

AVIVA INVESTORS II
(FORMERLY AVIVA INVESTORS
STRUCTURED FUNDS)
SOCIÉTÉ D'INVESTISSEMENT
À CAPITAL VARIABLE (SICAV)
ANNUAL REPORT AND
AUDITED FINANCIAL
STATEMENTS

R.C.S. Luxembourg B 148.660

31 December 2013

avivainvestors.com

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No subscription can be received on the basis of financial reports. Subscriptions are only valid if made on the basis of the current prospectus accompanied by the latest annual report. Investors are hereby urged to read the entire prospectus, particularly the description of special risk factors. Past performance is not necessarily indicative of future returns. Copies of the prospectus and annual report are available from the registered office of the Fund, 2, rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg, free of charge. Copies of the prospectus, KIID, annual report, semi-annual report and details of changes in investments for the sub-funds are available free of charge from the registered office of the Fund, 2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg.

SHAREHOLDER'S INFORMATION

Dear Shareholder,

The Directors of Aviva Investors II (formerly Aviva Investors Structured Funds) (the "Fund") have pleasure in presenting the annual report and Financial Statements to shareholders for the year ending 31 December 2013.

The Fund aims to achieve capital growth and income through investment bonds of issuers having their registered office or their main centre of activities in emerging countries worldwide, and substantially in Brazil.

Emerging Markets Inflation Linked Bond fund performance:

Fund Performance in 2013

Emerging Markets Inflation Linked Bonds suffered in 2013, led by falls in currencies. The threat of asset purchase tapering by the Fed persisted in the second half of the year and investors pulled back from emerging markets from August onwards. We pursued a themes of high quality fundamentals, persisting in holding Chilean bonds, and later South Korean and Israeli bonds, which have benefitted in a difficult climate. Brazil and South Africa have both been volatile names thanks to currency movements and sudden rallies have cost us performance despite an overall weakening trend. Inflation has been moderated by weak commodity prices and cooling, if positive, Emerging Markets growth.

Performance Outlook for 2014

2014 is expected to be a year of differentiation between stronger and weaker credits, with modest total returns. We will be carefully watching those countries which are vulnerable to external capital outflows, such as Turkey and South Africa, though inflation-linked instruments can provide some cushion against falling currencies as this eventually passes through into inflation via more expensive imports. As the global recovery gathers pace, inflationary pressure will build in those countries which are growing and have capacity pressures such as Chile and South Korea.

On behalf of the Board of Directors

Emmanuel Babinet
Chairman

4 March 2014

Note: The figures stated in this report are historical and not necessarily indicative of future performance.

MANAGEMENT AND ADMINISTRATION

Registered Office

2, rue du Fort Bourbon,
L-1249 Luxembourg,
Grand Duchy of Luxembourg

Chairman

William Gilson (Until 5 September 2013)
Managing Director
Aviva Investors Luxembourg S.A.
2, rue du Fort Bourbon,
L-1249 Luxembourg,
Grand Duchy of Luxembourg

Emmanuel Babinet (from 5 September 2013)
Head of Aviva Investors Luxembourg
Aviva Investors France S.A.
24-26, rue de la Pépinière
75008 Paris
France

Directors

Mark Phillips
Deputy Managing Director
Aviva Investors Luxembourg S.A.
2, rue du Fort Bourbon,
L-1249 Luxembourg,
Grand Duchy of Luxembourg

Timothy Lucas
Head of Investment Services
Aviva Investors Global Services Limited
1, Poultry
London EC2R 8EJ,
United Kingdom

Management Company and Domiciliary Agent

Aviva Investors Luxembourg S.A.
2, rue du Fort Bourbon,
L-1249 Luxembourg,
Grand Duchy of Luxembourg

Investment Manager

Aviva Investors Global Services Limited (*)
1, Poultry
London EC2R 8EJ,
United Kingdom

Representative and Paying Agent in Switzerland

BNP Paribas Securities Services,
Paris, Succursale de Zurich
Selnaustrasse 16
8002 Zurich
Switzerland

Administrator

JP Morgan Bank Luxembourg S.A. (*)
European Bank and Business Centre
6, route de Trèves
L-2633 Senningerberg,
Grand Duchy of Luxembourg

Registrar and Transfer Agent

RBC Investor Services Bank S.A. (*)
14, Porte de France
L-4360 Esch-sur-Alzette,
Grand Duchy of Luxembourg

Custodian

JP Morgan Bank Luxembourg S.A.
European Bank and Business Centre
6, route de Trèves
L-2633 Senningerberg,
Grand Duchy of Luxembourg

Auditor

PricewaterhouseCoopers, Société coopérative
400, route d'Esch
L-1471 Luxembourg,
Grand Duchy of Luxembourg

Legal Adviser

Elvinger, Hoss & Prussen
2, Place Winston Churchill
L-1340 Luxembourg
Grand Duchy of Luxembourg

(*) Subject to the responsibility and oversight of Aviva Investors Luxembourg S.A.

AUDIT REPORT



Audit report

To the Shareholders of
Aviva Investors II (formerly Aviva Investors Structured Funds)

We have audited the accompanying financial statements of Aviva Investors II (formerly Aviva Investors Structured Funds), which comprise the Statement of Net Assets and the Portfolio of Investments and Other Net Assets as at 31 December 2013 and the Statement of Operations and Changes in Net Assets for the year then ended, and a summary of significant accounting policies and other explanatory notes to the financial statements.

Responsibility of the Board of Directors of the SICAV for the financial statements

The Board of Directors of the SICAV is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements and for such internal control as the Board of Directors of the SICAV determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the "Réviseur d'entreprises agréé"

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgment of the "Réviseur d'entreprises agréé", including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the "Réviseur d'entreprises agréé" considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the SICAV, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Aviva Investors II as of 31 December 2013, and of the results of their Operations and Changes in their Net Assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

Other matters

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 4 March 2014

A handwritten signature in black ink, appearing to read 'Didier Prime', is written over a long, thin, curved line that extends from the left margin towards the center of the page.

Didier Prime

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Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)
R.C.S. Luxembourg B 65 477 - TVA LU25482518

AVIVA INVESTORS II – EMERGING MARKETS INFLATION LINKED BOND FUND

Portfolio of Investments and Other Net Assets as at 31 December 2013

	Number of shares or Principal Amount	Transferable Securities and Money Market Instruments Admitted to an Official Exchange Listing	Market Value USD	% Net Assets
Brazil			150,471,113	26.59
BRL	970,000	Brazil Notas do Tesouro Nacional Serie 'B' 6% 15/05/2015	9,968,144	1.76
BRL	3,026,500	Brazil Notas do Tesouro Nacional Serie 'B' 6% 15/05/2017	30,662,880	5.42
BRL	700,000	Brazil Notas do Tesouro Nacional Serie 'B' 6% 15/05/2035	6,671,573	1.18
BRL	3,058,000	Brazil Notas do Tesouro Nacional Serie 'B' 6% 15/05/2045	28,738,862	5.08
BRL	830,000	Brazil Notas do Tesouro Nacional Serie 'B' 6% 15/08/2014	8,569,452	1.51
BRL	1,000,000	Brazil Notas do Tesouro Nacional Serie 'B' 6% 15/08/2018	10,197,990	1.80
BRL	1,048,000	Brazil Notas do Tesouro Nacional Serie 'B' 6% 15/08/2020	10,562,712	1.87
BRL	1,300,000	Brazil Notas do Tesouro Nacional Serie 'B' 6% 15/08/2024	12,911,583	2.28
BRL	1,659,300	Brazil Notas do Tesouro Nacional Serie 'B' 6% 15/08/2050	15,838,457	2.80
BRL	3,000,000	Brazil Notas do Tesouro Nacional Serie 'F' 10% 01/01/2017	12,052,377	2.13
BRL	1,200,000	Brazil Notas do Tesouro Nacional Serie 'F' 10% 01/01/2023	4,297,083	0.76
Chile			37,240,073	6.58
CLP	222,000	Bonos de la Tesoreria de la Republica en pesos 3% 01/01/2015	9,948,427	1.76
CLP	29,500	Bonos de la Tesoreria de la Republica en pesos 3% 01/01/2020	1,375,843	0.24
CLP	183,000	Bonos del Banco Central de Chile en UF 3% 01/02/2021	8,819,085	1.56
CLP	70,000	Bonos del Banco Central de Chile en UF 3% 01/05/2028	3,339,325	0.59
CLP	298,000	Bonos del Banco Central de Chile en UF 3% 01/07/2018	13,757,393	2.43
Colombia			5,652,021	1.00
COP	49,269,000	Colombian TES 7% 25/02/2015	5,652,021	1.00
Israel			85,499,501	15.11
ILS	22,933,000	Israel Government - CPI Linked 1% 30/05/2017	7,420,090	1.31
ILS	22,444,000	Israel Government - CPI Linked 2.75% 30/08/2041	7,467,108	1.31
ILS	70,500,000	Israel Government - CPI Linked 3% 31/10/2019	25,719,298	4.55
ILS	39,280,000	Israel Government - CPI Linked 4% 30/05/2036	17,976,456	3.18
ILS	57,800,000	Israel Government - Galil 4% 30/07/2021	26,916,549	4.76
Mexico			121,258,900	21.43
MXN	80,000,000	Mexican Bonos 9.5% 18/12/2014	6,447,998	1.14
MXN	52,600,000	Mexican Udibonos 2% 09/06/2022	19,438,837	3.44
MXN	20,700,000	Mexican Udibonos 2.5% 10/12/2020	8,116,593	1.43
MXN	35,900,000	Mexican Udibonos 4% 13/06/2019	15,341,165	2.71
MXN	48,348,100	Mexican Udibonos 4% 15/11/2040	19,113,702	3.38
MXN	75,836,600	Mexican Udibonos 4.5% 22/11/2035	32,328,591	5.71
MXN	48,000,000	Mexican Udibonos 5% 16/06/2016	20,472,014	3.62
Poland			14,695,015	2.60
PLN	16,800,000	Poland Government 2.75% 25/08/2023	6,826,397	1.21
PLN	3,150,000	Poland Government 3% 24/08/2016	1,408,554	0.25
PLN	20,000,000	Poland Government 4% 25/10/2023	6,460,064	1.14
South Africa			60,362,893	10.67
ZAR	36,200,000	South Africa Government - CPI Linked 2.5% 31/01/2017	4,441,387	0.79
ZAR	148,000,000	South Africa Government - CPI Linked 2.6% 31/03/2028	22,545,610	3.98
ZAR	25,000,000	South Africa Government - CPI Linked 3.45% 07/12/2033	5,070,754	0.90
ZAR	108,000,000	South Africa Government - CPI Linked 5.5% 07/12/2023	28,292,025	5.00
ZAR	186,595	South Africa Government 6.25% 31/03/2036	13,117	0.00

AVIVA INVESTORS II – EMERGING MARKETS INFLATION LINKED BOND FUND (CONTINUED)

Portfolio of Investments and Other Net Assets as at 31 December 2013

	Number of shares or Principal Amount	Transferable Securities and Money Market Instruments Admitted to an Official Exchange Listing	Market Value USD	% Net Assets
South Korea			14,041,535	2.49
KRW	8,398,530,000	Inflation Linked Korea Treasury Bond 1.5% 10/06/2021	8,080,326	1.44
KRW	2,451,600,000	Inflation Linked Korea Treasury Bond 2.75% 10/03/2017	2,930,108	0.51
KRW	2,800,000,000	Inflation Linked Korea Treasury Bond 2.75% 10/06/2020	3,031,101	0.54
Thailand			8,402,543	1.48
THB	279,500,000	Thailand Government 1.2% 14/07/2021	8,402,543	1.48
Turkey			56,775,282	10.03
TRY	3,869,000	Turkey Government 2% 26/10/2022	1,803,538	0.32
TRY	30,395,000	Turkey Government 3% 06/01/2021	17,317,722	3.06
TRY	30,146,900	Turkey Government 3% 21/07/2021	16,558,349	2.92
TRY	28,736,000	Turkey Government 4% 01/04/2020	18,177,744	3.21
TRY	4,400,000	Turkey Government 7% 01/10/2014	2,917,929	0.52
Total Transferable Securities and Money Market Instruments Admitted to an Official Exchange Listing			554,398,876	97.98
Total Investments			554,398,876	97.98

Forward foreign exchange contracts							
Currency purchased	Amount purchased	Currency sold	Amount sold	Maturity Date	Counterparty	Unrealised gain/(loss) USD	% Net Assets
MXN	50,980,545	USD	3,912,307	29/01/2014	CITIBANK N.A	(28,490)	(0.01)
USD	18,890,212	CLP	9,933,417,777	29/01/2014	JPMORGAN CHASE BANK	43,837	0.01
USD	9,633,707	BRL	22,750,000	29/01/2014	CITIBANK N.A	57,399	0.01
Net Unrealised Gain on Open Forward Foreign Exchange Contracts						72,746	0.01
Other Net Assets						11,380,462	2.01
Net Asset Value						565,852,084	100.00

Geographic Breakdown (as a percentage of net assets)	% Net Assets
Brazil	26.59
Chile	6.58
Colombia	1.00
Israel	15.11
Mexico	21.43
Poland	2.60
South Africa	10.67
South Korea	2.49
Thailand	1.48
Turkey	10.03
Total	97.98

The accompanying notes form an integral part of these statements.

STATEMENT OF NET ASSETS

as at 31 December 2013

Aviva Investors II – Emerging Markets Inflation Linked Bond Fund USD	
Investment portfolio at cost	617,379,364
Unrealised gain/(loss)	(62,980,488)
Investment portfolio at market value (note 2.2)	554,398,876
Cash at bank	9,656,579
Unrealised gain on forward foreign exchange contracts (note 2.2)	101,236
Other assets	1,967,879
Total assets	566,124,570
Bank overdraft	(2,042)
Unrealised loss on forward foreign exchange contracts (note 2.2)	(28,490)
Other liabilities	(241,954)
Total liabilities	(272,486)
Total Net Assets	565,852,084

The accompanying notes form an integral part of these statements.

STATISTICS

Aviva Investors II – Emerging Markets Inflation Linked Bond Fund		
Total Net Assets (in USD)		
31 December 2013		565,852,084
31 December 2012		971,733,993
31 December 2011		922,081,728
Net Asset Value per Share I GBP		
31 December 2013		0.9798
31 December 2012		1.1280
31 December 2011		1.0011
Net Asset Value per Share I USD		
31 December 2013		1.2091
31 December 2012		1.3662
31 December 2011		1.1592
Net Asset Value per Share Ix USD		
31 December 2013		0.8665
Net Asset Value per Share Rx GBP		
31 December 2013		0.7883
Net Asset Value per Share R GBP		
31 December 2013		0.8971
Net Asset Value per Share Z EUR		
31 December 2013		0.9306
Net Asset Value per Share Z USD		
31 December 2013		0.8686
Net Asset Value per Share Z GBP		
31 December 2013		0.7968
Shares Outstanding at 31 December 2013		
I GBP		1,487,328
I USD		315,878
Ix USD		985
Rx GBP		985
R GBP		985
Z EUR		5,958,134
Z USD		428,750,017
Z GBP		138,676,242

The accompanying notes form an integral part of these statements.

STATEMENT OF CHANGES IN SHARES OUTSTANDING

for the year ended 31 December 2013

Aviva Investors II – Emerging Markets Inflation Linked Bond Fund	
I GBP	
Shares outstanding at the beginning of the year	142,226,860
Shares issued	3,534,052
Shares redeemed	(144,273,584)
Shares outstanding at the end of the year	1,487,328
I USD	
Shares outstanding at the beginning of the year	520,380,881
Shares issued	4,542,227
Shares redeemed	(524,607,230)
Shares outstanding at the end of the year	315,878
Ix USD	
Shares outstanding at the beginning of the year	-
Shares issued	985
Shares redeemed	-
Shares outstanding at the end of the year	985
Rx GBP	
Shares outstanding at the beginning of the year	-
Shares issued	985
Shares redeemed	-
Shares outstanding at the end of the year	985
R GBP	
Shares outstanding at the beginning of the year	-
Shares issued	985
Shares redeemed	-
Shares outstanding at the end of the year	985
Z EUR	
Shares outstanding at the beginning of the year	-
Shares issued	5,958,134
Shares redeemed	-
Shares outstanding at the end of the year	5,958,134
Z USD	
Shares outstanding at the beginning of the year	-
Shares issued	453,124,224
Shares redeemed	(24,374,207)
Shares outstanding at the end of the year	428,750,017
Z GBP	
Shares outstanding at the beginning of the year	-
Shares issued	180,134,695
Shares redeemed	(41,458,453)
Shares outstanding at the end of the year	138,676,242

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

for the year ended 31 December 2013

Aviva Investors II – Emerging Markets Inflation Linked Bond Fund	
USD	
Income	
Bank interest	12,213
Bond and other interest	27,751,265
Other income	1,550
Total Income	27,765,028
Expenses	
Management fees (note 4)	(2,888,826)
Custodian fees (note 5.3)	(1,064,607)
Administration, Domiciliary and Transfer Agency fees (notes 5.1, 5.2)	(566,132)
Professional fees	(89,060)
Bank charges	(14,410)
Bank interest	(3,346)
Luxembourg tax (note 6)	(71,195)
Other expenses	(130,594)
Total Expenses	(4,828,170)
Net investment income/(loss)	22,936,858
Net realised gain/(loss)	
- on investment portfolio	46,450,175
- on forward foreign exchange contracts	(881,792)
- on options	113,417
Net changes in unrealised depreciation	
- on investment portfolio	(145,962,605)
- on forward foreign exchange contracts	(1,245)
- on options	(862)
Result on operations for the year	(77,346,054)
Net receipts from subscription of shares	666,133,543
Net payments from redemption of shares	(994,669,398)
Change in Total Net Assets for the year	(405,881,909)
Net Assets at the beginning of the year	971,733,993
Total Net Assets	565,852,084

The accompanying notes form an integral part of these statements.

NOTES TO THE FINANCIAL STATEMENTS

as at 31 December 2013

1. General

Aviva Investors II (formerly Aviva Investors Structured Funds) ("The Fund") was initially set-up as an open-ended investment company with variable capital – specialised investment fund (société d'investissement à capital variable - fonds d'investissement spécialisé) pursuant to the Luxembourg Law of 13 February 2007, as amended, relating to specialised investment funds (the "SIF Law"). Further to an extraordinary general meeting held on 7 February 2013, the Fund was transformed in an undertaking for collective investment in transferable securities (UCITS) regulated by Part I of the Law of 17 December 2010 and its name was changed from Aviva Investors Structured Funds into Aviva Investors II. The Fund was incorporated on 12 October 2009 for an unlimited period.

The Fund is registered under number B-148.660 in the Luxembourg Trade and Companies Register. Its Articles are available for inspection there and a copy thereof may be obtained upon request. Its principal and registered office is at 2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg.

During the year, the following Share Classes were launched:

Sub-Fund Name	Share Class	Currency	Date
Emerging Markets Inflation linked Bond Fund	Ix USD	USD	May 17, 2013
Emerging Markets Inflation linked Bond Fund	Z USD	USD	May 17, 2013
Emerging Markets Inflation linked Bond Fund	Rx GBP	GBP	April 15, 2013
Emerging Markets Inflation linked Bond Fund	Z GBP	GBP	May 17, 2013
Emerging Markets Inflation linked Bond Fund	R GBP	GBP	June 28, 2013
Emerging Markets Inflation linked Bond Fund	Z EUR	EUR	July 5, 2013

2. Summary of significant accounting policies

The financial statements are prepared and presented in accordance with generally accepted accounting principles in Luxembourg for Investments Funds. The financial statements are presented in USD.

2.1 Foreign currencies

The financial statements of the Fund are expressed in USD and its accounting records are maintained in that currency. Assets and liabilities in other currencies are translated into the currency of the Sub-Fund using the exchange rate in effect at period end. Income and expenses in other currencies are translated into the currency of the Sub-Fund at the exchange rate in effect on the date of the transaction.

The exchange rates used as at 31 December 2013 were:

1 USD=	2.35925000	BRL
1 USD=	525.4500000	CLP
1 USD=	0.60377359	GBP
1 USD=	0.72571574	EUR
1 USD=	1932.0000000	COP
1 USD=	13.09715000	MXN
1 USD=	3.47100000	ILS
1 USD=	1055.3500000	KRW
1 USD=	3.01745000	PLN
1 USD=	2.14850000	TRY
1 USD=	10.47375000	ZAR
1 USD =	32.86000000	THB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

as at 31 December 2013

2.2 Valuation of assets

The value of the assets of the Fund is determined as follows:

(1) The value of any cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received are deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as the Company may consider appropriate in such case to reflect the true value;

(2) The value of transferable securities, money market and financial derivative instruments: (i) if a single price for buying and selling the security, money market and financial derivative instruments is quoted, at the last available price; or (ii) if separate buying and selling prices are quoted, at the selling price. If, in the opinion of the Board of Directors, such prices are not reliable or no recent traded price is available or if no price exists, the value of such securities, money market and financial derivative instruments shall be determined in good faith by the Board of Directors.

(3) For non-quoted transferable securities, money market instruments and financial derivative instruments or those not traded or dealt in on any stock exchange or other regulated market, as well as transferable securities, money market instruments and financial derivative instruments for which the quoted prices are not representative of the fair market value, the value thereof is determined prudently and in good faith on the basis of foreseeable sales prices as determined by or under the Board of Directors' responsibility.

(4) Money market instruments with an initial or residual maturity of less than 3 months are valued using an amortized cost method if the Board of Directors determines that amortized cost is the closest price to the probable realization value of the instrument. This involves valuing the instrument at its cost and thereafter assuming a constant amortization to maturity of any discount or premium. The Board of Directors ensures that the value of Money market instruments using the amortized cost method does not materially differ from their fair market value. The Board of Directors may adopt other fair valuation methods, when circumstances or market conditions so warrant.

(5) Forward foreign exchange contracts

In connection with the purchases and sales of securities denominated in a foreign currency, a Sub-Fund may enter into forward foreign exchange contracts for the purposes of hedging foreign currency exchange risks. Contracts are recorded at market value based on the exchange rate of the underlying currency on the valuation day. Certain risks may arise upon entering into these contracts from the potential inability of counterparties to meet the terms of their contracts.

(6) Options

Options that are not traded on a regulated market or any other regulated market are valued at their liquidation value determined in accordance with the rules set in good faith by the Board of Directors according to standard criteria for each type of contract.

(7) Fair value

Events may occur between the determination of an investment's last available price and the determination of the Fund's Net Asset Value per Share at the valuation point that may, in the opinion of the Board of Directors, mean that the last available price does not reflect the fair market value of the investment. In such circumstances the price of such investment shall be adjusted in accordance with the procedures adopted from time to time by the Board of Directors in their discretion.

(8) Treatment of interest income and dividends

Interest income is accrued on a daily basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

as at 31 December 2013

3. Anti Dilution levy

The Fund may suffer dilution of the Net Asset Value per Share (the "NAV per share") due to investor's subscription or redemption of Shares at a price that does not reflect dealing and other costs that arise when security trades are undertaken by the Investment Manager to accommodate cash inflows or outflows. In order to counter the impact of the dilution of the NAV per share as described above, an anti dilution levy mechanism has been implemented by the Board of Directors on 28 October 2010 to protect the interests of shareholders of the Fund.

4. Management fee

The Management Company is entitled to receive from the Company a management fee payable in arrears at the end of each month calculated at the rate for each Share Class. Aviva Investors II – Emerging Markets Inflation Linked Bond Fund pays a fee up to 0.60% per annum of the Net Asset Value of the Sub-Fund for classes I and R.

Z Share Classes are not subject to any management fee.

5. Administration, domiciliary and transfer agent fees

5.1 Administration fee

The Sub-Fund Aviva Investors II – Emerging Markets Inflation Linked Bond Fund pays administration fees. The Share Classes I and R (except the Z Share Class) of the Sub-Fund is subject to an Administration Fee of a maximum 0.125 per cent per annum of the aggregate average daily Net Asset Value per Share Class.

5.2 Domiciliary and transfer agent fees

Aviva Investors II – Emerging Markets Inflation Linked Bond Fund pays registrar and transfer agent fees to RBC Investor Services Bank S.A. in respect of its activity as Registrar and Transfer Agents (including maintenance, shareholder services, transaction, dividend process, trailer fees and commission handling activities) dependent on the transaction volume per class of shares. These fees are payable monthly in arrears.

5.3 Custodian fees

The Custodian receives a fee in respect of each Sub-Fund. These fees are to remunerate the Custodian for the safekeeping and transaction costs applicable to the Sub-Fund. The fees vary in respect of each Sub-Fund depending on the value of the assets held by the Custodian and the volume of trading in that Sub-Fund and should not exceed a maximum of 0.20% per annum.

6. Luxembourg tax

The Fund is subject to Luxembourg tax laws. Under the prevailing laws and regulations, the Fund is subject to a "Taxe d'abonnement" at the annual rate of 0.01% except for the R shares which are subject to a rate of 0.05%.

7. Transaction Cost

For the year ended 31 December 2013, the Sub-Fund incurred transactions costs which have been defined as custody transactions fees relating to purchase or sale of portfolio securities and financial instruments as follows:

Sub Fund Name	Base Currency	Total
Aviva Investors II – Emerging Markets Inflation Linked Bond Fund	USD	8,488

OTHER INFORMATION – UNAUDITED

1. Total Expense Ratio (TER)

Sub-Fund name	Share Class	ISIN	Total Expenses	Total Expense Ratio in %
Aviva Investors II- Emerging Markets Inflation Linked Bond Fund				
Emerging Markets Inflation Linked Bond Fund	I GBP	LU0477273246	1,328,801.76	0.88
Emerging Markets Inflation Linked Bond Fund	I USD	LU0477319171	2,685,304.58	0.88
Emerging Markets Inflation Linked Bond Fund	Ix USD	LU0872922314	3.94	0.73
Emerging Markets Inflation Linked Bond Fund	R GBP	LU0944226397	7.80	1.04
Emerging Markets Inflation Linked Bond Fund	Rx GBP	LU0912510863	8.01	0.83
Emerging Markets Inflation Linked Bond Fund	Z USD	LU0928631661	525,395.40	0.32
Emerging Markets Inflation Linked Bond Fund	Z EUR	LU0949380314	10,144.58	0.33
Emerging Markets Inflation Linked Bond Fund	Z GBP	LU0928631828	272,779.49	0.31

TER was calculated in accordance with the applicable SFAMA guidelines.

2. Portfolio Turnover Ratio (PTR)

	Portfolio Turnover in %
Aviva Investors II- Emerging Markets Inflation Linked Bond	-146.67

PTR was calculated in accordance with the applicable SFAMA guidelines.

3. Performance

Sub-Fund name	Share Class	ISIN	2013 in %	2012 in %	2011 in %	2010 in %
Emerging Markets Inflation Linked Bond Fund	I GBP	LU0477273246	-13.55	11.67	0.11	-
Emerging Markets Inflation Linked Bond Fund	I USD	LU0477319171	-12.08	16.11	-2.90	20.09
Emerging Markets Inflation Linked Bond Fund	Ix USD	LU0872922314	-13.35	-	-	-
Emerging Markets Inflation Linked Bond Fund	R GBP	LU0944226397	-10.29	-	-	-
Emerging Markets Inflation Linked Bond Fund	Rx GBP	LU0912510863	-21.17	-	-	-
Emerging Markets Inflation Linked Bond Fund	Z USD	LU0928631661	-13.14	-	-	-
Emerging Markets Inflation Linked Bond Fund	Z EUR	LU0949380314	-6.94	-	-	-
Emerging Markets Inflation Linked Bond Fund	Z GBP	LU0928631828	-20.32	-	-	-

Past performance is not an indication of the current or future performance.

The performance data do not take into account the commissions on the issue and redemption of shares.

Performance figures was calculated in accordance with the applicable SFAMA guidelines.

4. Risk Management

As at 31 December 2013, it has been determined to use the commitment approach to calculate global exposure.

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MC2868-V001-307226-XX/XXXX/XXXXXX