	-25.09	31.20	14.06	-0.15	13.57	24.82	0.67	9.69	10.84	9.58 %	Total Return GBP
3.62	5.31	2.82	-1.77	5.16	0.02	1.23	-0.33	7.26	-2.27	2.83	+/- Category
1.93	4.83	1.08	-0.45	3.31	1.26	4.01	-0.51	8.71	-5.91	2.85	+/- Index

Process

Equity Style Box

Asset Allocation
Stock Bond Cash Other

											Equity Supersectors
44	23	30	33	30	34	39	46	42	42	41	Cyclical
39	45	42	41	47	45	42	34	40	40	37	Sensitive
16	32	28	26	23	21	19	20	18	19	23	Defensive
0.72	0.72	0.72	0.72	0.82	0.82	—	—	—	—	0.82	**Price** TER/OGC

Analyst View

Peter Brunt, CFA, Senior Analyst

A core UK equity offering whose genuinely long-term outlook has provided steady outperformance.

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Morningstar Analyst Rating
Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

Analyst Rating Spectrum

Gold Silver Bronze Neutral Negative

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22 Jun, 2017 | After a period of restructuring, Aviva's equities desk seems to be more settled, ensuring that this remains a solid choice for investors seeking a core mandate in the UK large-cap equity space.

Chris Murphy has managed this core UK equities fund since 2006, using the same investment approach that he has applied over most of his investment career spanning more than two decades. He is a talented investor, and his genuinely long-term perspective has helped create a strong track record during his tenure on the fund. Relative to peers, Aviva's UK equities team has never been the best-resourced, but this has not hindered Murphy in his investing.

The group's broad investment desk has seen a fair amount of change over the past few years. The retirement of CEO David Lis led to Murphy's appointment as global head of equities in January 2016, seeing him responsible for the oversight of the UK, Europe, global, and emerging-markets and Asia-Pacific equity teams. There has also been some turnover within the UK equities team. Analyst Katherine Wade was at the group for only a year before leaving in June 2015. More recently, Simon Young, who joined as comanager on this fund in December 2015, left the group by mutual consent in June 2016. Not only was Young an experienced manager but his presence gave an analytical boost and alleviated some of Murphy's client-facing responsibilities. As a result, Murphy and Trevor Green, who was made comanager on the fund upon Young's departure, are now the only two senior managers on the UK equities team. They are supported by manager/analysts Charlotte Meyer and James Balfour (both with less than five years' experience) and a junior analyst.

We note that the team has seen more stability since Young's departure and that the team changes do not seem to have adversely affected the running of the fund. This is reassuring, and together with our continued regard for Murphy, we still see this fund as a competitive core offering within the category. It therefore comfortably retains a Morningstar Analyst Rating of Bronze.

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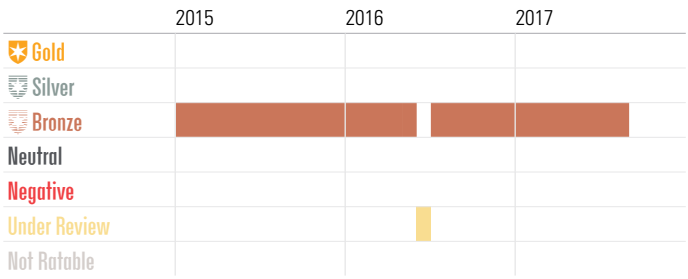
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Morningstar has identified five key areas that we believe are crucial to predicting the future success of funds: People, Parent, Process, Performance, and Price. Each pillar is evaluated when assessing a fund as well as the interaction between the pillars, which we believe is crucial to understanding a fund's overall merit.

People

The overall quality of a fund's investment team is a significant key to its ability to deliver superior performance relative to its benchmark and/or peers. Evaluating a fund's investment team requires that analysts assess several relevant items including how key decisions are made.

Parent

We believe the parent organization is of utmost importance in evaluating funds. The fund's management set the tone for key elements of our evaluation, including capacity management, risk management, recruitment and retention of talent, and incentive pay. Beyond these operational areas, we prefer firms that have a culture of stewardship and put investors first to those that are too heavily weighted to salesmanship.

Process

We look for funds with a performance objective and investment process (for both security selection and portfolio construction) that is sensible, clearly defined, and repeatable. In addition, the portfolio should be constructed in a manner that is consistent with the investment process and performance objective.

Performance

We do not believe past performance is necessarily predictive of future results, and this factor accordingly receives a relatively small weighting in our evaluation process. In particular, we strive not to anchor on short-term performance. However, we do believe that the evaluation of long-term return and risk patterns is vital to determining if a fund is delivering to our expectations.

Price

To reflect actual investor experience, price is evaluated within the context of the relevant market or cross-border region—for example, the United States, Australia, Canada, or Europe. In recognition of differences in scale and distribution costs in various markets, the level at which a fund is penalised for high fees or rewarded for low fees can vary with region. In Europe, for example, funds are penalised if they land in the most expensive quintile of their Morningstar category and are rewarded if they land in the cheapest quintile. The assessment is made using annual expense ratios, but in the case of funds with performance fees, expenses are evaluated excluding any performance fees and then the structure of the performance fee is evaluated separately.

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Gold
Represents funds that our analyst has the highest-conviction in for that given investment mandate. By giving a fund a Gold rating, we are expressing an expectation that it will outperform its relevant performance benchmark and/or peer group within the context of the level of risk taken over the long term (defined as a full market cycle or at least five years). To earn a Gold rating, a fund must distinguish itself across the five pillars that are the basis for our analysis.

Silver
Represents funds our analyst has high-conviction in, but not in all of the five pillars. With those fundamental strengths, we expect these funds will outperform their relevant performance benchmark and/or peer group within the context of the level of risk taken over the long term (defined as a full market cycle or at least five years).

Bronze
Represents funds that have advantages that clearly outweigh any disadvantages across the pillars, giving analyst the conviction to award them a positive rating. We expect these funds to beat their relevant performance benchmark and/ or peer group within the context of the level of risk taken over a full market cycle (or at least five years).

Neutral
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