

AVIVA INVESTORS
SUSTAINABLE FUTURE ICVC
INTERIM REPORT AND
FINANCIAL STATEMENTS

For the six months ended 31 July 2012 (unaudited)

avivainvestors.co.uk

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COMPANY INFORMATION

Authorised Corporate Director

Aviva Investors UK Fund Services Limited
No. 1 Poultry
London, EC2R 8EJ

Until 20 July 2012, the Authorised Corporate Director (ACD) was 50% owned by Aviva Life Holdings UK Limited and 50% owned by Aviva Investors Holdings Limited, both of which are companies incorporated in the United Kingdom and are within the Aviva Group of Companies. From 20 July 2012, the ACD is wholly owned by Aviva Life Holdings UK Limited.

Aviva Investors UK Fund Services Limited is a member of the Investment Management Association and is authorised and regulated by the Financial Services Authority.

Directors

J Clougherty (resigned 27 March 2012)
T Orton
E Gerth (resigned 20 July 2012)
G Boffey
K Moss (resigned 13 March 2012)
P Neville (resigned 20 July 2012)
B A Curran (appointed 20 July 2012)

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
No.1 Poultry
London, EC2R 8EJ

Aviva Investors Global Services Limited is a wholly owned subsidiary of Aviva Plc, a member of the Investment Management Association and is authorised and regulated by the Financial Services Authority.

Depository

Citibank International Plc
Citigroup Centre
Canada Square
Canary Wharf
London, E14 5LB

Authorised and regulated by the Financial Services Authority.

Auditor

Ernst & Young LLP
10 George Street
Edinburgh, EH2 2DZ

Registered Office:
1 More London Place
London, SE1 2AF

REPORT OF THE AUTHORISED CORPORATE DIRECTOR

The Company

Aviva Investors Sustainable Future ICVC (“the Company”) is an Open-Ended Investment Company (OEIC) with variable capital incorporated in England and Wales on 29 January 2001. The property of the Company is entrusted to Citibank International Plc (“the Depository”). The shareholders are not liable for any debts of the Company.

The object of the Company is to invest the scheme property in transferable securities, money market instruments, units in collective investment schemes, deposits and derivative instruments and forward transactions in accordance with the FSA Rules applicable to the Company and each sub-fund, with the aim of spreading investment risk and giving its shareholders the benefit of the results of the management of that property.

The Company has an umbrella structure which means that it contains many sub-funds, each with a different investment objective. In the financial statements you will find an investment review for each sub-fund which includes details of the investment objectives. There are currently 6 sub-funds, all of which were launched on 19 February 2001.

As sub-funds are not legal entities in their own right, if the assets of a sub-fund are insufficient to meet its liabilities, any such shortfall might have to be met from the assets of the other sub-funds of the Company.

Authorised Status

From 29 January 2001 the Company was authorised as an Open-Ended Investment Company under Regulation 7 of the Open-Ended Investment Companies Regulations 1996 (superseded by Regulation 12 of the Open-Ended Investment Companies Regulations 2001).

The Financial Statements

We are pleased to present the interim financial statements of the Company for the six months ended 31 July 2012. The financial statements have been prepared on an aggregated basis including all sub-funds as permitted by the Regulations. As required by the Regulations, information for each of the 6 sub-funds has also been included in these financial statements. On the following pages we review the performance of each of those sub-funds during the period. We hope that you find our review useful and informative.

Annual General Meetings

The Company will not be holding any Annual General Meetings.

Significant Information

With effect from 20 August 2012 Alliance Trust Investments became Investment Adviser on these Funds. Aviva Investors remain the Investment Manager. As already advised, in a separate customer communication, the intention is to transfer full Authorised Corporate Director (ACD) responsibilities for these six funds (and the Aviva Investors UK Ethical Fund, part of the Aviva Investors Investment Funds ICVC) to Alliance Trust Investments in early 2013, subject to legal and regulatory approval. This means that Alliance Trust Investments will become the operator of the Funds responsible for all aspects including fund management, administration, dealing, sales, marketing, compliance, legal and customer service.

MANAGER'S MARKET REVIEW

For the six months ended 31 July 2012

Equities

Equity markets began the reporting period on a positive note posting their best opening quarter in more than a decade. Key factors behind the rally were broadly encouraging US economic indicators, such as improving labour market data, and the European Central Bank's (ECB) long-term refinancing operations which provided over €1 trillion of liquidity to Europe's beleaguered banking sector, thereby averting a potentially calamitous credit crunch. As a result, investors began to unwind their exceptionally defensive positioning with a marked increase in demand for higher risk assets, notably emerging-market equities and small-cap stocks. Equity markets have become increasingly volatile in recent months as the euro zone debt crisis deepened while global economic indicators have deteriorated. Both Continental European and emerging markets have been particularly weak as risk aversion grew. In contrast, the US equity market has held up relatively well underpinned by robust corporate profits.

The European sovereign debt crisis overshadowed bond markets during the reporting period. In recent months yields in southern European markets have risen sharply as the Spanish government requested help to bail-out its beleaguered banks and as elections in Greece and France revealed growing public hostility to austerity measures, raising the prospect of a disorderly break-up of the single currency. In contrast, yields on higher-rated US Treasuries, UK gilts and German bunds sank to new lows. An EU summit in late June provided some relief to investors, paving the way for direct support for distressed European banks. In credit markets, financial sector bonds have been particularly volatile as ratings agency Moody's downgraded a number of banks' debt in early summer, although income-seeking investors have continued to channel funds into corporate bonds as government bond yields in the major markets remain extremely low.

From an SRI (Sustainable and Responsible Investment) perspective, the European sovereign debt crisis continues to weigh heavily on investment prospects, with austerity measures squeezing subsidies for renewable energy, as well as public sector investment. Overcapacity in renewables has eroded profitability although ultimately lower prices should make the technology more viable. In contrast, healthcare has been one of few resilient sectors as the economic outlook has deteriorated. Evidence of foul play in fixing interbank borrowing costs was a blow to the banking sector, prompting calls for tighter regulation and cultural change. Significantly, shareholders have become more vociferous in opposing executive pay awards in view of poor company performance. Under increasing scrutiny, companies that can highlight activities that are beneficial for society and the natural environment have a competitive advantage. The Rio summit on sustainable development revealed disappointingly weak aspirations from politicians, highlighting the reality that very little has changed since 1992. Although some businesses are proactively confronting sustainable development challenges, there remains plenty to do.

August 2012

Source of market data: Bloomberg.

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 a fund and the income from it may go down as well as up, and the investor may not get back the original amount invested.

AGGREGATED STATEMENT OF TOTAL RETURN

For the six months ended 31 July 2012 (unaudited)

	Six months ended 31.07.12		Six months ended 31.07.11	
	£000	£000	£000	£000
Income				
Net capital gains		27,913		3,512
Revenue	18,024		17,691	
Expenses	(2,775)		(2,858)	
Finance costs: Interest	–		(3)	
Net revenue before taxation	15,249		14,830	
Taxation	(797)		(692)	
Net revenue after taxation		14,452		14,138
Total return before distributions		42,365		17,650
Finance costs: Distributions		(14,470)		(14,143)
Change in net assets attributable to shareholders from investment activities		27,895		3,507

AGGREGATED STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 July 2012 (unaudited)

	Six months ended 31.07.12		Six months ended 31.07.11	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		976,563		1,027,839
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	31,477		33,825	
Less: Amounts payable on cancellation of shares	(43,715)		(62,173)	
		(12,238)		(28,348)
Change in net assets attributable to shareholders from investment activities (see above)		27,895		3,507
Dilution levy		–		87
Retained distribution on accumulation shares		4,329		4,364
Stamp duty reserve tax		(33)		(30)
Closing net assets attributable to shareholders		996,516		1,007,419

The Statement of Recommended Practice (2010) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the Net Asset Value at the end of the previous period will not agree to the Net Asset Value at the start of this period. The published Net Asset Value as at 31 January 2012 was £976,563,000.

AGGREGATED BALANCE SHEET

As at 31 July 2012 (unaudited)

		As at 31.07.12		As at 31.01.12
	£000	£000	£000	£000
ASSETS				
Investment assets		959,426		938,646
Debtors	16,308		33,876	
Cash and bank balances	34,162		30,488	
Total other assets		50,470		64,364
Total assets		1,009,896		1,003,010
LIABILITIES				
Investment liabilities		(261)		(680)
Creditors	(6,824)		(19,219)	
Bank overdrafts	–		(1,078)	
Distribution payable on income shares	(6,295)		(5,470)	
Total other liabilities		(13,119)		(25,767)
Total liabilities		(13,380)		(26,447)
Net assets attributable to shareholders		996,516		976,563

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS

Accounting policies

The interim financial statements have been prepared in accordance with the statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in October 2010.

The accounting policies applied are consistent with those of the financial statements for the year ended 31 January 2012 and are described in those annual financial statements.

AVIVA INVESTORS SUSTAINABLE FUTURE UK GROWTH FUND

Investment Objective

To provide long term capital appreciation.

Investment Policy

Investment principally in UK equities based on price and prospects of above average earnings growth. Limited investment in UK bond markets may be made from time to time. All investments will be expected to conform to our social and environmental criteria.

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.

Fund Manager's Report

The Aviva Investors Sustainable Future UK Growth Fund Share Class 1 returned 3.33 per cent*, in comparison with a return of 2.02 per cent for the IMA** All Companies sector over the reporting period net income reinvested.

Encouragingly, we saw strong performance from a number of small-cap stocks with strong sustainability credentials, notably IP Group. The company is an intellectual-property developer that funds innovative businesses, and its shares rose on the back of encouraging annual results. IP Group has holdings in over 60 companies including Oxford Nanopore Technologies, a DNA-sequencing development company, and Xeros, which has developed ecological clothes-washing techniques with a much reduced water requirement. In the healthcare sector, Abcam is a leading online supplier of research-grade antibodies and reagents, with a catalogue of over 800 products. Sales of its antibodies for medical research gained market share, while investors reacted favourably to its recent acquisition of US group Epitomics. Among large-cap stocks, quality assurance and product testing firm Intertek reported strong revenue growth during the first quarter as its four largest divisions, including consumer goods and commercial & electrical, continue to benefit from the need for businesses to comply with tighter product regulations. Intertek also announced the acquisition of Vigalab, a minerals-testing laboratory in Chile. Demand for minerals testing in Latin America is being driven by increased mining investment in the region. In the IT sector, the Fund holds Telecity which is a beneficiary of exponential growth in data requirement, not least because its data centres provide efficient management of energy costs. Demand for the company's infrastructure and services is being driven by the growth of the internet, particularly mobile internet and cloud computing.

The exclusion of major oil and mining companies on environmental and health & safety grounds was beneficial as commodity prices weakened. However, a holding in natural gas producer BG Group fell back over the quarter. The boom in shale-gas supply in North America has hit the valuation of BG's operations in the region, prompting the company to declare a \$1.3 billion writedown in its US natural gas assets, triggering a fall in quarterly profits. On a brighter note, we believe BG is making good progress towards commencing liquefied natural gas production in Australia in 2014.

August 2012

* Fund performance figures – share class 1, source Lipper Hindsight, net of fees, net income reinvested in GBP.

** IMA is the Investment Management Association, the industry's trade body.

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Material Portfolio Changes

Purchases	Sales
GlaxoSmithKline	HSBC
Kingspan	Barclays
BG Energy	Sage
Experian	Centrica
Compass	Informa
ARM	Antofagasta
Prudential	Virgin Media
Smith	GlaxoSmithKline
Pennon	Vodafone
Stagecoach	Premier Farnell

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.

INVESTMENT PERFORMANCE

Net Asset Value – Accumulation Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 1	31.01.10	8,668	17,527,398	49.45
	31.01.11	9,609	16,188,088	59.36
	31.01.12	9,362	16,135,948	58.02
	31.07.12	11,925	19,867,985	60.02
Class 2	31.01.10	41,240	52,301,401	78.85
	31.01.11	43,094	45,193,690	95.35
	31.01.12	36,342	38,692,150	93.93
	31.07.12	37,301	38,238,342	97.55
Class 3	31.01.10	69,153	63,795,610	108.40
	31.01.11	84,475	64,221,042	131.54
	31.01.12	78,167	60,065,856	130.13
	31.07.12	79,813	58,931,152	135.43

* Valued at bid market prices.

Share Price Record – Accumulation Shares

Share class	Calendar year	Highest price* (p)	Lowest price* (p)
Class 1	2007	71.08	59.67
	2008	62.15	36.89
	2009	51.27	35.20
	2010	59.90	48.21
	2011	63.40	50.79
	2012**	62.39	55.97
Class 2	2007	110.99	93.48
	2008	97.44	58.27
	2009	81.68	55.77
	2010	96.15	77.06
	2011	102.19	82.02
	2012**	101.12	90.56
Class 3	2007	151.28	127.57
	2008	133.01	79.80
	2009	112.25	76.46
	2010	132.59	106.05
	2011	141.23	113.47
	2012**	140.19	125.43

* Valued at mid market prices.

** Up to 31 July 2012.

Ongoing Charges Figure*

Share class	31.07.12
Class 1	1.65%
Class 2	0.85%
Class 3	0.44%

* The Ongoing Charges Figure reflects the total of all costs associated with operating the Fund, including the Authorised Corporate Director's periodic charge, presented as a percentage of the average net assets over the period.

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per calendar year on a payment date basis for an investment made on 2 January 2007.

Share class	Calendar year	Net revenue per share (p)	Per £1,000 invested (£)
Class 1	2007	0.4844	7.82
	2008	0.6115	9.87
	2009	0.8800	14.20
	2010	0.5704	9.21
	2011	0.3095	5.00
	2012*	0.4120	6.65
Class 2	2007	1.5014	15.58
	2008	1.6896	17.53
	2009	1.9143	19.86
	2010	1.5267	15.84
	2011	1.2219	12.68
	2012*	1.0492	10.88
Class 3	2007	2.4725	18.85
	2008	2.7266	20.79
	2009	2.9108	22.19
	2010	2.4621	18.77
	2011	2.2191	16.92
	2012*	1.7290	13.18

* Up to 30 September 2012 (the interim distribution payment date).

PORTFOLIO STATEMENT

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
Channel Islands; Guernsey (1.95%; 2012 4.12%)			
<i>Gas, Water & Multiutilities (0.52%; 2012 0.56%)</i>			
1,480,682	Renewable Energy Generation	674	0.52
<i>Media (1.43%; 2012 2.85%)</i>			
495,437	Informa	1,838	1.43
<i>Oil & Gas Producers (0.00%; 2012 0.71%)</i>			
		2,512	
Channel Islands; Jersey (0.37%; 2012 0.76%)			
<i>Pharmaceuticals & Biotechnology (0.37%; 2012 0.76%)</i>			
1,768,152	Nature Group	477	0.37
		477	
Luxembourg (2.69%; 2012 2.95%)			
<i>Chemicals (2.46%; 2012 2.73%)</i>			
1,127,188	AZ Electronic Materials	3,179	2.46
<i>General Financial (0.23%; 2012 0.22%)</i>			
12,488	Triodos Microfinance Fund	293	0.23
		3,472	
Papua New Guinea (2.30%; 2012 1.83%)			
<i>Food Producers (2.30%; 2012 1.83%)</i>			
359,998	New Britain Palm Oil	2,970	2.30
		2,970	
Ireland; Republic of (2.60%; 2012 1.44%)			
<i>Construction & Materials (1.79%; 2012 0.00%)</i>			
447,150	Kingspan	2,311	1.79
<i>Mining (0.81%; 2012 1.44%)</i>			
2,821,832	Kenmare Resources	1,044	0.81
		3,355	
United Kingdom (82.98%; 2012 84.43%)			
<i>Banks (0.10%; 2012 5.91%)</i>			
677	HSBC Call Option 21/12/2012	54	0.04
174	Standard Chartered Call Option 21/12/2012	82	0.06
<i>Chemicals (3.55%; 2012 3.92%)</i>			
149,997	Johnson Matthey	3,250	2.52
1,035,286	Porvair	1,325	1.03
<i>Construction & Materials (0.00%; 2012 0.00%)</i>			
893,939	† Romag	–	–
<i>Electronic & Electrical Equipment (1.81%; 2012 1.40%)</i>			
174,257	Oxford Instruments	2,178	1.69
482,632	Sabien Technology	159	0.12
<i>Equity Investment Instruments (0.46%; 2012 0.73%)</i>			
629,258	Impax Asian Environmental Markets	592	0.46
<i>Fixed Line Telecommunications (0.94%; 2012 1.13%)</i>			
526,981	Alternative Networks	1,212	0.94
<i>Gas, Water & Multiutilities (3.09%; 2012 3.84%)</i>			
519,263	Pennon	3,978	3.09

PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
United Kingdom (continued)			
<i>General Financial (6.10%; 2012 4.60%)</i>			
1,136,014	3i	2,372	1.84
1,877,905	IP	2,779	2.15
1,505,325	Paragon	2,725	2.11
<i>General Industrials (3.16%; 2012 2.15%)</i>			
695,494	RPC	2,845	2.20
816,625	Smith (DS)	1,237	0.96
<i>General Retailers (2.55%; 2012 3.22%)</i>			
103,238	ASOS	1,891	1.47
520,737	Kingfisher	1,393	1.08
<i>Health Care Equipment & Services (2.40%; 2012 2.31%)</i>			
488,583	ImmuPharma	237	0.18
434,695	Smith & Nephew	2,865	2.22
<i>Industrial Engineering (1.91%; 2012 1.81%)</i>			
124,817	Spirax-Sarco Engineering	2,459	1.91
<i>Life Insurance (7.84%; 2012 6.22%)</i>			
3,394,210	Legal & General	4,365	3.38
743,583	Prudential	5,755	4.46
<i>Media (4.59%; 2012 5.02%)</i>			
2,914,850	ITV	2,211	1.71
311,318	Pearson	3,714	2.88
<i>Mining (1.26%; 2012 2.91%)</i>			
149,926	Antofagasta	1,621	1.26
<i>Mobile Telecommunications (7.09%; 2012 7.39%)</i>			
4,973,418	Vodafone	9,149	7.09
<i>Nonlife Insurance (0.70%; 2012 0.67%)</i>			
503,900	§ Triodes Renewables	907	0.70
<i>Oil & Gas Producers (6.09%; 2012 5.06%)</i>			
612,104	BG Energy	7,859	6.09
<i>Pharmaceuticals & Biotechnology (8.12%; 2012 4.73%)</i>			
812,553	Abcam	3,303	2.56
385,005	GlaxoSmithKline	5,621	4.36
1,232,892	GW Pharmaceuticals	845	0.65
924,538	§ Ransom (William) & Son	-	-
1,043,263	Vectura	715	0.55
<i>Real Estate (0.18%; 2012 0.18%)</i>			
282,000	§ Ethical Property	226	0.18
<i>Software & Computer Services (3.91%; 2012 5.85%)</i>			
890,826	RM	670	0.52
267,996	SDL International	1,834	1.42
296,890	TeleCity	2,547	1.97
<i>Steel & Other Metals (0.00%; 2012 0.02%)</i>			

PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
United Kingdom (continued)			
<i>Support Services (8.50%; 2012 10.53%)</i>			
762,833	B-Global	59	0.05
372,991	Experian	3,581	2.78
90,035	Intertek	2,500	1.94
325,575	Maintel	1,140	0.88
1,739,193	Shanks	1,358	1.05
230,739	Travis Perkins	2,328	1.80
<i>Technology Hardware & Equipment (3.08%; 2012 2.14%)</i>			
715,186	ARM	3,969	3.08
<i>Travel & Leisure (5.55%; 2012 2.56%)</i>			
372,981	Compass Group	2,600	2.01
619,503	Goals Soccer Centres	911	0.71
1,285,031	Stagecoach	3,652	2.83
<i>Unit Trusts (0.00%; 2012 0.13%)</i>			
		107,073	
United States of America (1.70%; 2012 2.51%)			
<i>Chemicals (0.00%; 2012 0.27%)</i>			
<i>Fixed Line Telecommunications (1.70%; 2012 2.24%)</i>			
126,713	Virgin Media	2,193	1.70
		2,193	
Portfolio of investments		122,052	94.59
Net other assets		6,987	5.41
Net assets		129,039	100.00

† Suspended and delisted securities.

§ Unquoted securities.

All holdings are ordinary shares or stock units and admitted to official stock exchange unless otherwise stated. The comparative percentage figures are as at 31 January 2012.

STATEMENT OF TOTAL RETURN

For the six months ended 31 July 2012 (unaudited)

	Six months ended 31.07.12		Six months ended 31.07.11	
	£000	£000	£000	£000
Income				
Net capital gains		3,474		1,872
Revenue	1,899		1,687	
Expenses	(405)		(428)	
Finance costs: Interest	–		(3)	
Net revenue before taxation	1,494		1,256	
Taxation	(7)		(2)	
Net revenue after taxation		1,487		1,254
Total return before distributions		4,961		3,126
Finance costs: Distributions		(1,487)		(1,254)
Change in net assets attributable to shareholders from investment activities		3,474		1,872

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 July 2012 (unaudited)

	Six months ended 31.07.12		Six months ended 31.07.11	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		123,871		137,178
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	6,642		4,150	
Less: Amounts payable on cancellation of shares	(6,434)		(16,552)	
		208		(12,402)
Change in net assets attributable to shareholders from investment activities (see above)		3,474		1,872
Dilution levy		–		38
Retained distribution on accumulation shares		1,502		1,196
Stamp duty reserve tax		(16)		(14)
Closing net assets attributable to shareholders		129,039		127,868

The Statement of Recommended Practice (2010) requires that comparatives are shown for the above report. As the comparative should be for the comparable interim period, the Net Asset Value at the end of the previous period will not agree to the Net Asset Value at the start of this period. The published Net Asset Value as at 31 January 2012 was £123,871,000.

BALANCE SHEET

As at 31 July 2012 (unaudited)

		As at 31.07.12	As at 31.01.12
	£000	£000	£000
ASSETS			
Investment assets		122,052	121,442
Debtors	3,433		612
Cash and bank balances	3,654		2,029
Total other assets		7,087	2,641
Total assets		129,139	124,083
LIABILITIES			
Creditors	(100)		(212)
Total liabilities		(100)	(212)
Net assets attributable to shareholders		129,039	123,871

AVIVA INVESTORS SUSTAINABLE FUTURE EUROPEAN GROWTH FUND

Investment Objective

To provide long term capital appreciation.

Investment Policy

Diversified investment principally within and across European equity markets. Equity selections will be based on price and long term total return prospects. Limited investment in European bond markets may be made from time to time. All investments will be expected to conform to our social and environmental criteria.

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.

Fund Manager's Report

The Aviva Investors Sustainable Future European Growth Fund Share Class 1 returned -0.26 per cent* over the reporting period, in comparison with a return of -0.20 per cent for the IMA** Europe ex UK, net of fees, income reinvested.

Exposure to cyclical stocks, where earnings are particularly sensitive to the performance of the broader economy, and financial sector holdings detracted from fund performance as the euro-area sovereign debt crisis intensified and the economic outlook deteriorated. Dutch banking group ING is in the process of selling off several of its businesses, including Spanish operations which have been offloaded at a loss. Italian bank Intesa San Paolo fell sharply as Italy's second recession in three years forced banks to set aside more funds to cover bad loans. Among cyclical stocks Irish building insulation supplier Kingspan, which makes sustainable products for the construction industry, weakened on a more challenging trading environment, as did German chip manufacturer Infineon, which lowered its sales outlook as global demand slowed. We retain a strong emphasis on healthcare stocks, under the broad sustainability theme of quality of life. Novo Nordisk, Roche and Essilor International held up well in volatile market conditions. Danish pharmaceutical group Novo Nordisk, the world's leading maker of insulin, is developing a new treatment for Type 2 diabetes which is linked to obesity. Swiss pharmaceutical group Roche received US approval for its new breast-cancer drug Perjeta. French group Essilor is the world's leading manufacturer of optical lenses, and is now well established in the rapidly expanding Chinese market. Elsewhere Bureau Veritas, which provides quality assurance-testing services to businesses with the objective of meeting more stringent regulatory requirements, performed well as its first foray into the corporate bond market was well received.

Amongst consumer stocks, Spanish retailer Inditex, owner of the Zara clothing chain, reported quarterly earnings well ahead of expectations. Inditex does not rely on cheaper Asian manufacturing facilities to supply clothing at a higher volume, so the company is now less exposed to higher wage inflation in that region than competitors and has tighter control on costs. Having invested in domestic manufacturing facilities, Inditex has a more flexible business model and can respond quickly to changes in trends and customer preferences, selling a higher proportion of stock at less of a discount than peers. We believe the company also has strong credentials on the management of key sustainability issues including supply chain standards, chemical safety, and environmental footprint.

August 2012

* Fund performance figures – share class 1, source Lipper Hindsight, net of fees, net income reinvested in GBP.

** IMA is the Investment Management Association, the industry's trade body.

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 a fund and the income from it may go down as well as up, and the investor may not get back the original amount invested.

Material Portfolio Changes

Purchases	Sales
Unilever	Julius Baer
Kingspan	Compagnie de St Gobain
Gemalto	Deutsche Telekom
Anheuser-Busch InBev	Telenor
Prysmian	Norsk Hydro
Infineon Technologies	Abengoa
K&S	DiaSorin
Industria de Diseno Textil	Kone
Millicom International Cellular BDR	Hera
Elektro 'B'	Novo Nordisk 'B'

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.

INVESTMENT PERFORMANCE

Net Asset Value – Accumulation Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 1	31.01.10	30,684	47,385,548	64.75
	31.01.11	36,945	50,341,871	73.39
	31.01.12	24,349	37,154,255	65.54
	31.07.12	20,637	31,583,407	65.34
Class 2	31.01.10	20,852	20,293,824	102.75
	31.01.11	23,331	19,880,628	117.35
	31.01.12	6,538	6,189,675	105.63
	31.07.12	5,878	5,558,002	105.75
Class 3	31.01.10	79,973	56,922,757	140.49
	31.01.11	84,268	52,339,302	161.00
	31.01.12	73,894	50,776,332	145.53
	31.07.12	71,193	48,769,852	145.98

* Valued at bid market prices.

Share Price Record – Accumulation Shares

Share class	Calendar year	Highest price* (p)	Lowest price* (p)
Class 1	2007	77.41	66.52
	2008	77.30	49.31
	2009	71.55	48.15
	2010	73.70	60.41
	2011	78.60	57.99
	2012**	70.34	61.42
Class 2	2007	120.77	103.30
	2008	120.77	77.53
	2009	113.11	75.88
	2010	117.77	96.12
	2011	125.94	93.33
	2012**	113.52	99.26
Class 3	2007	164.16	140.19
	2008	164.24	105.66
	2009	154.48	103.48
	2010	161.52	131.57
	2011	172.97	128.48
	2012**	156.48	136.94

* Valued at mid market prices.

** Up to 31 July 2012.

Ongoing Charges Figure*

Share class	31.07.12
Class 1	1.67%
Class 2	0.85%
Class 3	0.47%

* The Ongoing Charges Figure reflects the total of all costs associated with operating the Fund, including the Authorised Corporate Director's periodic charge, presented as a percentage of the average net assets over the period.

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per calendar year on a payment date basis for an investment made on 2 January 2007.

Share class	Calendar year	Net revenue per share (p)	Per £1,000 invested (£)
Class 1	2007	0.8951	13.24
	2008	1.0773	15.94
	2009	1.0522	15.57
	2010	0.7681	11.36
	2011	0.8017	11.86
	2012*	0.8196	12.13
Class 2	2007	1.7795	16.96
	2008	2.2033	21.00
	2009	2.0456	19.49
	2010	1.6390	15.62
	2011	1.7486	16.66
	2012*	1.8533	17.66
Class 3	2007	2.7504	19.32
	2008	3.3251	23.35
	2009	3.0779	21.62
	2010	2.7042	18.99
	2011	2.7396	19.24
	2012*	3.1372	22.03

* Up to 30 September 2012 (the interim distribution payment date).

PORTFOLIO STATEMENT

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
Belgium (2.30%; 2012 1.90%)			
27,879	Anheuser-Busch InBev	1,386	1.42
30,967	Umicore	863	0.88
		2,249	
Denmark (6.09%; 2012 5.87%)			
40,348	Novo Nordisk 'B'	3,966	4.06
125,395	Novozymes 'B'	1,984	2.03
		5,950	
Finland (3.93%; 2012 4.47%)			
29,989	Kone	1,184	1.21
354,177	Pohjola Bank 'A'	2,653	2.72
		3,837	
France (21.07%; 2012 23.42%)			
42,645	Air Liquide	3,064	3.14
340,363	AXA	2,687	2.75
51,897	Bureau Veritas	2,926	2.99
123,086	Edenred	2,091	2.14
46,958	Essilor International	2,611	2.67
327,636	Groupe Eurotunnel	1,482	1.52
55,676	Legrand Promesse	1,136	1.16
40,427	Michelin	1,770	1.81
55,203	Schneider Electric	2,021	2.07
113,100	Suez Environment	803	0.82
		20,591	
Germany (14.82%; 2012 16.48%)			
62,765	Adidas	3,035	3.11
101,670	Elringklinger	1,830	1.87
44,172	Fresenius AG	3,006	3.08
467,264	Infineon Technologies	2,199	2.25
30,528	K&S	970	0.99
83,122	SAP	3,392	3.47
2,191	Software	45	0.05
		14,477	
Ireland; Republic of (3.51%; 2012 2.07%)			
3,805,142	Kenmare Resources	1,408	1.44
391,213	Kingspan	2,022	2.07
		3,430	
Italy (5.56%; 2012 6.45%)			
310,900	Banca Generali	2,242	2.29
25,448	Diasorin	445	0.46
1,862,940	Intesa Sanpaolo	1,548	1.58
115,509	Prysmian	1,198	1.23
		5,433	
Luxembourg (1.72%; 2012 0.98%)			
29,330	Millicom International Cellular BDR	1,680	1.72
		1,680	

PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
Netherlands (9.13%; 2012 2.51%)			
64,217	Gemalto	3,104	3.18
506,496	ING	2,152	2.20
165,686	Unilever	3,664	3.75
		8,920	
Norway (4.10%; 2012 6.60%)			
598,419	DnB NOR	4,005	4.10
		4,005	
Spain (3.64%; 2012 3.62%)			
51,915	Industria De Diseno Textil	3,561	3.64
		3,561	
Sweden (4.27%; 2012 3.58%)			
106,834	Elekta 'B'	3,162	3.24
277,315	Karolinska Develop 'B'	389	0.40
285,062	Swedish Orphan Biovitrum	619	0.63
		4,170	
Switzerland (9.34%; 2012 13.24%)			
50,366	Roche	5,692	5.82
5,233	Swisscom	1,342	1.37
14,696	Zurich Financial Services	2,098	2.15
		9,132	
United Kingdom (4.48%; 2012 4.49%)			
243,133	BG Energy	3,122	3.20
102,320	Dialog Semiconductor	1,253	1.28
		4,375	
Portfolio of investments		91,810	93.96
Net other assets		5,898	6.04
Net assets		97,708	100.00

All holdings are ordinary shares or stock units and admitted to official stock exchange unless otherwise stated. The comparative percentage figures are as at 31 January 2012.

STATEMENT OF TOTAL RETURN

For the six months ended 31 July 2012 (unaudited)

	Six months ended 31.07.12		Six months ended 31.07.11	
	£000	£000	£000	£000
Income				
Net capital losses		(1,426)		(2,188)
Revenue	2,378		2,875	
Expenses	(399)		(557)	
Finance costs: Interest	–		–	
Net revenue before taxation	1,979		2,318	
Taxation	(268)		(248)	
Net revenue after taxation		1,711		2,070
Total return before distributions		285		(118)
Finance costs: Distributions		(1,711)		(2,070)
Change in net assets attributable to shareholders from investment activities		(1,426)		(2,188)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 July 2012 (unaudited)

	Six months ended 31.07.12		Six months ended 31.07.11	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		104,781		144,544
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	1,568		2,834	
Less: Amounts payable on cancellation of shares	(8,886)		(22,864)	
		(7,318)		(20,030)
Change in net assets attributable to shareholders from investment activities (see above)		(1,426)		(2,188)
Dilution levy		–		40
Retained distribution on accumulation shares		1,672		1,903
Stamp duty reserve tax		(1)		(1)
Closing net assets attributable to shareholders		97,708		124,268

The Statement of Recommended Practice (2010) requires that comparatives are shown for the above report. As the comparative should be for the comparable interim period, the Net Asset Value at the end of the previous period will not agree to the Net Asset Value at the start of this period. The published Net Asset Value as at 31 January 2012 was £104,781,000.

BALANCE SHEET

As at 31 July 2012 (unaudited)

		As at 31.07.12		As at 31.01.12
	£000	£000	£000	£000
ASSETS				
Investment assets		91,810		100,253
Debtors	295		289	
Cash and bank balances	5,906		4,465	
Total other assets		6,201		4,754
Total assets		98,011		105,007
LIABILITIES				
Creditors	(303)		(226)	
Total liabilities		(303)		(226)
Net assets attributable to shareholders		97,708		104,781

AVIVA INVESTORS SUSTAINABLE FUTURE CORPORATE BOND FUND

Investment Objective

To provide a high level of investment income.

Investment Policy

Diversified investment principally in sterling denominated fixed interest securities issued by corporates, governments and supranational institutions. Limited investment in non-sterling denominated fixed interest securities may be made from time to time. All investments will be expected to conform to our social and environmental criteria.

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.

Fund Manager's Report

The Aviva Investors Sustainable Future Corporate Bond Fund Share Class 1 returned 6.35 per cent* over the reporting year, in comparison with a return of 5.59 per cent for the IMA** Sterling Corporate Bond sector, net of fees, income reinvested.

We have reduced the risk profile of the portfolio in recent months, largely in view of the deteriorating market background in Europe. We have limited exposure to peripheral European bond markets, which have come under increasing pressure, and we also took the opportunity to reduce our investments in subordinated financial issues. These are bonds that ranked behind senior debt in terms of the order in which issues are repaid. We sold down insurance holdings such as Swiss Re, Axa and Legal & General after a period of strong performance during the first quarter. In the banking sector, we bought protection against credit risk on our holdings in Credit Agricole and Spanish group BBVA through credit default swaps. Amongst non-financial corporate bonds, the Fund has retained a strong emphasis on several sustainability themes. Healthcare is represented through holdings in major pharmaceuticals such as GlaxoSmithKline and Pfizer; and natural gas production – less carbon intensive than oil exploration – through BG Group. Although the Fund has limited exposure to the utilities sector, as several major issuers fall outside its investment parameters on sustainability criteria, we initiated new positions in electricity distributors PPL and UK Power Distribution, to accompany the existing position in Tennet – the Dutch national grid distributor. We continue to favour water companies, as we are attracted by their valuations and relatively dependable earnings stream. We took a stake in French water and waste-management company Suez Environment, which has a strong record on sustainability issues in comparison with its peers. In the gilt market, we increased the weighting in long-dated issues with over 15 years to maturity on the view that this segment of the market will outperform shorter-dated issues, particularly those with less than 5 years to maturity, over the coming months.

August 2012

* Fund performance figures – share class 1, source Lipper Hindsight, net of fees, net income reinvested in GBP.

** IMA is the Investment Management Association, the industry's trade body.

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Material Portfolio Changes

Purchases	Sales
European Investment Bank 5.625% 07/06/2032	Treasury 4.25% 07/06/2032
Treasury 4.25% 07/06/2032	European Investment Bank 5.5% 15/04/2025
European Investment Bank 4.5% 07/03/2044	Royal Bank of Scotland 5.125% 13/01/2025
South Eastern Power Networks 6.125% 12/10/2031	Metlife 5.375% 09/12/2024
Abbey National Treasury Services 5.75% 02/03/2026	Prudential 11.375% 29/05/2039
Centrica 4.375% EMTN 13/03/2029	ING Bank 4.5% 21/02/2022
Dong Energy 5.75% 09/04/2040	Societe Generale 5.75% Var EMTN 29/03/2049
ING Bank 4.5% 21/02/2022	Wellcome Trust Finance 4.75% 28/05/2021
Snam 5% 18/01/2019	Treasury 4.25% 07/03/2036
Rabobank Nederland 4% 19/09/2022	Dong Energy 5.75% 09/04/2040

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.

INVESTMENT PERFORMANCE

Net Asset Value – Income Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 1	31.01.10	36,836	81,355,704	45.28
	31.01.11	43,254	95,492,913	45.29
	31.01.12	46,229	99,357,019	46.53
	31.07.12	49,213	101,187,071	48.64
Class 2	31.01.10	10,456	15,598,860	67.04
	31.01.11	10,462	15,601,293	67.06
	31.01.12	9,805	14,232,955	68.89
	31.07.12	9,664	13,418,945	72.01
Class 3	31.01.10	128,754	144,083,584	89.36
	31.01.11	185,137	207,094,477	89.40
	31.01.12	187,522	204,191,310	91.84
	31.07.12	195,209	203,342,898	96.00

* Valued at bid market prices.

Share Price Record – Income Shares

Share class	Calendar year	Highest price* (p)	Lowest price* (p)
Class 1	2007	51.38	47.58
	2008	48.54	38.46
	2009	45.08	35.36
	2010	48.69	44.84
	2011	47.08	44.77
	2012**	49.44	46.06
Class 2	2007	76.11	70.49
	2008	71.92	56.95
	2009	66.79	52.38
	2010	72.15	66.44
	2011	69.78	66.31
	2012**	73.28	68.25
Class 3	2007	101.48	93.98
	2008	95.89	75.91
	2009	89.05	69.84
	2010	96.20	88.58
	2011	93.06	88.41
	2012**	97.73	91.02

* Valued at mid market prices.

** Up to 31 July 2012.

Ongoing Charges Figure*

Share class	31.07.12
Class 1	1.15%
Class 2	0.60%
Class 3	0.35%

* The Ongoing Charges Figure reflects the total of all costs associated with operating the Fund, including the Authorised Corporate Director's periodic charge, presented as a percentage of the average net assets over the period.

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per calendar year on a payment date basis for an investment made on 2 January 2007.

Share class	Calendar year	Net revenue per share (p)	Per £1,000 invested (£)
Class 1	2007	2.0489	39.94
	2008	2.1538	41.98
	2009	1.8728	36.51
	2010	1.6997	33.13
	2011	1.7035	33.21
	2012*	1.2645	24.65
Class 2	2007	3.3463	44.02
	2008	3.4782	45.76
	2009	3.0076	39.57
	2010	2.8080	36.94
	2011	2.8167	37.06
	2012*	2.0989	27.61
Class 3	2007	4.5969	45.36
	2008	4.7577	46.94
	2009	4.1318	40.77
	2010	3.8076	37.57
	2011	3.9522	39.00
	2012*	2.9431	29.04

* Up to 30 September 2012 (the interim distribution payment date).

PORTFOLIO STATEMENT

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
Australia (1.98%; 2012 1.02%)			
3,000,000	Commonwealth Bank of Australia 3% 03/05/2022	2,483	0.98
2,000,000	Goodman Australia Finance 9.75% 16/07/2018	2,534	1.00
		5,017	
Belgium (1.31%; 2012 1.34%)			
2,750,000	Anheuser-Busch InBev 6.5% 23/06/2017	3,327	1.31
		3,327	
Cayman Islands (3.01%; 2012 3.72%)			
1,300,000	ERC Ireland Finance FRN 15/08/2016	10	-
1,500,000	Principal Finance Global Funding II 4.5% 26/01/2017	1,242	0.49
2,550,000	Thames Water Utilities Cayman 5.375% 21/07/2025	2,781	1.09
2,742,000	Yorkshire Water Services 6.454% 28/05/2027	3,621	1.43
		7,654	
Channel Islands; Guernsey (0.78%; 2012 0.80%)			
1,900,000	F&C Commercial 5.23% 30/06/2017	1,979	0.78
		1,979	
Channel Islands; Jersey (1.12%; 2012 1.24%)			
3,550,000	HSBC Capital Funding 5.844% Perpetual	2,857	1.12
		2,857	
Denmark (0.44%; 2012 0.47%)			
1,400,000	Danske Bank 5.375% 29/09/2021	1,129	0.44
		1,129	
France (4.55%; 2012 4.14%)			
3,000,000	AXA 6.772% Perpetual	2,176	0.86
2,250,000	Credit Agricole 7.375% 18/12/2023	2,100	0.82
2,550,000	France Telecom 5.375% 22/11/2050	2,687	1.06
3,000,000	Societe Generale 7.756% Perpetual	1,943	0.76
3,000,000	Suez Environnement 4.125% 24/06/2022	2,668	1.05
		11,574	
Germany (0.27%; 2012 0.28%)			
530,000	Kredit Wied 5% 09/06/2036	696	0.27
		696	
Ireland; Republic of (0.75%; 2012 0.79%)			
2,500,000	Ardagh Glass 7.125% 15/06/2017	1,882	0.74
1,500,000	Lambay Capital Securities 6.25% EMTN Perpetual	26	0.01
1,500,000	† Waterford Wedgwood 9.875% 01/12/2010	-	-
		1,908	
Italy (2.87%; 2012 1.90%)			
3,612,000	Snam 5% 18/01/2019	2,835	1.12
2,750,000	Telecom Italia 7.375% 15/12/2017	2,827	1.11
2,017,000	Unicredito Italiano 5% 01/02/2016	1,616	0.64
		7,278	
Luxembourg (0.01%; 2012 2.00%)			
1,500,000	Hellas FRN 15/01/2015	35	0.01
		35	

PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
Netherlands (5.42%; 2012 4.81%)			
2,350,000	Aegon 6.625% 16/12/2039	2,564	1.01
1,100,000	CRH 5% 25/01/2019	963	0.38
2,550,000	ING Bank 6.875% 29/05/2023	2,596	1.02
2,820,000	Rabobank Nederland 4% 19/09/2022	2,961	1.17
3,000,000	RBS Group (Australia) 6.50% 17/05/2018	1,491	0.59
3,500,000	Tennet 4.625% EMTN 21/02/2023	3,179	1.25
		13,754	
Spain (0.47%; 2012 0.00%)			
1,600,000	BBVA Subordinated Capital 5.75% 11/03/2018	1,200	0.47
		1,200	
Sweden (0.00%; 2012 0.77%)			
Switzerland (1.02%; 2012 1.39%)			
3,000,000	ELM B.V. 6.3024% FRN Perpetual	2,601	1.02
		2,601	
United Kingdom (62.67%; 2012 59.01%)			
2,250,000	Abbey National Treasury Services 5.125% 14/04/2021	2,545	1.00
3,125,000	Abbey National Treasury Services 5.75% 02/03/2026	3,780	1.49
4,000,000	Barclays Bank 10% 21/05/2021	4,499	1.77
2,000,000	BG Energy Capital 5% 04/11/2036	2,307	0.91
2,000,000	BG Energy Capital 5.125% 01/12/2025	2,432	0.96
1,796,000	BL Universal 6.75% 31/03/2020	2,184	0.86
2,500,000	British Telecommunications 6.375% 23/06/2037	3,081	1.21
2,500,000	Broadgate 4.999% 05/10/2031	2,673	1.05
3,000,000	Centrica 4.375% 13/03/2029	3,294	1.30
2,650,000	Co-Operative Wholesale Society 5.625% 08/07/2020	2,745	1.08
1,450,000	CPUK Finance 7.239% 28/02/2024	1,630	0.64
2,000,000	Crown Newco 7% 15/02/2018	1,980	0.78
2,880,000	Dignity Finance 8.151% 31/12/2030	4,071	1.60
4,000,000	European Investment Bank 4.5% 07/03/2044	4,471	1.76
4,600,000	European Investment Bank 5.625% 07/06/2032	6,001	2.36
4,000,000	Experian Finance 4.75% 23/11/2018	4,518	1.78
959,000	F&C Asset Management 6.75% 20/12/2026	614	0.24
2,240,000	First Hydro 9% 31/07/2021	2,668	1.05
2,000,000	FirstGroup 6.875% 15/04/2013	2,062	0.81
2,550,000	FirstGroup 8.75% 08/04/2021	3,249	1.28
3,531,000	Fosse Master Issuer 4.635% 18/10/2054	3,844	1.51
2,000,000	GlaxoSmithKline Capital 5.25% 19/12/2033	2,534	1.00
2,900,000	HSBC 6.75% 11/09/2028	3,221	1.27
1,703,000	Investec Bank 9.625% 17/02/2022	1,646	0.65
3,750,000	LBG Capital 7.5884% 12/05/2020	3,220	1.27
2,415,000	Legal & General 4% 08/06/2025	1,749	0.69
2,000,000	Legal & General 6.385% Perpetual	1,630	0.64
1,750,000	Lloyds Banking Group 6.5% EMTN 17/09/2040	1,895	0.75
2,150,000	Lloyds TSB Bank 5.125% 07/03/2025	2,481	0.98
3,000,000	Mitchells & Butler 6.469% 15/09/2030	2,788	1.10
3,200,000	Motability Operations 6.625% 10/12/2019	4,109	1.62
1,875,000	National Grid Electricity 4% 08/06/2027	1,970	0.78

PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
United Kingdom (continued)			
3,000,000	Nationwide Building Society 5.625% MTN 09/09/2019	3,426	1.35
4,500,000	Nationwide Building Society 5.769% Perpetual	3,121	1.23
900,000	Paragon 7% 20/04/2017	666	0.26
2,109,000	Porterbrook Rail Finance 6.5% 20/10/2020	2,553	1.00
3,000,000	Royal Bank of Scotland 6.875% 17/05/2025	3,413	1.34
3,050,000	Safeway 6% 10/01/2017	3,561	1.40
3,500,000	Scottish & Southern Energy 5.453% Perpetual	3,426	1.35
2,300,000	Segro 6.75% 23/11/2021	2,762	1.09
3,100,000	South Eastern Power Networks 6.125% 12/10/2031	3,974	1.56
3,000,000	Southern Water FRN 31/03/2014	3,176	1.25
4,500,000	Spirit Issuer 5.472% 28/12/2034	3,240	1.27
3,100,000	Stagecoach 5.75% 16/12/2016	3,429	1.35
2,500,000	Standard Chartered 7.75% 03/04/2018	2,940	1.16
1,768,000	Standard Life 6.546% FRN Perpetual	1,547	0.61
1,500,000	Tesco 6.125% 24/02/2022	1,819	0.71
2,834,564	Tesco Property 4 5.8006% 13/10/2040	3,176	1.25
2,500,000	Thames Water (Kemble) Finance 7.75% 01/04/2019	2,568	1.01
640,000	Treasury 4.25% 07/03/2036	809	0.32
2,200,000	Unilever 4.75% MTN 16/06/2017	2,553	1.00
3,100,000	Unique Pub Finance 6.542% 30/03/2021	2,565	1.01
2,000,000	United Business Media 6.5% 23/11/2016	2,237	0.88
3,000,000	Virgin Media Secured Finance 5.5% 15/01/2021	3,225	1.27
3,970,000	Western Power Distribution 5.25% 17/01/2023	4,651	1.83
2,000,000	Western Power Distribution 5.5% 09/05/2025	2,505	0.98
		159,233	
United States of America (9.60%; 2012 10.38%)			
2,550,000	Ahold 6.5% 14/03/2017	2,959	1.16
3,000,000	AT&T 7% 30/04/2040	4,394	1.73
2,150,000	Bank of America 7% 31/06/2028	2,457	0.97
2,500,000	HSBC Finance 6.25% 19/08/2019	2,864	1.13
2,600,000	Metropolitan Life Global Funding 4.625% 16/05/2017	2,254	0.89
2,813,000	National Capital Trust 5.62% Perpetual	2,358	0.93
2,500,000	Pfizer 6.5% 03/06/2038	3,618	1.42
2,500,000	Verizon Wireless Capital 8.875% 18/12/2018	3,497	1.37
		24,401	
Forward currency contracts (0.01%; 2012 0.00%)			
<i>Australian Dollar</i>			
£1,448,961	Buy Sterling 19/10/12, Sell AUD 2,225,000	(33)	(0.01)
		(33)	
<i>Euro</i>			
£16,205,954	Buy Sterling 19/10/12, Sell €20,618,000	44	0.02
£1,967,383	Buy Sterling 19/10/12, Sell €2,503,000	5	-
£180,314	Buy Sterling 19/10/12, Sell €230,000	-	-
£3,129,716	Buy Sterling 19/10/12, Sell €4,000,000	(6)	-
		43	

PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
	Futures ((0.07)%; 2012 (0.01)%)		
(60)	Exposure to Long Gilt Future September 2012	(185)	(0.07)
		(185)	
	Swaps (0.07%; 2012 (0.08)%)		
2,000,000	Credit Default Swap EUR – BBVA	127	0.05
2,000,000	Credit Default Swap EUR – Credit Agricole	44	0.02
		171	
	Portfolio of investments*	244,639	96.28
	Net other assets	9,447	3.72
	Net assets	254,086	100.00

* Includes Investment liabilities.

† Suspended and delisted securities.

All holdings are ordinary shares or stock units and admitted to official stock exchange unless otherwise stated.

The comparative percentage figures are as at 31 January 2012.

Portfolio Credit Rating Analysis

	Market value £000	Total net assets %
Bonds		
– Investment grade	215,516	84.82
– Below investment grade	16,305	6.41
– Unrated	12,822	5.04
Forward currency contracts	10	0.01
Swaps	171	0.07
Futures	(185)	(0.07)
	244,639	96.28
	9,447	3.72
	254,086	100.00

* Includes investment liabilities.

STATEMENT OF TOTAL RETURN

For the six months ended 31 July 2012 (unaudited)

	Six months ended 31.07.12		Six months ended 31.07.11	
	£000	£000	£000	£000
Income				
Net capital gains		11,027		5,454
Revenue	6,890		6,750	
Expenses	(633)		(586)	
Finance costs: Interest	-		-	
Net revenue before taxation	6,257		6,164	
Taxation	-		-	
Net revenue after taxation		6,257		6,164
Total return before distributions		17,284		11,618
Finance costs: Distributions		(6,257)		(6,164)
Change in net assets attributable to shareholders from investment activities		11,027		5,454

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 July 2012 (unaudited)

	Six months ended 31.07.12		Six months ended 31.07.11	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		243,556		238,853
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	7,728		8,186	
Less: Amounts payable on cancellation of shares	(8,225)		(9,199)	
		(497)		(1,013)
Change in net assets attributable to shareholders from investment activities (see above)		11,027		5,454
Closing net assets attributable to shareholders		254,086		243,294

The Statement of Recommended Practice (2010) requires that comparatives are shown for the above report. As the comparative should be for the comparable interim period, the Net Asset Value at the end of the previous period will not agree to the Net Asset Value at the start of this period. The published Net Asset Value as at 31 January 2012 was £243,556,000.

BALANCE SHEET

As at 31 July 2012 (unaudited)

		As at 31.07.12		As at 31.01.12
	£000	£000	£000	£000
ASSETS				
Investment assets		244,863		229,130
Debtors	9,516		5,251	
Cash and bank balances	7,457		13,097	
Total other assets		16,973		18,348
Total assets		261,836		247,478
LIABILITIES				
Investment liabilities		(224)		(316)
Creditors	(5,098)		(1,057)	
Distribution payable on income shares	(2,428)		(2,549)	
Total other liabilities		(7,526)		(3,606)
Total liabilities		(7,750)		(3,922)
Net assets attributable to shareholders		254,086		243,556

AVIVA INVESTORS SUSTAINABLE FUTURE MANAGED FUND

Investment Objective

To provide long term capital appreciation and income.

Investment Policy

Diversified investment within and across global securities markets. Allocations to bonds, equities and cash will vary over time. Equity selections will be based on price and long term total return prospects. All investments will be expected to conform to our social and environmental criteria.

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.

Fund Manager's Report

The Aviva Investors Sustainable Future Managed Growth Fund Share Class 1 returned 3.65 per cent* over the reporting period, in comparison with a return of 1.65 per cent for the IMA** Mixed Investment 40-85% Shares Sector, net of fees, income reinvested. The Fund is managed against a composite benchmark, which groups together different indices that provide a more accurate yardstick for its multi-asset portfolio.

The Fund is managed against a composite benchmark, with approximately 30 per cent of the portfolio invested in bonds. The bulk of the Fund's assets are invested in equity markets on a longer-term view of growth prospects, while within the bond portfolio we have limited exposure to gilts as yields have fallen to unattractively low levels. Within the equity component of the Fund, we saw encouraging performance from a number of holdings with strong sustainability credentials. In the Fund's European equity portfolio we continue to favour healthcare companies, under the theme of quality of life. Key contributors over the reporting period included Novo Nordisk, Roche and Essilor International, which held up well in volatile market conditions. Danish pharmaceutical group Novo Nordisk, the leading maker of insulin, is developing a new treatment for Type-2 diabetes, which is linked to obesity. Swiss pharmaceutical group Roche received US approval for its new breast-cancer drug Perjeta. French group Essilor is the world's leading manufacturer of optical lenses, and is now well established in the rapidly expanding Chinese market. We saw encouraging performance from the Fund's UK equity portfolio, where the main contributor was IP Group, an intellectual property provider that funds innovative businesses. The company announced impressive annual results and has holdings in over 60 businesses including Oxford Nanopore Technologies, a DNA-sequencing development company, and Xeros, which has developed ecological clothes-washing techniques with a much reduced water requirement.

Elsewhere, product-testing and inspection group Intertek serves a diverse range of industries and is benefiting from more stringent quality-assurance standards. Recent annual results highlighted the strength of its underlying businesses, as the company announced a further acquisition in the US. The exclusion of major oil companies and mining stocks on environmental and health & safety grounds was beneficial as commodity prices weakened in recent months.

August 2012

* Fund performance figures – share class 1, source Lipper Hindsight, net of fees, net income reinvested in GBP.

** IMA is the Investment Management Association, the industry's trade body.

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 a fund and the income from it may go down as well as up, and the investor may not get back the original amount invested.

Material Portfolio Changes

Purchases	Sales
GlaxoSmithKline	HSBC
Kingspan	Barclays
BG Energy	Sage
Roche	Alliance Data Systems 1.75% Conv 01/08/2013
Compass	Eurazeo 6.25% Exchange Bond 10/06/2014
Visa	Asahi Breweries 0% Conv 26/05/2028
Danone	Centrica
Spirit Issuer 5.472% 28/12/2034	Takashimaya 0% 14/11/2014
Prudential	Unicharm
Wells Fargo	Chipotle Mexican Grill

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the higher of the historic volatility of its share price, the historic volatility of its current asset classes or its intended maximum risk levels.

- 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.

INVESTMENT PERFORMANCE

Net Asset Value – Income Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 1	31.01.10	13,459	29,078,079	46.29
	31.01.11	17,294	34,133,762	50.66
	31.01.12	17,374	34,923,632	49.75
	31.07.12	17,275	33,755,555	51.18
Class 2	31.01.10	928	1,337,857	69.40
	31.01.11	1,511	1,989,910	75.95
	31.01.12	1,058	1,418,366	74.59
	31.07.12	893	1,164,015	76.74
Class 3	31.01.10	258,609	278,889,553	92.73
	31.01.11	295,180	290,811,859	101.50
	31.01.12	293,963	294,877,625	99.69
	31.07.12	302,910	295,351,770	102.56

* Valued at bid market prices.

Share Price Record – Income Shares

Share class	Calendar year	Highest price* (p)	Lowest price* (p)
Class 1	2007	57.40	51.46
	2008	53.69	37.06
	2009	48.02	36.50
	2010	51.59	45.70
	2011	53.11	44.66
	2012**	52.74	48.35
Class 2	2007	86.34	77.36
	2008	80.81	55.69
	2009	72.18	54.76
	2010	77.58	68.74
	2011	79.84	67.03
	2012**	79.15	72.70
Class 3	2007	115.45	103.35
	2008	108.04	74.44
	2009	96.54	73.18
	2010	103.78	91.94
	2011	106.85	89.63
	2012**	105.83	97.27

* Valued at mid market prices.

** Up to 31 July 2012.

Ongoing Charges Figure*

Share class	31.07.12
Class 1	1.65%
Class 2	0.90%
Class 3	0.45%

* The Ongoing Charges Figure reflects the total of all costs associated with operating the Fund, including the Authorised Corporate Director's periodic charge, presented as a percentage of the average net assets over the period.

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per calendar year on a payment date basis for an investment made on 2 January 2007.

Share class	Calendar year	Net revenue per share (p)	Per £1,000 invested (£)
Class 1	2007	0.5990	11.49
	2008	0.6609	12.68
	2009	0.8316	15.95
	2010	0.6458	12.39
	2011	0.4660	8.95
	2012*	0.6286	12.07
Class 2	2007	1.3874	17.69
	2008	1.4787	18.85
	2009	1.5821	20.17
	2010	1.4413	18.38
	2011	1.0979	14.00
	2012*	1.4168	18.07
Class 3	2007	2.1181	20.20
	2008	2.2425	21.39
	2009	2.4026	22.91
	2010	2.1749	20.74
	2011	1.9455	18.55
	2012*	2.2210	21.18

* Up to 30 September 2012 (the interim distribution payment date).

PORTFOLIO STATEMENT

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
Australia (1.85%; 2012 1.81%)			
263,471	Computershare	1,353	0.42
89,679	CSL	2,565	0.80
450,000	Goodman Australia Finance 9.75% 16/07/2018	570	0.18
186,476	Origin Energy	1,478	0.45
		5,966	
Belgium (0.65%; 2012 0.13%)			
33,718	Anheuser-Busch InBev	1,676	0.52
350,000	Anheuser-Busch InBev 6.5% 23/06/2017	424	0.13
		2,100	
Brazil (0.75%; 2012 0.98%)			
417,400	All America Latina Logistica	1,255	0.39
112,410	Itau Unibanco ADR	1,166	0.36
		2,421	
Canada (0.37%; 2012 0.40%)			
50,100	Westport Innovations	1,198	0.37
		1,198	
Cayman Islands (1.00%; 2012 1.05%)			
450,000	AIG SunAmerica Institutional Funding 6.375% 05/10/2020	474	0.15
21,600	Baidu ADR	1,670	0.52
500,000	Thames Water Utilities Cayman 5.375% 21/07/2025	545	0.17
380,000	Yorkshire Water Services 6.454% 28/05/2027	502	0.16
		3,191	
Channel Islands; Guernsey (0.75%; 2012 1.92%)			
491,450	Informa	1,823	0.57
1,281,286	Renewable Energy Generation	583	0.18
		2,406	
China; People's Republic of (0.34%; 2012 0.56%)			
155,676	New Oriental Education ADR	1,077	0.34
		1,077	
Denmark (1.28%; 2012 0.64%)			
1,325,000	Danske Bank 5.375% 29/09/2021	1,068	0.33
22,748	Novo Nordisk 'B'	2,236	0.70
50,789	Novozymes 'B'	804	0.25
		4,108	
France (4.01%; 2012 4.69%)			
29,957	Air Liquide	2,152	0.67
9,775	Biomerieux	529	0.16
21,824	Bureau Veritas	1,230	0.38
300,000	Credit Agricole 7.375% 18/12/2023	280	0.09
44,297	Essilor International	2,464	0.77
46,805	Danone	1,820	0.57
32,243	Michelin 'B'	1,412	0.44
350,000	Reseau Ferre De France 5.25% 07/12/2028	401	0.12
70,816	Schneider Electric	2,592	0.81
		12,880	

PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
Germany (2.54%; 2012 1.47%)			
66,388	Fresenius Medical Care	3,090	0.96
53,736	K&S	1,707	0.53
300,000	KFW 5.5% 07/12/2015	346	0.11
400,000	KFW 6% 07/12/2028	564	0.18
59,873	SAP	2,443	0.76
		8,150	
Hong Kong (2.50%; 2012 2.97%)			
984,000	ENN Energy	2,391	0.74
262,150	HSBC	1,414	0.44
1,422,000	Li & Fung	1,789	0.56
1,305,600	Sinopharm	2,448	0.76
		8,042	
Indonesia (0.44%; 2012 0.43%)			
5,530,950	Perusahaan Gas	1,399	0.44
		1,399	
Ireland; Republic of (1.89%; 2012 1.32%)			
1,250,000	Ardagh Packaging 7.375% 15/10/2017	1,024	0.32
600,000	Freshwater 4.607% EMTN 17/10/2036	583	0.18
5,639,796	Kenmare Resources	2,087	0.64
467,474	Kingspan	2,416	0.75
		6,110	
Israel (0.60%; 2012 0.44%)			
62,300	Check Point Software Technologies	1,919	0.60
		1,919	
Italy (0.26%; 2012 0.11%)			
602,000	Snam 5% 18/01/2019	472	0.15
350,000	Telecom Italia 7.375% 15/12/2017	360	0.11
		832	
Japan (1.44%; 2012 3.39%)			
98,089	Dentsu	1,670	0.52
22,484	Fast Retailing	2,959	0.92
		4,629	
Luxembourg (2.34%; 2012 2.79%)			
0.002	◇ Aviva Investors Absolute TAA Fund	-	-
1,104,175	AZ Electronic Materials	3,114	0.97
600,000	European Investment Bank 5.5% 15/04/2025	760	0.24
600,000	International Bank Reconstruction & Development 5.75% 07/06/2032	858	0.27
43,361	Millicom International Cellular BDR	2,483	0.77
12,488	Triodos Microfinance Fund	293	0.09
		7,508	

PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
Netherlands (1.48%; 2012 0.99%)			
850,000	Aegon 6.625% 16/12/2039	928	0.29
20,825	Gemalto	1,006	0.31
326,092	ING Bank	1,385	0.43
500,000	ING Bank 6.875% 29/05/2023	509	0.16
460,000	Rabobank Nederland 4% 19/09/2022	483	0.15
500,000	Swiss Reinsurance FRN Perpetual	434	0.14
		4,745	
Norway (0.60%; 2012 1.30%)			
287,562	DnB NOR	1,924	0.60
		1,924	
Papua New Guinea (1.62%; 2012 1.39%)			
368,326	New Britain Palm Oil	3,039	0.95
465,157	Oil Search	2,144	0.67
		5,183	
Russia (0.57%; 2012 0.47%)			
24,618	NOVATEK	1,819	0.57
		1,819	
Singapore (0.87%; 2012 0.44%)			
573,000	Overseas Chinese Banking	2,793	0.87
		2,793	
South Africa; Republic of (0.52%; 2012 0.39%)			
142,880	MTN	1,679	0.52
		1,679	
South Korea; Republic of (0.84%; 2012 0.86%)			
54,813	KB Financial	1,116	0.35
2,113	Samsung Electronics	1,559	0.49
		2,675	
Switzerland (0.83%; 2012 0.00%)			
23,623	Roche	2,670	0.83
		2,670	
Taiwan (0.00%; 2012 0.58%)			
United Kingdom (54.24%; 2012 50.04%)			
1,161,380	3i	2,425	0.76
750,000	Abbey National Treasury Services 5.75% 02/03/2026	907	0.28
678,329	Abcam	2,757	0.86
500,000	Anglian Water 5.837% 30/07/2022	619	0.19
1,500,000	Anglian Water Osprey 7% 31/01/2018	1,554	0.48
147,936	Antofagasta	1,599	0.50
737,376	ARM	4,092	1.27
102,577	ASOS	1,879	0.59
600,000	Aspire Defence Finance 4.674% 31/03/2040	616	0.19
665,000	Barclays Bank 10% 21/05/2021	748	0.23
608,289	BG Energy	7,810	2.43
240,000	BG Energy Capital 5% 04/11/2036	277	0.09
565,000	BG Energy Capital 5.125% 07/12/2017	658	0.20
727,572	B-Global	56	0.02
650,000	British Telecommunications 5.75% FRN 07/12/2028	770	0.24
600,000	Broadgate 4.999% 05/10/2031	641	0.20

PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
United Kingdom (continued)			
1,000,000	Care UK Health & Social Care 9.75% 01/08/2017	1,032	0.32
400,000	Centrica 6.375% 10/03/2022	509	0.16
368,531	Compass	2,569	0.80
450,000	Co-Operative Bank 5.555% Perpetual Sub Bond	327	0.10
430,000	Co-Operative Wholesale Society 5.625% 08/07/2020	446	0.14
200,000	CPUK Finance 7.239% 28/02/2024	225	0.07
1,600,000	CPUK Finance 11.625% 28/02/2042	1,666	0.51
1,000,000	Crown Newco 7% 15/02/2018	990	0.31
1,000,000	Crown Newco 8.875% 15/02/2019	891	0.28
400,000	Dignity Finance 8.151% 31/12/2031	565	0.18
377,000	§ Ethical Property	302	0.09
660,000	European Investment Bank 4.5% 07/03/2044	738	0.23
219,000	European Investment Bank 5.625% 07/06/2032	286	0.09
410,000	Eversholt Funding 6.359% 02/12/2025	500	0.16
366,489	Experian	3,518	1.10
850,000	Experian Finance 4.75% 23/11/2018	960	0.30
320,000	FirstGroup 8.75% 08/04/2021	408	0.13
381,859	GlaxoSmithKline	5,575	1.74
350,000	GlaxoSmithKline Capital 5.25% 19/12/2033	444	0.14
783,919	Goals Soccer Centres	1,152	0.36
1,054,104	GW Pharmaceuticals	722	0.22
600,000	Hammerson 7.25% 21/04/2028	781	0.24
480,000	HSBC 5.862% Perpetual	402	0.13
400,000	HSBC 6.75% 11/09/2028	444	0.14
542	HSBC Call Option 21/12/2012	43	0.01
334,500	Immupharma	162	0.05
629,351	Impax Asian Environmental Markets	592	0.18
89,434	Intertek	2,484	0.77
1,824,289	IP	2,700	0.84
2,891,815	ITV	2,194	0.68
148,925	Johnson Matthey	3,227	1.01
513,327	Kingfisher	1,373	0.43
1,750,000	LBG Capital 7.5884% 12/05/2020	1,503	0.47
220,000	LCR Finance 4.5% 07/12/2028	270	0.08
3,364,339	Legal & General	4,327	1.35
250,000	Legal & General 6.385% Perpetual	204	0.06
450,000	Lloyds Banking Group 6.5% EMTN 17/09/2040	487	0.15
561,000	Lloyds Banking Group 10.75% 16/12/2021	598	0.19
829,792	Modern Water	299	0.09
350,000	Motability Operations 6.625% 10/12/2019	449	0.14
170,000	National Westminster Bank 7.875% 09/09/2015	177	0.06
650,000	Nationwide Building Society 5.625% MTN 09/09/2019	742	0.23
2,000,000	Nationwide Building Society 5.769% Perpetual	1,387	0.43
1,450,000	Odeon & UCI Finco 9% 01/08/2018	1,406	0.44
152,754	Oxford Instruments	1,909	0.59
1,559,768	Paragon	2,823	0.88
313,060	Pearson	3,735	1.16
523,124	Pennon	4,007	1.25

PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
United Kingdom (continued)			
708,182	Porvair	907	0.28
735,808	Prudential	5,695	1.77
300,000	Prudential 11.375% 29/05/2039	389	0.12
736,636	RM	554	0.17
701,004	† Romag	–	–
550,000	Royal & Sun Alliance 6.701% Perpetual	471	0.15
367,000	Royal Bank of Scotland 6% 17/05/2017	405	0.13
720,899	RPC	2,949	0.92
450,000	Safeway 6.125% 17/12/2018	554	0.17
500,000	Scottish & Southern Energy 5.453% Perpetual	489	0.15
285,539	SDL International	1,955	0.61
500,000	Segro 6.75% 23/11/2021	601	0.19
440,000	Severn Trent Water 6.25% 07/06/2029	585	0.18
1,744,532	Shanks	1,363	0.42
429,628	Smith & Nephew	2,831	0.88
842,256	Smith (DS)	1,276	0.40
543,000	South Eastern Power Networks 6.125% 12/11/2031	696	0.22
550,000	Southern Gas Network 5.125% 02/11/2018	630	0.20
665,000	Southern Water 6.192% 31/03/2019	833	0.26
127,659	Spirax-Sarco Engineering	2,515	0.78
2,650,000	Spirit Issuer 5.472% 28/12/2034	1,908	0.59
370,000	Stagecoach	409	0.13
1,294,586	Stagecoach 5.75% 16/12/2016	3,679	1.15
139	Standard Chartered Call Option 21/12/2012	65	0.02
450,000	Standard Chartered 7.75% 03/04/2018	529	0.16
625,000	Standard Life 6.546% FRN Perpetual	535	0.17
299,105	Telecity	2,566	0.80
460,000	Tesco 6.125% 24/02/2022	558	0.17
497,292	Tesco Property 4 5.8006% 13/10/2040	557	0.17
225,186	Travis Perkins	2,272	0.71
600,000	Treasury 2% 22/01/2016	635	0.20
1,442,603	Treasury 2.25% 07/03/2014	1,492	0.46
1,356,532	Treasury 3.75% 07/09/2021	1,627	0.51
1,585,000	Treasury 4% 07/09/2016	1,819	0.57
805,000	Treasury 4% 07/03/2022	985	0.31
970,000	Treasury 4.25% 07/12/2027	1,235	0.38
400,000	Treasury 4.25% 07/06/2032	508	0.15
1,000,000	Treasury 4.25% 07/03/2036	1,264	0.39
750,000	Treasury 4.25% 07/12/2040	949	0.30
510,000	Treasury 4.25% 07/12/2046	650	0.20
550,000	Treasury 4.25% 07/12/2049	701	0.22
1,195,000	Treasury 4.25% 07/12/2055	1,543	0.48
329,000	Treasury 4.5% 07/03/2013	338	0.11
1,500,000	Treasury 4.5% 07/03/2019	1,850	0.58
800,000	Treasury 4.5% 07/09/2034	1,046	0.33
750,000	Treasury 4.5% 07/12/2042	993	0.31
1,450,000	Treasury 4.75% 07/09/2015	1,657	0.52
1,350,000	Treasury 4.75% 07/03/2020	1,709	0.53

PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
United Kingdom (continued)			
750,000	Treasury 4.75% 07/12/2030	1,013	0.32
1,155,000	Treasury 4.75% 07/12/2038	1,575	0.49
2,100,000	Treasury 5% 07/09/2014	2,317	0.72
2,370,000	Treasury 5% 07/03/2018	2,933	0.91
1,410,000	Treasury 5% 07/03/2025	1,908	0.59
500,000	Treasury 6% 07/12/2028	764	0.24
500,000	United Business Media 6.5% 23/11/2016	559	0.17
550,000	United Utilities Water 6.125% FRN 29/12/2015	635	0.20
887,059	Vectura	608	0.19
1,500,000	Virgin Media Finance 8.875% 15/10/2019	1,669	0.52
315,000	Virgin Media Secured Finance 5.5% 15/01/2021	339	0.11
4,688,357	Vodafone	8,624	2.69
200,000	Vodafone Group 8.125% 26/11/2018	268	0.08
400,000	Western Power Distribution 5.25% 17/01/2023	469	0.15
600,000	Yorkshire Water Services 5.125% 28/05/2037	733	0.23
		174,149	
United States of America (12.49%; 2012 14.61%)			
27,000	Alexion Pharmaceuticals	1,800	0.56
13,000	Amazon	1,958	0.61
54,200	American Tower	2,492	0.78
5,100	Apple	1,934	0.60
36,700	Borg-Warner Automotive	1,571	0.49
48,980	Citigroup	847	0.26
400,000	Citigroup 4.5% 03/03/2031	312	0.10
20,839	Ecolab	906	0.28
71,200	EMC Massachusetts	1,194	0.37
48,873	EOG Resources	3,102	0.97
3,300	Google 'A'	1,330	0.41
550,000	HSBC Finance 6.25% 19/08/2019	630	0.20
500,000	Metlife 5.25% 29/06/2020	574	0.18
150,000	Pfizer 6.5% 03/06/2038	217	0.07
20,801	Praxair	1,397	0.44
48,400	Rockwell Automation	2,114	0.65
23,900	Roper Industries	1,519	0.47
41,400	Starwood Hotels and Resorts Worldwide	1,419	0.44
48,000	Teradata	2,070	0.64
58,895	TJX Companies	1,686	0.53
58,600	Trimble Navigation	1,639	0.51
565,000	Verizon Wireless Capital 8.875% 18/12/2018	790	0.25
124,630	Virgin Media	2,157	0.67
26,400	Visa	2,202	0.69
45,300	Waters	2,256	0.70
91,600	Wells Fargo	1,983	0.62
		40,099	

PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
Futures (0.00%; 2012 0.00%)			
(4)	Exposure to Long Gilt Future September 2012	(13)	–
		(13)	
Forward currency contracts (0.08%; 2012 (0.06)%)			
<i>Euro</i>			
£1,071,607	Buy Sterling 10/10/12, Sell €1,331,000	28	0.01
£472,980	Buy Sterling 10/10/12, Sell €601,000	2	–
£10,500,000	Buy Sterling 24/10/12, Sell €13,424,466	(24)	(0.01)
<i>Japanese Yen</i>			
£6,600,000	Buy Sterling 24/10/12, Sell JPY 799,174,200	77	0.02
<i>US Dollar</i>			
£16,700,000	Buy Sterling 24/10/12, Sell \$25,882,829	198	0.06
		281	
	Portfolio of investments*	311,940	97.15
	Net other assets	9,138	2.85
	Net assets	321,078	100.00

* Includes investment liabilities.

◊ Investments managed and advised by Aviva Investors Global Services Limited.

† Suspended and delisted securities.

§ Unquoted securities.

All holdings are ordinary shares or stock units and admitted to official stock exchange unless otherwise stated.

The comparative percentage figures are as at 31 January 2012.

Portfolio Credit Rating Analysis

	Market value £000	Total net assets %
Bonds		
– Investment grade	71,179	22.22
– Below investment grade	14,888	4.63
Equities	225,497	70.19
Forward currency contracts	281	0.08
Futures	(13)	–
Options	108	0.03
	Portfolio of investments*	97.15
	Net other assets	2.85
	Net assets	100.00

* Includes investment liabilities.

STATEMENT OF TOTAL RETURN

For the six months ended 31 July 2012 (unaudited)

	Six months ended 31.07.12		Six months ended 31.07.11	
	£000	£000	£000	£000
Income				
Net capital gains		8,965		1,295
Revenue	5,032		4,475	
Expenses	(820)		(787)	
Net revenue before taxation	4,212		3,688	
Taxation	(365)		(296)	
Net revenue after taxation		3,847		3,392
Total return before distributions		12,812		4,687
Finance costs: Distributions		(3,863)		(3,392)
Change in net assets attributable to shareholders from investment activities		8,949		1,295

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 July 2012 (unaudited)

	Six months ended 31.07.12		Six months ended 31.07.11	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		312,395		313,985
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	7,800		10,484	
Less: Amounts payable on cancellation of shares	(8,057)		(6,330)	
		(257)		4,154
Change in net assets attributable to shareholders from investment activities (see above)		8,949		1,295
Stamp duty reserve tax		(9)		(11)
Closing net assets attributable to shareholders		321,078		319,423

The Statement of Recommended Practice (2010) requires that comparatives are shown for the above report. As the comparative should be for the comparable interim period, the Net Asset Value at the end of the previous period will not agree to the Net Asset Value at the start of this period. The published Net Asset Value as at 31 January 2012 was £312,395,000.

BALANCE SHEET

As at 31 July 2012 (unaudited)

		As at 31.07.12		As at 31.01.12
	£000	£000	£000	£000
ASSETS				
Investment assets		311,977		300,596
Debtors	2,796		26,108	
Cash and bank balances	11,289		5,367	
Total other assets		14,085		31,475
Total assets		326,062		332,071
LIABILITIES				
Investment liabilities		(37)		(364)
Creditors	(1,080)		(16,391)	
Distribution payable on income shares	(3,867)		(2,921)	
Total other liabilities		(4,947)		(19,312)
Total liabilities		(4,984)		(19,676)
Net assets attributable to shareholders		321,078		312,395

AVIVA INVESTORS SUSTAINABLE FUTURE GLOBAL GROWTH FUND

Investment Objective

To provide long term capital appreciation.

Investment Policy

Diversified investment principally within and across global equity markets. Allocations to individual markets will vary over time. Equity selections will be based on price and long term total return prospects. Limited investment in global bond markets may be made from time to time. All investments will be expected to conform to our social and environmental criteria.

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.

Fund Manager's Report

The Aviva Investors Sustainable Future Global Growth Fund Share Class 1 returned 3.23 per cent* over the reporting period, in comparison with a return of 0.72 per cent for the IMA** Global sector, net of fees, income reinvested.

We have retained a strong focus on healthcare stocks under the broad sustainability theme of quality of life. CSL and Alexion Pharmaceuticals were both key contributors over the reporting period. Australian biotechnology group CSL is a leading manufacturer in the blood plasma industry. Human plasma is used in a wide range of life-saving medicines. CSL has substantial manufacturing operations in the US, Germany and Switzerland, and its CSL Behring subsidiary is a global provider of plasma-derived products. Its biotherapies subsidiary markets a comprehensive range of vaccines, providing influenza treatment globally. US pharmaceutical group Alexion has developed a treatment for PNH, a rare blood disorder which causes a breakdown of red blood cells leading to anemia. Soliris is the only approved drug in the US, EU and Japan for patients with this life-threatening disease. Late last year regulators in the US and EU also approved Soliris for treatment of aHUS, a condition which often leads to kidney failure and death. Alexion recently raised its full-year earnings forecast as sales of Soliris grew. In the IT sector, we saw strong performance from US data centre operator Equinix. The company is benefiting from exponential growth in data requirements, and energy efficiency is a key part of its data-centre capability. Among consumer stocks, Japanese group Uni-Charm is a provider of personal-hygiene products and is well-placed to benefit from a growing affinity for physically active lifestyles, and particularly higher disposable incomes, in emerging markets. Ecolab is a US-based commercial services company involved in the cleaning, hygiene and food safety business, with exposure to treatment of hospital waste as well as more general waste water treatment. The company has made material efficiency savings in managing its fleet of trucks and has significantly reduced fuel costs as a result. Its clients include well-known consumer brands such as MacDonalds and Hyatt hotels.

The main disappointment over the reporting period was the Fund's holding in New Oriental, China's largest education provider. The US Securities and Exchange Commission is investigating the Variable Interest Entity structure of New Oriental's listing, which is common for Chinese companies. We believe that New Oriental's structure is consistent with our process requirements in terms of corporate governance. Our view is that the company, which is the leading provider of private education services in China, makes an important contribution to the development of China and its Chinese people, and its shares are now significantly undervalued.

August 2012

* Fund performance figures – share class 1, source Lipper Hindsight, net of fees, net income reinvested in GBP.

** IMA is the Investment Management Association, the industry's trade body.

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 a fund and the income from it may go down as well as up, and the investor may not get back the original amount invested.

Material Portfolio Changes

Purchases	Sales
Wells Fargo	Unicharm
Roche	Chipotle Mexican Grill
Visa	PNC Financial Services
Danone	Antofagasta
Trimble Navigation	JPMorgan Chase
EOG Resources	Telenor
TJX Companies	Equinix
K&S	Emerson Electric
Anheuser-Busch InBev	Nabtesco
Teradata	SAP

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.

INVESTMENT PERFORMANCE

Net Asset Value – Accumulation Shares				
Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 1	31.01.10	5,021	12,723,246	39.47
	31.01.11	5,718	13,264,149	43.11
	31.01.12	6,013	13,888,071	43.30
	31.07.12	6,073	13,590,251	44.69
Class 2	31.01.10	1,395	2,211,695	63.06
	31.01.11	1,422	2,048,388	69.43
	31.01.12	1,418	2,018,070	70.28
	31.07.12	1,371	1,883,065	72.83
Class 3	31.01.10	116,695	135,244,511	86.28
	31.01.11	122,711	128,735,472	95.32
	31.01.12	122,807	126,737,615	96.90
	31.07.12	126,629	125,862,279	100.61

* Valued at bid market prices.

Share Price Record – Accumulation Shares			
Share class	Calendar year	Highest price* (p)	Lowest price* (p)
Class 1	2007	49.33	42.75
	2008	47.92	31.11
	2009	42.15	30.05
	2010	45.30	38.50
	2011	45.28	36.58
	2012**	47.14	41.50
Class 2	2007	77.55	66.92
	2008	75.53	49.38
	2009	67.23	47.80
	2010	72.49	61.80
	2011	73.18	59.17
	2012**	76.61	67.32
Class 3	2007	105.41	90.82
	2008	102.72	67.29
	2009	91.82	65.18
	2010	99.25	84.72
	2011	100.65	81.43
	2012**	105.69	92.79

* Valued at mid market prices.

** Up to 31 July 2012.

Ongoing Charges Figure*	
Share class	31.07.12
Class 1	1.65%
Class 2	0.85%
Class 3	0.45%

* The Ongoing Charges Figure reflects the total of all costs associated with operating the Fund, including the Authorised Corporate Director's periodic charge, presented as a percentage of the average net assets over the period.

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per calendar year on a payment date basis for an investment made on 2 January 2007.

Share class	Calendar year	Net revenue per share (p)	Per £1,000 invested (£)
Class 1	2007	0.2223	5.13
	2008	0.3122	7.21
	2009	0.5153	11.89
	2010	0.0406	0.94
	2011	0.0000	0.00
	2012*	0.0000	0.00
Class 2	2007	0.7011	10.34
	2008	0.8975	13.23
	2009	1.1555	17.04
	2010	0.4040	5.96
	2011	0.2204	3.25
	2012*	0.4047	5.97
Class 3	2007	1.1488	12.48
	2008	1.4331	15.57
	2009	1.6629	18.07
	2010	0.9974	10.84
	2011	0.6712	7.29
	2012*	0.9478	10.30

* Up to 30 September 2012 (the interim distribution payment date).

PORTFOLIO STATEMENT

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
Australia (5.31%; 2012 5.02%)			
116,519	CSL	3,333	2.49
193,774	Origin Energy	1,535	1.14
99,690	Woodside Petroleum	2,256	1.68
		7,124	
Belgium (1.46%; 2012 0.00%)			
39,339	Anheuser-Busch InBev	1,956	1.46
		1,956	
Canada (1.49%; 2012 1.54%)			
83,300	Westport Innovations	1,993	1.49
		1,993	
Cayman Islands (0.89%; 2012 3.05%)			
171,926	New Oriental Education & Technology ADR	1,189	0.89
		1,189	
China; People's Republic of (1.58%; 2012 1.30%)			
1,130,400	Sinopharm Group	2,119	1.58
		2,119	
France (4.05%; 2012 1.95%)			
62,158	Danone	2,416	1.80
54,301	Essilor International	3,020	2.25
		5,436	
Germany (3.19%; 2012 3.25%)			
48,069	Fresenius Medical Care	2,237	1.67
64,238	K&S	2,041	1.52
		4,278	
Hong Kong (3.34%; 2012 3.21%)			
962,000	ENN Energy	2,337	1.74
1,700,000	Li & Fung	2,139	1.60
		4,476	
Ireland (0.99%; 2012 1.26%)			
3,582,326	Kenmare Resources	1,325	0.99
		1,325	
Israel (2.57%; 2012 1.53%)			
111,900	Check Point Software Technologies	3,447	2.57
		3,447	
Japan (1.60%; 2012 5.69%)			
16,300	Fast Retailing	2,145	1.60
		2,145	
Luxembourg (1.53%; 2012 1.75%)			
35,923	Millicom International Cellular BDR	2,057	1.53
		2,057	
Netherlands (1.59%; 2012 1.23%)			
500,326	ING	2,126	1.59
		2,126	
Norway (1.46%; 2012 3.41%)			
292,042	DnB NOR	1,954	1.46
		1,954	

PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
Papua New Guinea (2.54%; 2012 2.52%)			
739,897	Oil Search	3,411	2.54
		3,411	
Singapore (1.99%; 2012 1.83%)			
548,000	Overseas Chinese Banking	2,672	1.99
		2,672	
Switzerland (1.99%; 2012 0.00%)			
23,652	Roche	2,673	1.99
		2,673	
United Kingdom (10.83%; 2012 14.03%)			
429,190	BG Energy	5,511	4.11
73,002	HSBC	1,989	1.48
218,119	Pearson	2,602	1.94
199,650	Telecity	1,713	1.28
118,743	Unilever	2,714	2.02
		14,529	
United States of America (49.31%; 2012 44.14%)			
55,300	Alexion Pharmaceuticals	3,686	2.75
13,500	Amazon	2,033	1.52
39,300	American Tower	1,807	1.35
11,589	Apple	4,396	3.28
67,900	Borg-Warner Automotive	2,907	2.17
142,200	Citigroup	2,460	1.83
76,269	Ecolab	3,315	2.47
130,900	EMC Massachusetts	2,195	1.64
71,557	EOG Resources	4,541	3.39
31,300	Equinix	3,623	2.70
8,600	Google 'A'	3,467	2.59
58,452	Praxair	3,926	2.93
58,800	Rockwell Automation	2,568	1.92
60,152	Roper Industries	3,822	2.85
60,800	Starwood Hotels & Resorts Worldwide	2,084	1.55
47,800	Teradata	2,061	1.54
68,833	TJX Companies	1,970	1.47
93,900	Trimble Navigation	2,627	1.96
84,986	Varian Medical Systems	2,973	2.22
35,500	Visa	2,962	2.21
68,200	Waters	3,396	2.53
151,400	Wells Fargo	3,277	2.44
		66,096	
Portfolio of investments		131,006	97.71
Net other assets		3,067	2.29
Net assets		134,073	100.00

All holdings are ordinary shares or stock units and admitted to official stock exchange unless otherwise stated. The comparative percentage figures are as at 31 January 2012.

STATEMENT OF TOTAL RETURN

For the six months ended 31 July 2012 (unaudited)

	Six months ended 31.07.12		Six months ended 31.07.11	
	£000	£000	£000	£000
Income				
Net capital gains		4,238		7
Revenue	1,178		1,023	
Expenses	(339)		(320)	
Finance costs: Interest	–		–	
Net revenue before taxation	839		703	
Taxation	(124)		(84)	
Net revenue after taxation		715		619
Total return before distributions		4,953		626
Finance costs: Distributions		(717)		(624)
Change in net assets attributable to shareholders from investment activities		4,236		2

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 July 2012 (unaudited)

	Six months ended 31.07.12		Six months ended 31.07.11	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		130,238		129,851
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	5,564		2,090	
Less: Amounts payable on cancellation of shares	(6,686)		(4,741)	
		(1,122)		(2,651)
Change in net assets attributable to shareholders from investment activities (see above)		4,236		2
Dilution levy		–		9
Retained distribution on accumulation shares		724		609
Stamp duty reserve tax		(3)		(1)
Closing net assets attributable to shareholders		134,073		127,819

The Statement of Recommended Practice (2010) requires that comparatives are shown for the above report. As the comparative should be for the comparable interim period, the Net Asset Value at the end of the previous period will not agree to the Net Asset Value at the start of this period. The published Net Asset Value as at 31 January 2012 was £130,238,000.

BALANCE SHEET

As at 31 July 2012 (unaudited)

		As at 31.07.12		As at 31.01.12
	£000	£000	£000	£000
ASSETS				
Investment assets		131,006		125,951
Debtors	166		206	
Cash and bank balances	3,014		4,170	
Total other assets		3,180		4,376
Total assets		134,186		130,327
LIABILITIES				
Creditors	(113)		(89)	
Total liabilities		(113)		(89)
Net assets attributable to shareholders		134,073		130,238

AVIVA INVESTORS SUSTAINABLE FUTURE ABSOLUTE GROWTH FUND

Investment Objective

To provide long term capital appreciation.

Investment Policy

Selective investment principally in global equities based on price and prospects of above average earnings growth. Investment may on occasions be limited to a single country. Limited investment in global bond markets may be made from time to time. All investments will be expected to conform to our social and environmental criteria.

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.

Fund Manager's Report

The Aviva Investors Sustainable Future Absolute Growth Fund Share Class 1 returned 2.78 per cent* over the reporting period, in comparison with a return of 1.27 per cent for the IMA** Flexible Investment sector, net of fees, income reinvested.

A number of holdings with strong sustainability credentials performed well, particularly in the IT sector where we have placed a strong emphasis on data-storage providers. We believe these companies are well placed to meet the increasing use of digital content by businesses and consumers. Data centres also provide an opportunity for efficient management of energy costs. Revenues at UK group Teleticity are being driven by growth of the internet, particularly mobile internet and cloud-computing services. Likewise, US data storage group EMC Corporation is also benefitting from favourable market trends as demand for additional storage capacity increases. EMC's software unit VMware recently reported strong results and there is growing potential for new software-based, higher-margin revenue streams at EMC. Compatriot Teradata supplies data-warehousing computer systems and has recently launched a risk-management service to assist insurers in complying with European solvency regulations. In the energy sector, we have retained an emphasis on natural-gas providers, as gas produces less carbon emissions than oil. ENN Energy, a gas distributor in China, was identified as a beneficiary from reforms to reduce energy costs and carbon emissions in mainland China. The company recently extended its joint offer with Chinese group Sinopec for China Gas as it seeks regulatory approval for the deal. Among consumer stocks, the main contributor was US retail group TJX. The discount store is benefitting from a clear focus on providing brand-name clothing and home furnishing across its domestic stores and in Canada and Europe, as cost-conscious customers continue to seek value for money.

The main disappointment over the reporting period was a holding in New Oriental, China's largest education provider. The US Securities and Exchange Commission is investigating the Variable Interest Entity structure of New Oriental's listing, which is common for Chinese companies. We believe that New Oriental's structure is consistent with our process requirements in terms of corporate governance. Our view is that the company, which is the leading provider of private education services in China, provides an important service in the development of the country and its people, and its shares are now significantly undervalued.

August 2012

* Fund performance figures – share class 1, source Lipper Hindsight, net of fees, net income reinvested in GBP.

** IMA is the Investment Management Association, the industry's trade body.

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 a fund and the income from it may go down as well as up, and the investor may not get back the original amount invested.

Material Portfolio Changes	
Purchases	Sales
Praxair	Natura Cosméticos
Visa	Adidas
BG Energy	Samsung Electronics
EOG Resources	JPMorgan Chase
Danone	Discover Financial Services
Trimble Navigation	Unicharm
Wells Fargo	Itau Unibanco ADR
EMC	Antofagasta
CSL	TJX Companies
Equinix	Taiwan Semiconductor Manufacturing



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.

INVESTMENT PERFORMANCE

Net Asset Value – Accumulation Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 1	31.01.10	3,383	8,220,909	41.15
	31.01.11	5,077	9,765,925	51.99
	31.01.12	5,889	12,323,188	47.78
	31.07.12	5,262	10,717,501	49.10
Class 2	31.01.10	349	530,617	65.77
	31.01.11	391	467,379	83.74
	31.01.12	418	538,607	77.57
	31.07.12	413	515,687	80.04
Class 3	31.01.10	45,155	50,122,705	90.09
	31.01.11	57,960	50,374,890	115.06
	31.01.12	55,415	51,773,620	107.03
	31.07.12	54,857	49,577,174	110.65

* Valued at bid market prices.

Share Price Record – Accumulation Shares

Share class	Calendar year	Highest price* (p)	Lowest price* (p)
Class 1	2007	51.67	44.60
	2008	50.70	29.84
	2009	43.03	29.69
	2010	52.12	40.28
	2011	54.04	40.53
	2012**	51.67	45.68
Class 2	2007	81.45	69.79
	2008	80.07	47.38
	2009	68.79	47.24
	2010	83.90	64.47
	2011	87.08	65.64
	2012**	84.01	74.13
Class 3	2007	110.65	94.77
	2008	108.83	64.67
	2009	94.13	64.53
	2010	115.24	88.25
	2011	119.67	90.43
	2012**	115.96	102.23

* Valued at mid market prices.

** Up to 31 July 2012.

Ongoing Charges Figure*

Share class	31.07.12
Class 1	1.67%
Class 2	0.85%
Class 3	0.47%

* The Ongoing Charges Figure reflects the total of all costs associated with operating the Fund, including the Authorised Corporate Director's periodic charge, presented as a percentage of the average net assets over the period.

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per calendar year on a payment date basis for an investment made on 2 January 2007.

Share class	Calendar year	Net revenue per share (p)	Per £1,000 invested (£)
Class 1	2007	0.2366	5.23
	2008	0.4307	9.51
	2009	0.4458	9.85
	2010	0.2342	5.17
	2011	0.2333	5.15
	2012*	0.0884	1.95
Class 2	2007	0.7942	11.21
	2008	1.1580	16.34
	2009	1.1689	16.50
	2010	0.7743	10.93
	2011	0.8758	12.36
	2012*	0.7537	10.64
Class 3	2007	1.3219	13.74
	2008	1.8242	18.96
	2009	1.6913	17.58
	2010	1.4558	15.13
	2011	1.6060	16.69
	2012*	1.4820	15.40

* Up to 30 September 2012 (the interim distribution payment date).

PORTFOLIO STATEMENT

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
Australia (1.79%; 2012 0.00%)			
37,921	CSL	1,086	1.79
		1,086	
Belgium (2.05%; 2012 1.57%)			
25,000	Anheuser-Busch InBev	1,243	2.05
		1,243	
Brazil (0.00%; 2012 5.57%)			
Cayman Island (0.86%; 2012 1.30%)			
75,195	New Oriental Education & Technology ADR	520	0.86
		520	
Channel Islands; Jersey (4.37%; 2012 3.84%)			
130,000	Experian	1,248	2.06
170,335	WPP	1,399	2.31
		2,647	
France (3.58%; 2012 1.88%)			
28,171	Danone	1,095	1.81
29,343	Schneider Electric	1,074	1.77
		2,169	
Germany (3.55%; 2012 5.71%)			
26,783	Fresenius Medical Care	1,247	2.06
28,303	K&S	899	1.49
		2,146	
Hong Kong (3.91%; 2012 3.57%)			
510,000	ENN Energy	1,239	2.05
896,000	Li & Fung	1,127	1.86
		2,366	
Israel (2.06%; 2012 1.90%)			
40,400	Check Point Software Technologies	1,245	2.06
		1,245	
Italy (1.03%; 2012 1.48%)			
750,000	Intesa Sanpaolo	623	1.03
		623	
Japan (0.00%; 2012 2.05%)			
Luxembourg (1.32%; 2012 1.43%)			
13,957	Millicom International Cellular BDR	799	1.32
		799	
Netherlands (1.50%; 2012 0.00%)			
214,100	ING Groep	910	1.50
		910	
Papua New Guinea (2.29%; 2012 2.15%)			
300,000	Oil Search	1,383	2.29
		1,383	
Singapore (1.52%; 2012 1.33%)			
189,000	Overseas Chinese Banking	921	1.52
		921	
South Korea; Republic of (0.00%; 2012 2.66%)			
Taiwan (0.00%; 2012 1.90%)			

PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2012 (unaudited)

Holding or nominal value		Market value £000	Total net assets %
United Kingdom (27.43%; 2012 29.94%)			
65,313	ASOS	1,197	1.98
295,864	BG Energy	3,799	6.28
272,947	Compass	1,902	3.14
355,837	Electrocomponents	772	1.27
185,296	Hikma Pharmaceutical	1,288	2.13
50,000	Johnson Matthey	1,083	1.79
99,890	Pearson	1,192	1.97
214,209	Prudential	1,658	2.74
109,074	Telecity	936	1.55
53,671	Unilever	1,227	2.03
841,252	Vodafone	1,547	2.55
		16,601	
United States of America (38.09%; 2012 30.89%)			
10,000	Amazon	1,506	2.49
34,400	Borg-Warner Automotive	1,473	2.43
51,700	Citigroup	894	1.48
24,055	Ecolab	1,045	1.73
64,300	EMC	1,078	1.78
34,247	EOG Resources	2,173	3.59
9,000	Equinix	1,042	1.72
4,000	Google 'A'	1,613	2.67
20,700	Praxair	1,390	2.30
26,400	Rockwell Automation	1,153	1.90
21,000	Roper Industries	1,334	2.20
26,600	Teradata Corporation	1,147	1.89
39,200	TJX Companies	1,122	1.85
41,600	Trimble Navigation	1,164	1.92
27,600	Varian Medical Systems	966	1.60
16,100	Visa	1,343	2.22
31,100	Waters	1,549	2.56
49,300	Wells Fargo	1,067	1.76
		23,059	
Forward currency contracts (0.00%; 2012 0.10%)			
Portfolio of investments		57,718	95.35
Net other assets		2,814	4.65
Net assets		60,532	100.00

All holdings are ordinary shares or stock units and admitted to official stock exchange unless otherwise stated. The comparative percentage figures are as at 31 January 2012.

STATEMENT OF TOTAL RETURN

For the six months ended 31 July 2012 (unaudited)

	Six months ended 31.07.12		Six months ended 31.07.11	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		1,635		(2,928)
Revenue	647		881	
Expenses	(179)		(180)	
Net revenue before taxation	468		701	
Taxation	(33)		(62)	
Net revenue after taxation		435		639
Total return before distributions		2,070		(2,289)
Finance costs: Distributions		(435)		(639)
Change in net assets attributable to shareholders from investment activities		1,635		(2,928)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 July 2012 (unaudited)

	Six months ended 31.07.12		Six months ended 31.07.11	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		61,722		63,428
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	2,175		6,081	
Less: Amounts payable on cancellation of shares	(5,427)		(2,487)	
		(3,252)		3,594
Change in net assets attributable to shareholders from investment activities (see above)		1,635		(2,928)
Retained distribution on accumulation shares		431		656
Stamp duty reserve tax		(4)		(3)
Closing net assets attributable to shareholders		60,532		64,747

The Statement of Recommended Practice (2010) requires that comparatives are shown for the above report. As the comparative should be for the comparable interim period, the Net Asset Value at the end of the previous period will not agree to the Net Asset Value at the start of this period. The published Net Asset Value as at 31 January 2012 was £61,722,000.

BALANCE SHEET

As at 31 July 2012 (unaudited)

		As at 31.07.12		As at 31.01.12
	£000	£000	£000	£000
ASSETS				
Investment assets		57,718		61,274
Debtors	102		1,410	
Cash and bank balances	2,842		1,360	
Total other assets		2,944		2,770
Total assets		60,662		64,044
LIABILITIES				
Creditors	(130)		(1,244)	
Bank overdrafts	-		(1,078)	
Total liabilities		(130)		(2,322)
Net assets attributable to shareholders		60,532		61,722

STATEMENT OF THE AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES

The Collective Investment Schemes Sourcebook of the Financial Services Authority requires the Authorised Corporate Director (ACD) to prepare financial statements for each accounting period which give a true and fair view of the financial position of the Company at the period end and of the net income and net gains or losses on the scheme property of the Company for the year then ended.

The ACD is required to keep proper accounting records and to manage the Company in accordance with the Regulations and the instrument of Incorporation.

The ACD is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing the financial statements the ACD is required to:

- follow applicable accounting standards;
- make judgements and estimates that are reasonable and prudent;
- select suitable accounting policies and then apply them consistently;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future; and
- comply with the Instrument of Incorporation and the Statement of Recommended Practice for Authorised Funds.

AUTHORISED CORPORATE DIRECTOR'S STATEMENT

We hereby approve the Report and Financial Statements of Aviva Investors Sustainable Future ICVC for the six months ended 31 July 2012 on behalf of Aviva Investors UK Fund Services Limited in accordance with the requirements of the Collective Investment Schemes Sourcebook of the Financial Services Authority.

T Orton
Director

I Davis
Authorised Signatory
21 September 2012

GENERAL INFORMATION

Investments in Aviva Investors Sustainable Future ICVC are intended to be medium to long term investments and should not be considered as a short term investment.

Past performance is not a guide to the future.

The value of a Fund and the revenue from it may go down as well as up, and you may not get back the original amount invested.

Where funds are invested abroad, the value of your investment may rise and fall purely on account of movement in exchange rates.

Performance figures detailed in each Fund's review have been sourced from Lipper Hindsight. All other performance figures have been sourced from Aviva Investors.

Any opinions expressed are based on Aviva Investors Global Services Limited's internal forecasts and should not be relied upon as indicating any guarantee of return from investment in our funds.

The future returns and opinions expressed should not be relied upon as indicating any guarantee of return from investments in our funds.

Stamp Duty Reserve Tax (SDRT)

The ACD's chosen policy on SDRT is to charge it directly against the property of the Fund. This is then reflected within the published prices of the Fund. However, the ACD reserves the right to charge SDRT on redemptions or Switches of Shares in a Fund in excess of £250,000 to the investor rather than the relevant Fund.

Publication of Prices

Information on the prices of Shares will be available by calling 0800 051 2003 or on the internet at www.avivainvestors.co.uk. Calls may be recorded for training or monitoring purposes.

**Aviva Investors is a business name of
Aviva Investors UK Fund Services Limited.**

Registered in England No. 1973412.

Authorised and regulated by the Financial Services Authority.

FSA Registered No. 119310.

Registered address: No. 1 Poultry, London EC2R 8EJ.

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