

The **co-operative** investments  
good with money

# Investment Bond and fund guide

explained simply...



# Why invest with The Co-operative Investments?

“The Co-operative Investments is one of the UK’s leading socially responsible organisations with a long and successful history of managing our customers’ money.”

**Zack Hocking, Head of The Co-operative Investments**

We are part of The Co-operative Group, voted the UK’s most ethical brand in 2008<sup>1</sup>.

‘The Co-operative’ is a household name in the UK, offering a wide range of services including food, pharmacy and travel, as well as financial services such as banking, insurance and of course, investments.

As a co-operative, we are owned by our members (not shareholders) and we have a tradition of upholding co-operative values which include fairness, value and social responsibility.

You’ll be investing your money with a trustworthy organisation that combines the specialist knowledge and long-standing experience that few other providers can match.

Some further benefits of investing with us include:

- working with a Co-operative Financial Adviser who can help you to make the right decisions about your investments
- our belief that we shouldn’t sacrifice performance for principles, we strive to deliver both of these to you with equal importance
- access to a wide range of products on the market, including our own investment products and products provided by other reputable and established companies like Aviva and The Children’s Mutual.

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**Our Manchester head office is home to the largest solar project in the UK. Its 7,244 solar panels, designed to convert daylight into electricity, creates 18,000 units of renewable electricity each year.**

Source: CASG 2005

<sup>1</sup>Source: The GfK NOP Ethical Brands Survey 2008 was conducted in the UK, covering a total of 3,000 respondents from March to April 2008.

# Help and support with your investment decisions

You're not alone when it comes to investing.

Working with a Co-operative Financial Adviser involves developing a personal relationship with a trained and qualified professional.

When you start out, you will be offered a free no-obligation appointment with your adviser to have an initial discussion about what you need and how they might help you. At this meeting, your adviser will gather information about your financial circumstances. They will spend time to get to know you, understand your situation and what you want to achieve. Your adviser will take you through a detailed questioning process. This will enable them to provide the most suitable advice to meet your needs.

After your meeting, your adviser will analyse all the information and provide you with recommendations which they will explain to you. It's important that you are completely comfortable with the recommendations and that you understand the products and costs involved.

If you decide to go ahead, your adviser will make sure that everything happens smoothly to implement the recommendations. After this, they will be available when you want them to review your situation and recommend adjustments if necessary.

## Our advisory service offers a number of benefits:

- **a big picture view** – in addition to addressing specific investment needs you may have, your adviser can also review your overall financial situation
- **choice of solutions** – your Co-operative Financial Adviser can recommend a range of products provided by The Co-operative Investments, The Co-operative Insurance and The Co-operative Bank, as well as some other providers. They can also help you with products (listed to the right) to meet your other financial needs
- **there when you need them** – after you invest, the relationship with your adviser can continue over time. They can review your situation with you as often as you want and help to keep your finances on the right track
- **convenience** – your adviser can meet with you at a time and place to suit you, whether at home or at work either during the day or in the evening.

## How your adviser can help you

Your Co-operative Financial Adviser can help you with a wide range of financial issues and products, including the following:

- savings and investments
- mortgages
- life and health cover
- car and home insurance
- pensions
- retirement planning
- funeral plans.



# Introducing the Investment Bond, provided by Aviva

A 'one-stop shop' offering flexibility, choice and convenience.

## What is an Investment Bond?

Managed funds, like unit trusts and some pensions, enable you to pool your money with other investors and invest in assets like shares, bonds and property.

An investment bond is another way to invest lump sums across a range of funds.

If you appreciate the benefits of spreading your savings across a mix of investments, and want easy access to a variety of choices, as well as the flexibility to switch funds cost-effectively, then an investment bond may be suitable for you.

An investment bond is a 'framework' that holds a number of funds that you can choose to invest in.

Investment bonds are not:

- corporate bonds
- government or national savings or premium bonds
- guaranteed or secure. This depends on the underlying fund(s) you choose to invest in.

## Features of the Investment Bond

- each year you can take 5% of your invested capital as a regular income without any immediate tax liability
- you can switch between funds without having to pay tax on any gains you have made
- because investment bonds are life assurance policies the amount payable on the death of the bond holder(s) is 100.1% of the value of the investment at that time.

## Benefits of managed funds:

- lets you invest in a mix of stocks and shares, corporate bonds, gilts, property and cash easily and cost-effectively
- your money is pooled together with other customers' money into a fund
- investment experts decide where to invest your money in line with the funds' aims
- managed funds meet a variety of aims and suit a wide range of attitudes to risk
- you can buy and sell more easily through a managed fund than if you owned shares, bonds or property directly
- please remember that the values of managed funds can go down as well as up; neither the capital nor level of any income is guaranteed.



The Investment Bond, provided by Aviva, is available from The Co-operative Investments only through a Co-operative Financial Adviser.

## Benefits to you

- **flexibility** – you can choose ready-made portfolios to suit your risk profile, or choose your own individual funds from our range of around 100 funds. You can also switch funds free of charge up to four times a year.
- **choice** – access our own funds managed by The Co-operative Investments, as well as funds from other leading providers such as BlackRock, Schroders, Jupiter and Fidelity. The right combination will enable you to achieve a good mix of investments to spread your risk and aim for growth, income or a combination of both depending on your needs.
- **convenience** – paperwork is hassle-free since you only need to fill out one application form for all the funds you choose. You'll receive details of the value of all funds in a single statement once a year. You can get an up-to-date valuation by phoning 0845 300 4728.

Legislation governing taxation is subject to change and references to taxation in this document are based on our understanding of the current position. The actual taxation of investments will depend on an individual's circumstances.

## Investment Bond fast facts

- you can choose up to 10 individual funds and/or portfolios in total
- you must invest a minimum of £5,000
- this is a medium to long-term investment, and you may get back less than you put in.

## Charges

- The amount invested at the start of your bond is 100.00% of your payment to Aviva.
- Aviva will take an Annual Management Charge by cancelling units on the 1st of each month. This charge depends on the amount you invest and the funds you've chosen to invest in. The charges shown below apply to all funds, including the ready-made portfolios

Investment amount	Management charge each year (as a percentage of units)
£50,000 and over	1.25%
£25,000 to £49,999	1.30%
£10,000 to £24,999	1.35%
£5,000 to £9,999	1.75%

- a Fund Manager Expense Charge may also apply for some funds. It covers the fund manager's expenses connected with buying, selling, valuing, owning and maintaining the assets and will be taken each day by reducing the unit price of the funds

- some funds have additional charges. The Total Additional Charges column in the fund table starting on page 12 is made up of any Extra Management Charge and Fund Manager Expense Charge. These charges would be taken on top of the basic Annual Management Charge
- an early exit charge will apply if you cash in part or all of your investment within the first five years. Depending on how long you've held your investment, the charge applies to the amount you cash in as follows.

Year you cash in	Early exit charge
1	10%
2	7%
3	4%
4	2%
5	1%
6 onwards	0%

# Choosing the right funds to suit you

## Switches and withdrawals

- there is no fixed period and you can withdraw some or all of your money at any time. However, there are cash-in charges for the first five years, which we explained on the previous page
- you can switch funds free of charge up to four times a year and after that, you can make further switches for a small fee of £25 each time.

## Income

- each year, you can take 5% of your invested capital as a regular income without any immediate tax liability
- if you take an income, this may mean that you don't get back the full amount of your original investment when you cash in your bond.

## What type of investor is the Investment Bond suited to?

- people looking to invest their money over the medium to long-term (i.e. five years or more)
- a range of attitudes to risk
- those seeking growth, income or a combination of both
- investors with ethical views as well as those looking for a mainstream investment.

Investments in funds made in foreign currency will be subject to currency exchange-rate fluctuations, which may adversely affect the value of your investment. It is important to note that property investments may not be readily saleable at a given time, which may result in a delay in cashing your investment. The value of property is generally a matter of a valuer's opinion rather than fact.

**The Investment Bond, provided by Aviva, is available from The Co-operative Investments only through a Co-operative Financial Adviser.**

They will work with you to decide if this is the right investment product to suit your goals and preferences. Then, they will guide you through the three key decisions to take with the Investment Bond:

## 3 key decisions...

1 →

What is your attitude to risk?

2 → →

Do you want a ready-made portfolio or do you want to choose your own funds?

3 → → →

Do you want to focus on funds from The Co-operative Investments, or funds from other providers?

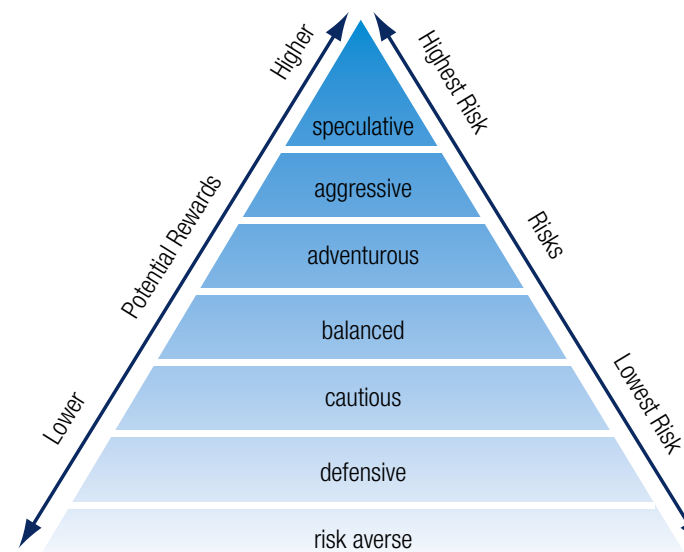
Let's look at each one in turn now.



## What is your attitude to risk?

Some people have a high risk tolerance, which means that they don't mind seeing their investment go down in a year because they believe that they'll make this up, and more, over in the longer term. These investors don't tend to get jittery when the market wobbles, and stick to their guns to ride out the tough times. If this sounds like you, you would sit somewhere in the top half of the pyramid.

In contrast, other investors can become nervous and worried at the prospect of the value of their money going up and down. They will prefer a more stable level of performance over time. Because these investors have a lower level of risk tolerance, they accept that this is likely to produce a more modest return over time. If this sounds like you, you would sit somewhere in the bottom half of the pyramid.



### Which type of investor do you identify with more?

Your Co-operative Financial Adviser will help you to understand your attitude to risk to make sure that you're comfortable with the investment decisions you make.

### Which corresponds to your attitude to risk?

Risk averse	Defensive	Cautious	Balanced	Adventurous	Aggressive	Speculative
You are not prepared to risk any of your capital.	You are prepared to accept a low risk to your capital, with the aim of achieving an improved return over a bank or building society account.	You are prepared to accept some risk to your capital, with the aim of achieving a better return than a bank or building society account.	You are prepared to accept average, or slightly above-average risk to your capital with the aim of achieving an improved return on your investment.	You are prepared to accept above-average risk to your capital, with the aim of achieving a high return.	You are prepared to accept a higher risk to your capital, with the aim of achieving a higher return.	You are prepared to accept a very high risk to your capital, with the aim of achieving a very high return.

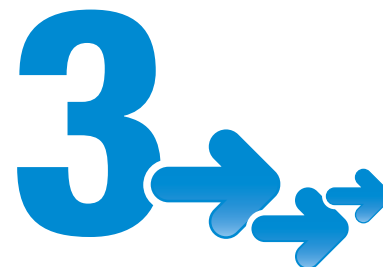


## Do you want a ready-made portfolio or do you want to choose your own funds?

If you want to choose your own funds, there is a wide range of individual funds offering access to UK and global stocks and shares with a range of income and growth options to suit varying attitudes to risk.

If you'd like to leave it to the experts, you can choose a ready-made portfolio which is actively managed by investment professionals to suit three different attitudes to risk: cautious, balanced and adventurous.

**We'll explain more about these funds and portfolios on pages 8 and 9.**



## Do you want to invest in funds from The Co-operative Investments, and/or funds from other providers?

The funds and portfolios offered through the Investment Bond include those offered by The Co-operative Investments as well as other leading providers like Aviva, Fidelity, Jupiter, BlackRock and Schroders.

If you choose individual funds, you can invest in a range of unit trusts offered by The Co-operative Investments. Our UK funds benefit from a unique investment approach incorporating ethics, as you would expect.

We explain more about this on page 10.

**Your Co-operative Financial Adviser will take you through these steps to help you work out the best choices to suit you.**



# Your portfolio and fund choices

## Ready-made portfolios explained

If you really want to benefit from the 'one-stop shop' approach offered by the Investment Bond, the ready-made portfolios could be just right for you. These are 'collections' (or portfolios) of funds that are chosen and managed by our investment experts. They actively review and monitor providers and their funds to make sure that your money is invested in the best possible mix of investments to meet your medium to long-term goals, according to a level of risk you are comfortable with.

You can also combine a ready-made portfolio with individual funds if you want to further spread your investments or if you have specific fund preferences that you want to take into account.

Please remember that a stock market-based investment is a different kind of investment from a bank or building society account. Whilst the capital in such an account is secure, the value of a stock market-based investment will fluctuate and you could get back less than you invest.

We have 6 ready-made portfolios to suit three different types of investors. In these portfolios you can choose from either an open portfolio or a select portfolio.

### Open portfolio

Our investment experts choose the most suitable options from the full range of funds offered through the Investment Bond, including providers like The Co-operative Investments, Aviva, Fidelity, Jupiter, BlackRock and Schroders. Suitable for those who like to spread their investment across a variety of companies.

### Select portfolio

Our investment experts choose the most suitable options from the range offered by The Co-operative Investments. Funds from other providers may also be included to provide the best possible spread of investments. Suitable for those who wish to invest primarily with The Co-operative Investments.

**Cautious portfolio:** a low-risk option for investors aiming for a higher return than a bank or building society account.



**Balanced portfolio:** takes average or slightly above-average risk to aim for above-average growth and income.



**Adventurous portfolio:** takes above-average risk to achieve a high return over the medium to long-term.

select

## Individual funds explained

**If you prefer to make your own investment fund decisions, you can choose up to 10 individual funds from over 100 that are available through the Investment Bond.**

These include funds that:

- are offered by The Co-operative Investments as well as other leading providers such as Aviva, Fidelity, Jupiter, BlackRock and Schroders
- are ethical (which exclude companies that don't meet certain ethical criteria) as well as mainstream funds
- aim for growth, income or a combination of both
- invest in mix of stocks and shares, bonds, gilts, property and/or cash
- invest in UK companies as well as companies overseas in regions including the USA, Europe and Asia.

### Looking for the latest fund performance?

Ask your Co-operative Financial Adviser for the fund factsheets

## Introducing the Guaranteed Fund

The Guaranteed Fund gives you the benefit of the potential growth of financial markets, whilst protecting the value of your investment on the fifth anniversary.

### Here are some of the features of this Fund:

- you need to invest at least £5,000 which cannot be switched from another Investment Bond fund
- money back guarantee – on the fifth anniversary of your investment, you are guaranteed to get back what you put in, if you haven't made any withdrawals. This means that if financial markets don't do well during this time, you will not lose any of the money you invested
- if financial markets do well, unlike some other guaranteed products you will get back what you put in, as well as ALL the growth that your investment in the Fund has achieved during the time your money has been invested, less charges
- please note that the guarantee only applies at the fifth anniversary of your investment. At any other time, you might get back less than you put in as the value of your investment can go down as well as up
- similar to any other investment into the Investment Bond, you can take your money out at any time (subject to charges if funds are withdrawn in the first five years). Any withdrawals or switches from the Guaranteed Fund will reduce the guarantee in proportion to the number of units cancelled, rather than to the cash amount you take out of the Fund
- after five years, you have a range of options which may include switching to another guaranteed fund, switching to a different fund, or taking your money out. If no choice is made after five years, your money will be switched into the Aviva Deposit Fund.

### Who it's suited to:

This Fund is particularly suited to investors looking to generate potentially better returns than cash and who are concerned about losing money in the stock market, and want to cushion their investment (at the fifth anniversary) from the impact of stock market falls. It may also be suited to more adventurous investors who may want to balance the risk profile of their portfolio. It is important to note that there is no guarantee that the gains from this investment will be greater than those that could be achieved from other types of investments.

Ask your Co-operative Financial Adviser for more information on how the Guaranteed Fund may be a great addition to your portfolio.



# Our ethics

The Co-operative Group leads the way in responsible business practices and in 2008, we were voted the UK's most ethical brand<sup>1</sup>. In the area of investments, ethics similarly plays a part in everything we do.

## Ethics and the Investment Bond

Importantly, we believe our customers should have a choice of ethical and mainstream investment solutions, so we offer both in the Investment Bond, provided by Aviva and arranged by The Co-operative Investments.

This range includes:

- our own Sustainable Leaders Trust which does not invest in companies involved in the business of tobacco, nuclear power generation, armaments and pornography amongst other criteria
- our own UK Growth, UK Income with Growth and Corporate Bond Income Trusts which use our distinctive approach where we analyse companies by looking at both financial and ethical factors
- our ready-made 'Select' portfolios which invest primarily in our funds to suit a range of risk profiles
- ethical funds offered by other fund providers (like Aviva).

How we are different		
Issues to consider when analysing companies for investment	The Co-operative Investments	Most other providers
Management team	✓	✓
Business strategy	✓	✓
Financial performance	✓	✓
Competitive advantage	✓	✓
Industry trends & changes	✓	✓
Environmental impact	✓	✗
Employee impact	✓	✗
Supplier & trading policies	✓	✗
Board structure	✓	✗
Risk management	✓	✗
Executive salaries & bonuses	✓	✗

Please note that the investment processes used by other providers do vary. This diagram is intended to show an example of the differences between The Co-operative Investments' responsible investment approach and other investment processes.

## Ethics and our unit trust range

Our unit trusts are managed by our team of over 50 Manchester-based investment professionals. They have managed retail funds for around 20 years, and now have over £16 billion (as at 31/03/09) under management on behalf of all clients.

When choosing companies to invest in, most fund providers just analyse the financial performance of a company. We are the only UK fund manager to also analyse social, ethical, environmental and other company management issues (e.g. 'fat cat' pay) across all the funds we manage, as we show in the table.

We believe that this gives us an edge to potentially produce superior returns since we have a more rounded and informed view of a company's future prospects. We apply this approach to the UK Growth, UK Income with Growth, Sustainable Leaders and Corporate Bond Income Trusts.

This approach only applies to The Co-operative Investments' own funds. It does not apply to funds provided by Aviva or by connected third parties.

**Acting responsibly, honestly and with integrity is a key part of our tradition as a co-operative society.**

<sup>1</sup>Source: The GfK NOP Ethical Brands Survey 2008 was conducted in the UK, covering a total of 3,000 respondents from March to April 2008.

# Portfolios and funds at a glance

In this section, you can find:

- a full list of funds and portfolios available through the Investment Bond
- which funds are considered ethical, or follow a socially responsible investment (SRI) theme
- for the individual funds, the objective, and additional charges.

The funds are listed below in order of risk category. On the following pages, the funds are then listed in order of investment category.

If you come across some terms you don't understand in the fund objectives, at the end we've provided a glossary of investment terms used to help you.

Fund name	page	Fund name	page
<b>Risk Category: Risk Averse</b>			
Aviva Deposit	12	Aviva CIS Sustainable Leaders	20
<b>Risk Category: Defensive</b>			
Aviva CIS Corporate Bond Income	13	Aviva CIS UK Growth	15
Aviva Corporate Bond	13	Aviva Aberdeen UK Equity Income	15
Aviva Gilt	13	Aviva Aberdeen UK Growth	15
Aviva Guaranteed	12	Aviva Global Equity	19
Aviva Fidelity Money Builder Income	13	Aviva International Index Tracking	19
Aviva Invesco Perpetual Corporate Bond	13	Aviva Property	14
Aviva New Star Sterling Bond	13	Aviva Property Investment Fund	14
Aviva Schroder Gilt & Fixed Interest	13	Aviva Sustainable Future UK Growth	15
Aviva Threadneedle UK Corporate Bond	13	Aviva UK Equity	15
<b>Risk Category: Cautious</b>			
Aviva CIS Cautious Select	12	Aviva UK Equity Growth	15
Aviva CIS Cautious Open	12	Aviva UK Equity Income	15
Aviva CIS UK Income with Growth	15	Aviva UK Index Tracking	15
Aviva Global Bond	14	Aviva World Leaders	19
Aviva Higher Income Bond	13	Aviva BlackRock UK Absolute Alpha	20
Aviva Strategic Bond	14	Aviva Gartmore UK Equity Income	15
Aviva Sustainable Future Corporate Bond	13	Aviva Invesco Perpetual Income 2	15
Aviva BlackRock Global Bond	14	Aviva Invesco Perpetual International Equity	19
Aviva Gartmore Cautious Managed	12	Aviva JPM Premier Equity Growth	16
Aviva Invesco Perpetual Global Bond	14	Aviva JPM Premier Equity Income	16
Aviva New Star Managed Distribution	12	Aviva Jupiter High Income	16
Aviva Newton International Bond	14	Aviva M&G UK Growth	16
Aviva Schroder Strategic Bond	13	Aviva New Star Higher Income	16
<b>Risk Category: Balanced</b>			
Aviva CIS Balanced Select	12	Aviva New Star International Property	14
Aviva CIS Balanced Open	12	Aviva Newton Higher Income	16
		Aviva Schroder Income Maximiser	20
		Aviva Schroder Institutional Global Equity	19
		Aviva Threadneedle Global Select	19

Fund name	page	Fund name	page
<b>Risk Category: Adventurous</b>			
Aviva CIS Adventurous Select	12	Aviva Threadneedle American Select	18
Aviva CIS Adventurous Open	12	Aviva Threadneedle European Select	17
Aviva CIS European Growth	16	<b>Risk Category: Aggressive</b>	
Aviva CIS US Growth	17	Aviva Japanese Equity	18
Aviva Aberdeen World Equity	18	Aviva South East Asian Equity	19
Aviva European Equity	16	Aviva BlackRock Japan	18
Aviva European Property*	14	Aviva BlackRock UK Smaller Companies	15
Aviva Global Property*	14	Aviva BlackRock US Opportunities	18
Aviva Sustainable Future Absolute Growth	19	Aviva Fidelity Japan	18
Aviva Sustainable Future European Growth	16	Aviva Gartmore China Opportunities	19
Aviva Sustainable Future Global Growth	19	Aviva Gartmore Emerging Market Opportunities	19
Aviva UK Ethical	20	Aviva Gartmore European Selected Opportunities	17
Aviva US Equity	17	Aviva Invesco Perpetual Asian	19
Aviva BlackRock Continental European	17	Aviva Invesco Perpetual European Smaller Companies	17
Aviva BlackRock Global Equity	19	Aviva Invesco Perpetual Japanese Smaller Companies	18
Aviva BlackRock UK Dynamic	15	Aviva JPM European Smaller Companies	17
Aviva BlackRock US Dynamic	17	Aviva JPM Japan	18
Aviva Fidelity American	18	Aviva JPM New Europe	17
Aviva Fidelity European	17	Aviva Jupiter Financial Opportunities	20
Aviva Gartmore UK & Irish Smaller Companies	15	Aviva Newton Oriental	19
Aviva Invesco Perpetual European Equity	17	Aviva Threadneedle European Smaller Companies	17
Aviva Invesco Perpetual UK Smaller Companies	15	<b>Risk Category: Speculative</b>	
Aviva Investec American	18	Aviva Artemis New Enterprises*	20
Aviva JPM US	18	Aviva BlackRock Gold and General*	20
Aviva Jupiter Undervalued Assets	20	Aviva Investec Global Energy*	20
Aviva New Star UK Alpha	16	Aviva JPM Natural Resources	20
Aviva Schroder UK Alpha Plus	16	Aviva SG Technology	20
Aviva Schroder UK Mid 250	16		

\*Funds soon to be available for investment – date to be confirmed.

**DEPOSIT FUNDS – Will invest predominantly into cash investments. Should not be confused with a cash savings account. Although these are very low risk funds, their value may still go down as well as up.**

Fund name	Fund Manager	Risk category	Fund objective	Total additional charges (per year)	Ethical/ SRI
<b>Aviva Deposit</b>	<b>Aviva Investors</b>	<b>Risk Averse</b>	The fund aims to provide a lower risk return in line with bank and building society interest rates, although the value can fall. The fund will typically hold cash investments and similar assets with first class banks and major UK companies.	NIL	

**MANAGED FUNDS – A managed portfolio of investments offering diversification through exposure to different asset classes, regions and/or fund managers.**

Fund name	Fund Manager	Risk category	Fund objective	Total additional charges (per year)	Ethical/ SRI
<b>Aviva CIS Cautious Select</b>	<b>The Co-operative Asset Management</b>	<b>Cautious</b>	This portfolio provides a low-risk investment option and aims to achieve a higher return than would be achieved by investing in a bank or building society account. It will invest in a portfolio of socially responsible Co-operative Investments funds, selected fund managers' unit trusts, Open-Ended Investment Companies (OEICs) and cash. The fund's investment policy is to diversify investment across global bond and equity markets. The portfolio is made up of Co-operative Investments funds, which meet our Ethical Engagement Policy, and funds from other providers which are socially responsible. To ensure the most appropriate diversification of the portfolio, where no socially responsible fund exists we have selected the best available alternative.	0.05% (includes an FMEC of 0.05% – this may vary from year to year)	✓
<b>Aviva CIS Cautious Open</b>	<b>The Co-operative Asset Management</b>	<b>Cautious</b>	This portfolio provides a low-risk investment option and aims to achieve a higher (Cautious) return than would be achieved by investing in a bank or building society account. It will invest in a portfolio of Co-operative Investments funds, selected fund managers' unit trusts, OEICs and cash. The fund's investment policy is to diversify investment across global bond and equity markets.	0.50% (includes an FMEC of 0.10% – this may vary from year to year)	
<b>Aviva CIS Balanced Select</b>	<b>The Co-operative Asset Management</b>	<b>Balanced</b>	This portfolio aims to achieve above-average capital growth and investment income over the medium to long-term by investing in a portfolio of socially responsible Co-operative Investments funds, selected fund managers' unit trusts, OEICs and cash. The fund's investment policy is to moderate risk by investing in diversified funds across global bond and equity markets and property. The portfolio is made up of Co-operative Investments funds, which meet our Ethical Engagement Policy, and funds from other providers which are socially responsible. To ensure the most appropriate diversification of the portfolio, where no socially responsible fund exists we have selected the best available alternative.	0.05% (includes an FMEC of 0.05% – this may vary from year to year)	✓
<b>Aviva CIS Balanced Open</b>	<b>The Co-operative Asset Management</b>	<b>Balanced</b>	The CIS Open Fund (Balanced) aims to achieve above-average capital growth and investment income over the long-term by investing in a portfolio of Co-operative Investments, selected fund managers' unit trusts, OEICs and cash. The fund's investment policy is to moderate risk by investing in diversified funds across global bond and equity markets and property.	0.65% (includes an FMEC of 0.1% – this may vary from year to year)	
<b>Aviva CIS Adventurous Select</b>	<b>The Co-operative Asset Management</b>	<b>Adventurous</b>	This portfolio aims to achieve above-average capital growth and investment income over the medium to long-term by investing in a portfolio of Co-operative Investments funds, other selected fund managers' unit trusts, OEICs and cash. The fund is designed for investors who wish to accept higher levels of risk through their investment across a diversified range of global shares and bonds and property. The portfolio is made up of Co-operative Investments funds which meet our Ethical Engagement Policy, and funds from other providers which are socially responsible. To ensure the most appropriate diversification of the portfolio, where no socially responsible fund exists we have selected the best available alternative.	0.10% (includes an FMEC of 0.05% – this may vary from year to year)	✓
<b>Aviva CIS Adventurous Open</b>	<b>The Co-operative Asset Management</b>	<b>Adventurous</b>	This portfolio aims to achieve above-average capital growth over the long-term by investing in a portfolio of Co-operative Investments funds, other selected fund managers' unit trusts, OEICs and cash. The fund is designed for investors who wish to accept higher levels of risk through their investment across a diversified range of global shares, bonds and property.	0.75% (includes an FMEC of 0.05% – this may vary from year to year)	

**MANAGED FUNDS – A managed portfolio of investments offering diversification through exposure to different asset classes, regions and/or fund managers.**

Fund name	Fund Manager	Risk category	Fund objective	Total additional charges (per year)	Ethical/ SRI
<b>Aviva CIS Cautious Select</b>	<b>The Co-operative Asset Management</b>	<b>Cautious</b>	This portfolio provides a low-risk investment option and aims to achieve a higher return than would be achieved by investing in a bank or building society account. It will invest in a portfolio of socially responsible Co-operative Investments funds, selected fund managers' unit trusts, Open-Ended Investment Companies (OEICs) and cash. The fund's investment policy is to diversify investment across global bond and equity markets. The portfolio is made up of Co-operative Investments funds, which meet our Ethical Engagement Policy, and funds from other providers which are socially responsible. To ensure the most appropriate diversification of the portfolio, where no socially responsible fund exists we have selected the best available alternative.	0.05% (includes an FMEC of 0.05% – this may vary from year to year)	✓

**FIXED INTEREST FUNDS – UK-based – Will invest predominantly in corporate bonds and gilts – largely dealing with UK Government and/or UK companies.**

Fund name	Fund Manager	Risk category	Fund objective	Total additional charges (per year)	Ethical/ SRI
<b>Aviva CIS Corporate Bond Income</b>	<b>The Co-operative Asset Management</b>	<b>Defensive</b>	In order to produce a high and stable income stream, the fund invests in the UK corporate bond sector, mostly issued by blue-chip UK companies. Income can be paid out to the investor, or reinvested to achieve capital growth. The fund manager carefully selects only high-quality corporate bonds to ensure that the risk to investors' capital is minimised.	0.05% (includes an FMEC of 0.05% – this may vary from year to year)	✓
<b>Aviva Corporate Bond</b>	<b>Aviva Investors</b>	<b>Defensive</b>	To provide a level of investment income above that which would be achieved if investments were made solely in gilts. Investments are made mainly in a range of fixed-interest investments.	NIL	
<b>Aviva Gilt</b>	<b>Aviva Investors</b>	<b>Defensive</b>	To provide a reasonably good return mainly through investment income with the potential for some capital growth. The fund will be invested mainly in gilts.	NIL	
<b>Aviva Higher Income Bond</b>	<b>Aviva Investors</b>	<b>Cautious</b>	To provide a relatively high level of investment income from fixed-interest stocks, including those issued by a range of companies and governments.	NIL	
<b>Aviva Sustainable Future Corporate Bond</b>	<b>Aviva Investors</b>	<b>Cautious</b>	To achieve a high level of investment income from diversified investment mainly in fixed-interest stocks, including those issued by a range of companies and governments. This is a socially responsible fund.	0.25%	✓
<b>Aviva Fidelity Money Builder Income</b>	<b>Fidelity</b>	<b>Defensive</b>	To achieve a level of income with the possibility of capital growth from a portfolio primarily in sterling-denominated fixed-interest securities.	0.55%	
<b>Aviva Invesco Perpetual Corporate Bond</b>	<b>Invesco Perpetual</b>	<b>Defensive</b>	To achieve a high level of overall return, with relative security of capital.	0.60%	
<b>Aviva New Star Sterling Bond</b>	<b>New Star</b>	<b>Defensive</b>	To achieve as high a total rate of return as is commensurate with investment in a diversified portfolio of investment-grade corporate bonds.	0.60%	
<b>Aviva Schroder Gilt &amp; Fixed Interest</b>	<b>Schroders</b>	<b>Defensive</b>	To achieve a level of investment income, which reflects the underlying gilt market, with the potential for capital growth. The majority of the investment is in gilts. It invests in bonds issued by other financially strong organisations. This fund is low risk, as the issuers of the bonds held are believed to be extremely unlikely to default on repayments.	0.50%	
<b>Aviva Schroder Strategic Bond</b>	<b>Schroders</b>	<b>Cautious</b>	To achieve a total return from a diversified portfolio of global debt securities. The full spectrum of available securities, including non-investment grade, will be utilised. The portfolio will consist of sterling denominated securities or other securities, hedged back to sterling.	0.75% (includes an FMEC of 0.15% – this may vary from year to year)	
<b>Aviva Threadneedle UK Corporate Bond</b>	<b>Threadneedle Investments</b>	<b>Defensive</b>	To achieve a high level of investment income from a range of fixed-interest investments, mainly in the UK and continental Europe.	0.50%	



**FIXED INTEREST FUNDS – Non-UK based – Will invest predominantly in overseas corporate bonds and overseas government bonds.**

Fund name	Fund Manager	Risk category	Fund objective	Total additional charges (per year)	Ethical/ SRI
<b>Aviva Global Bond</b>	<b>Aviva Investors</b>	<b>Cautious</b>	To provide a reasonably good return from a combination of investment income, capital growth and gains from exchange rate movements. The fund will be mainly invested in worldwide fixed-interest markets.	NIL	
<b>Aviva Strategic Bond</b>	<b>Aviva Investors</b>	<b>Cautious</b>	To provide a high total return from a diversified portfolio of global debt securities	0.25% (includes an FMEC of 0.03% – this may vary from year to year)	
<b>Aviva BlackRock Global Bond</b>	<b>BlackRock</b>	<b>Cautious</b>	To provide a combination of a good level of investment income and, where possible, capital growth by investing in a range of international bonds.	0.50%	
<b>Aviva Invesco Perpetual Global Bond</b>	<b>Invesco Perpetual</b>	<b>Cautious</b>	To achieve a good overall investment return in the medium to long-term with relative security of capital. The fund is invested mainly in international bonds, which provide different levels of investment income over different time periods.	0.50%	
<b>Aviva Newton International Bond</b>	<b>Newton</b>	<b>Cautious</b>	To maximise the total return from income and capital growth in the world bond markets. The fund invests only in high quality bonds. It is a total return fund looking to maximise both income and capital growth through investments in the world bond markets.	0.50%	

**PROPERTY FUNDS – Will invest predominantly in commercial property. As property is not an immediately saleable asset, there could be a delay of up to six months in paying out on this kind of fund dependant upon market conditions.**

Fund name	Fund Manager	Risk category	Fund objective	Total additional charges (per year)	Ethical/ SRI
<b>Aviva European Property*</b>	<b>Aviva Investors</b>	<b>Adventurous</b>	Aims to seek income and long-term capital appreciation through property investment in the European economic area (excluding the UK).	0.75% (includes an FMEC of 0.4% – this may vary from year to year)	
<b>Aviva Global Property*</b>	<b>Aviva Investors</b>	<b>Adventurous</b>	Aims to achieve capital growth by investing globally in listed real estate investment trusts (REITs) and real estate securities.	0.75% (includes an FMEC of 0.24% – this may vary from year to year)	
<b>Aviva Property</b>	<b>Aviva Investors</b>	<b>Balanced</b>	To provide a good return from a mixture of rental income and rising property prices. The fund will invest mainly in commercial property. A proportion of the fund may be invested in the Aviva Property Unit Trust and the Aviva Property Investment Fund. It may also invest in indirect property investments, including quoted property trusts and unregulated collective investment schemes. Investment in unregulated collective investment schemes is up to a maximum currently set at 20% of the fund value.	NIL	
<b>Aviva Property Investment Fund</b>	<b>Aviva Investors</b>	<b>Balanced</b>	To obtain a high and steady income return, with some capital appreciation, through investment principally in real property and government securities and property-related corporate bonds, augmented from time to time with some exposure to property-related assets and units in collective investment schemes.	0.35%	
<b>Aviva New Star International Property</b>	<b>New Star</b>	<b>Balanced</b>	To achieve long-term capital growth and income.	0.8% (includes an FMEC of 0.25% – this may vary from year to year)	

\*Funds soon to be available for investment – date to be confirmed.

## EQUITY FUNDS – UK-based – Will invest in shares issued by Companies primarily based in the UK.

Fund name	Fund Manager	Risk category	Fund objective	Total additional charges (per year)	Ethical/ SRI
<b>Aviva CIS UK Growth</b>	<b>The Co-operative Asset Management</b>	<b>Balanced</b>	To achieve above-average capital growth over the medium to long-term by investing in a diverse portfolio of shares in companies listed on the UK stock exchange. The fund manager aims to achieve returns, before charges, that are at least equal to the FTSE All-Share index allowing for the reinvestment of dividend income.	0.03% (includes an FMEC of 0.03% – this may vary from year to year)	✓
<b>Aviva CIS UK Income With Growth</b>	<b>The Co-operative Asset Management</b>	<b>Cautious</b>	To provide an above-average and growing income, together with some capital appreciation, from a diverse portfolio of UK securities comprising mainly higher-yielding equities in any economic sector, but including some fixed-interest securities. The fund invests in blue-chip UK companies as well as government bonds and fixed-interest securities, and will invest in companies with strong market positions that operate in industries with attractive long-term prospects.	0.03% (includes an FMEC of 0.03% – this may vary from year to year)	✓
<b>Aviva Aberdeen UK Equity Income</b>	<b>Aberdeen Asset Management</b>	<b>Balanced</b>	To provide a high and rising investment income combined with capital growth through a range of investments mainly consisting of UK equities and equity-related stocks. Investment may be made in all sectors.	0.75%	
<b>Aviva Aberdeen UK Growth</b>	<b>Aberdeen Asset Management</b>	<b>Balanced</b>	To achieve long-term capital growth through investment in UK equities and equity-related stocks quoted on the London Stock Exchange, mainly those included in the FTSE 100 Index.	0.75%	
<b>Aviva UK Equity</b>	<b>Aviva Investors</b>	<b>Balanced</b>	To provide a return from a combination of investment income and capital growth. The fund will be invested mainly in UK equities.	NIL	
<b>Aviva UK Equity Growth</b>	<b>Aviva Investors</b>	<b>Balanced</b>	To provide long-term capital growth. The fund is mainly invested in UK equities, which are selected for the potential of above average long-term growth.	NIL	
<b>Aviva UK Equity Income</b>	<b>Aviva Investors</b>	<b>Balanced</b>	To provide a dividend yield above the FTSE All Share Index yield. Dividends are reinvested in the fund. The fund will be invested mainly in UK equities with the potential of above-average dividend growth as well as the potential for capital growth	NIL	
<b>Aviva UK Index Tracking</b>	<b>Aviva Investors</b>	<b>Balanced</b>	To track the performance of the FTSE Actuaries All-Share Index. It invests in UK equities and futures.	NIL	
<b>Aviva Sustainable Future UK Growth</b>	<b>Aviva Investors</b>	<b>Balanced</b>	To provide long-term capital growth through investment mainly in UK equities. This is a socially responsible fund.	0.25%	✓
<b>Aviva BlackRock UK Dynamic</b>	<b>BlackRock</b>	<b>Adventurous</b>	To achieve capital growth with investment income being of secondary importance. The fund invests mainly in a range of UK stocks.	0.75%	
<b>Aviva BlackRock UK Smaller Companies</b>	<b>BlackRock</b>	<b>Aggressive</b>	To achieve above-average long-term capital growth prospects and invest in smaller UK companies.	0.75%	
<b>Aviva Gartmore UK &amp; Irish Smaller Companies</b>	<b>Gartmore Investment Management</b>	<b>Adventurous</b>	To provide capital growth, with scope for growth in investment income, by investing mainly in a selection of UK stocks.	0.75%	
<b>Aviva Gartmore UK Equity Income</b>	<b>Gartmore Investment Management</b>	<b>Balanced</b>	To provide above-average investment income, together with the prospect of rising income payments and some capital growth over the long-term. The managers intend that the gross income yield is approximately 1.25 times that of the FTSE Actuaries All-Share Index.	0.75%	
<b>Aviva Invesco Perpetual Income 2</b>	<b>Invesco Perpetual</b>	<b>Balanced</b>	To achieve a rising level of investment income, together with capital growth. The fund is invested mainly in shares of UK companies with the balance invested internationally, although it may include other investments that the fund manager considers appropriate.	1.0% (includes an FMEC of 0.2% – this may vary from year to year)	
<b>Aviva Invesco Perpetual UK Smaller Companies</b>	<b>Invesco Perpetual</b>	<b>Adventurous</b>	To achieve capital growth in the UK. The fund is invested mainly in shares of smaller companies, although it may include other UK related investments that the manager considers appropriate	0.80%	



Fund name	Fund Manager	Risk category	Fund objective	Total additional charges (per year)	Ethical/ SRI
<b>Aviva JPM Premier Equity Growth</b>	<b>JP Morgan Asset Management</b>	<b>Balanced</b>	To provide long-term capital growth from investments in stocks and shares. The fund currently invests mainly in a range of UK equities.	0.80%	
<b>Aviva JPM Premier Equity Income</b>	<b>JP Morgan Asset Management</b>	<b>Balanced</b>	To provide high investment income through investment in stocks and shares. The fund currently invests in a range of UK equities and fixed-interest stocks.	0.80%	
<b>Aviva Jupiter High Income</b>	<b>Jupiter</b>	<b>Balanced</b>	To provide a high and rising income with capital growth potential, investing mainly in equities and high-yielding convertible securities, with some exposure to fixed-interest securities, primarily selected from the UK stock market.	1.00%	
<b>Aviva M &amp; G UK Growth</b>	<b>M &amp; G Investments</b>	<b>Balanced</b>	To provide capital growth by investing mainly in UK companies with high growth potential.	0.50%	
<b>Aviva New Star Higher Income</b>	<b>New Star</b>	<b>Balanced</b>	To achieve increasing distributions with the potential of long-term capital growth principally through investment in the securities of UK companies.	0.95%	
<b>Aviva New Star UK Alpha</b>	<b>New Star</b>	<b>Adventurous</b>	To seek capital growth through a relatively concentrated portfolio principally investing in the securities of UK companies.	1.00%	
<b>Aviva Newton Higher Income</b>	<b>Newton</b>	<b>Balanced</b>	To achieve increasing distributions on a calendar year basis with long-term capital growth. The fund is designed to provide an attractive level of income together with the potential for capital growth. It invests in stocks drawn from the largest 350 companies in the UK.	0.50%	
<b>Aviva Schroder UK Alpha Plus</b>	<b>Schroders</b>	<b>Adventurous</b>	Aims to provide capital growth through investment in UK Companies. The fund will invest in a focused portfolio of between 20 and 40 stocks with an objective of achieving an absolute return. The fund is not tied to a benchmark because of its absolute return objective although comparison is made against the FTSE All-Share for reporting purposes.	0.75%	
<b>Aviva Schroder UK Mid 250</b>	<b>Schroders</b>	<b>Adventurous</b>	The Fund's objective is to achieve long-term capital growth by investing in the medium-sized companies listed on the FTSE Mid 250 Index. The main advantage of investing in Mid 250 companies is that often these businesses have greater potential for continued growth than their larger counterparts. The Fund Manager invests in growing companies with a unique product or service for which demand is strong. This also requires him to be disciplined in his approach by selling stocks if there are signs that increasing competition means that the company's product has lost its unique advantage.	0.75%	

\*Each time this Fund is valued – the valuation point – a calculation is performed to work out how much performance fee, if any, is due. This is based on a charge of 20% of any amount by which the Fund's performance has exceeded a set minimum level called the 'Hurdle'. The level of the Hurdle will be decided quarterly in advance, based on the three-month LIBOR – the rate at which banks lend to each other. If the bid price (the price of units in the Fund) fails to exceed the Hurdle no performance fee will be accrued for the valuation period.

In addition, there will be no performance fee if the Fund has failed to increase in value over the financial year or 'Performance Period'. To measure this, a 'High Water Mark' is set. This level is determined by the bid price of the Fund on the last business day of the Performance Period. Until the price of units in the fund exceeds the High Water Mark, no performance fee will be charged.

### EQUITY FUNDS – Europe-based – Will invest in shares issued by Companies primarily based in Europe.

Fund name	Fund Manager	Risk category	Fund objective	Total additional charges (per year)	Ethical/ SRI
<b>Aviva CIS European Growth</b>	<b>UBS</b>	<b>Adventurous</b>	To achieve above-average growth over the medium to long-term by investing in a portfolio of shares in companies listed in European markets, excluding the United Kingdom. The fund manager aims to achieve returns, before charges, that are at least equal to the FTSE All-World Europe Index (excluding the UK) allowing for the reinvestment of dividend income.	0.08% (includes an FMEC of 0.08% – this may vary from year to year)	✓
<b>Aviva European Equity</b>	<b>Aviva Investors</b>	<b>Adventurous</b>	To provide a return mainly from capital growth. The fund will be invested largely in equity stocks spread across European markets.	NIL	
<b>Aviva Sustainable Future European Growth</b>	<b>Aviva Investors</b>	<b>Adventurous</b>	To provide long-term capital growth through diversified investment mainly within and across European equity markets. This is a socially responsible fund.	0.25%	✓

Fund name	Fund Manager	Risk category	Fund objective	Total additional charges (per year)	Ethical/SRI
<b>Aviva BlackRock Continental European</b>	<b>BlackRock</b>	<b>Adventurous</b>	To achieve long-term capital growth by investing in a range of mainly continental European companies, although it can also invest in the UK.	0.75%	
<b>Aviva Fidelity European</b>	<b>Fidelity</b>	<b>Adventurous</b>	To achieve long-term capital growth from investment in a portfolio primarily made up of shares in European companies.	0.95%	
<b>Aviva Gartmore European Selected Opportunities</b>	<b>Gartmore Investment Management</b>	<b>Aggressive</b>	To achieve the highest possible capital growth from an actively managed range of European investments.	0.75%	
<b>Aviva Invesco Perpetual European Equity</b>	<b>Invesco Perpetual</b>	<b>Adventurous</b>	To provide capital growth through a range of investments in Continental Europe. The Fund intends to invest primarily in shares in companies in Continental Europe, although it may include other European related investments.	0.80%	
<b>Aviva Invesco Perpetual European Smaller Companies</b>	<b>Invesco Perpetual</b>	<b>Aggressive</b>	To provide above-average capital growth through a range of investments in smaller European companies, excluding the UK.	0.80%	
<b>Aviva JPM European Smaller Companies</b>	<b>JP Morgan Asset Management</b>	<b>Aggressive</b>	To achieve long-term capital growth through investment in European smaller companies in any sector.	0.80%	
<b>Aviva JPM New Europe</b>	<b>JP Morgan Asset Management</b>	<b>Aggressive</b>	Aims to achieve capital growth over the long-term. It seeks to do so primarily through investing in a portfolio of companies operating or investing in the Central and Eastern European region. Currently the Fund invests primarily in the economies of Russia, Poland, Hungary, Czech Republic and Croatia.	0.9% (includes an FMEC of 0.26% – this may vary from year to year)	
<b>Aviva Threadneedle European Select</b>	<b>Threadneedle Investments</b>	<b>Adventurous</b>	To achieve above-average long-term capital growth through investing in a concentrated, actively managed range of continental European equities.	0.75%	
<b>Aviva Threadneedle European Smaller Companies</b>	<b>Threadneedle Investments</b>	<b>Aggressive</b>	To provide long-term capital growth through investing in the equities of smaller European companies, which offer superior growth prospects. Other appropriate investments can be included whenever suitable opportunities arise. This fund will not invest in UK companies	0.75%	

### EQUITY FUNDS – US-based – Will invest in shares issued by Companies primarily based in the United States.

Fund name	Fund Manager	Risk category	Fund objective	Total additional charges (per year)	Ethical/SRI
<b>Aviva CIS US Growth</b>	<b>UBS</b>	<b>Adventurous</b>	To achieve above-average capital growth over the medium to long-term by investing in a diverse portfolio of US company shares. The fund manager aims to achieve returns, before charges, that are at least equal to the Standard and Poor's 500 Index allowing for the reinvestment of dividend income.	0.06% (includes an FMEC of 0.06% – this may vary from year to year)	✓
<b>Aviva US Equity</b>	<b>Aviva Investors</b>	<b>Adventurous</b>	To provide capital growth by mainly investing in North American equities.	NIL	
<b>Aviva BlackRock US Dynamic</b>	<b>BlackRock</b>	<b>Adventurous</b>	To achieve long-term growth from a range of mainly US companies, although it may also invest in Canada and up to 10% in Latin America.	0.75%	

Fund name	Fund Manager	Risk category	Fund objective	Total additional charges (per year)	Ethical/ SRI
<b>Aviva BlackRock US Opportunities</b>	<b>BlackRock</b>	<b>Aggressive</b>	To achieve long-term growth from a range of mainly smaller US companies with above-average growth prospects. The fund may also invest in Canada and up to 10% in Latin America.	0.75%	
<b>Aviva Fidelity American</b>	<b>Fidelity</b>	<b>Adventurous</b>	To achieve long-term capital growth from investment in a portfolio primarily made up of shares in US companies.	0.85%	
<b>Aviva Investec American</b>	<b>Investec</b>	<b>Adventurous</b>	To achieve long-term capital growth primarily through investment in large cap American equities.	0.65%	
<b>Aviva JPM US</b>	<b>JP Morgan Asset Management</b>	<b>Adventurous</b>	To provide long-term capital growth through investing in shares of a range of US companies from any sector.	0.80%	
<b>Aviva Threadneedle American Select</b>	<b>Threadneedle Investments</b>	<b>Adventurous</b>	To provide superior capital growth over the long-term through investing in a relatively concentrated, actively managed range of US equities. The fund will focus on a limited selection of stocks including smaller and emerging growth companies, those with the potential for merger or takeover and organisations with new management and recovery potential. Other appropriate investments, such as Canadian stocks, can be included whenever attractive opportunities arise.	0.75%	

#### EQUITY FUNDS – Japan-based – Will invest in shares issued by Companies primarily based in Japan.

Fund name	Fund Manager	Risk category	Fund objective	Total additional charges (per year)	Ethical/ SRI
<b>Aviva Japanese Equity</b>	<b>Aviva Investors</b>	<b>Aggressive</b>	To provide a return largely from capital growth. The fund will invest mainly in Japanese equities.	NIL	
<b>Aviva BlackRock Japan</b>	<b>BlackRock</b>	<b>Aggressive</b>	To achieve long-term capital growth from investments mainly in large Japanese companies, although it may invest up to 10% in other South East Asian markets if attractive opportunities arise.	0.75%	
<b>Aviva Fidelity Japan</b>	<b>Fidelity</b>	<b>Aggressive</b>	To achieve long-term capital growth from a portfolio primarily made up of shares in Japanese companies.	0.95%	
<b>Aviva Invesco Perpetual Japanese Smaller Companies</b>	<b>Invesco Perpetual</b>	<b>Aggressive</b>	To provide above-average capital growth through a range of investments in smaller Japanese companies. Up to 40% of the fund may consist of shares in companies listed on the Tokyo Stock Exchange First Section.	0.80%	
<b>Aviva JPM Japan</b>	<b>JP Morgan Asset Management</b>	<b>Aggressive</b>	To provide long-term capital growth through investing in shares of a range of Japanese companies in any sector.	0.80%	

#### EQUITY FUNDS – Internationally-based – Will invest in shares issued by Companies based anywhere in the world.

Fund name	Fund Manager	Risk category	Fund objective	Total additional charges (per year)	Ethical/ SRI
<b>Aviva Aberdeen World Equity</b>	<b>Aberdeen Asset Management</b>	<b>Adventurous</b>	To maximise the long-term total return from a range of investments that the fund manager believes will benefit from changes and developments in the world's economy.	0.75%	

Fund name	Fund manager	Risk category	Fund objective	Total additional charges (per year)	Ethical/SRI
<b>Aviva Global Equity</b>	<b>Aviva Investors</b>	<b>Balanced</b>	To provide a relatively high return from a combination of investment income and capital growth. The fund normally holds a range of equities spread across the world's major financial markets.	NIL	
<b>Aviva International Index Tracking</b>	<b>Aviva Investors</b>	<b>Balanced</b>	To track the performance of the FTSE All-World (ex UK) Index Series. It invests in international equities.	NIL	
<b>Aviva South East Asian Equity</b>	<b>Aviva Investors</b>	<b>Aggressive</b>	To provide a return largely from capital growth. The fund will invest mainly in equities in South East Asia (with the likely exception of Japan) and Australia.	NIL	
<b>Aviva World Leaders</b>	<b>Aviva Investors</b>	<b>Balanced</b>	To provide long-term capital growth through investment in a wide range of UK and international shares	0.25%	
<b>Aviva Sustainable Future Absolute Growth</b>	<b>Aviva Investors</b>	<b>Adventurous</b>	To provide long-term capital growth through selected investment mainly in global equities. This is a socially responsible fund.	0.25%	✓
<b>Aviva Sustainable Future Global Growth</b>	<b>Aviva Investors</b>	<b>Adventurous</b>	To provide long-term capital growth through diversified investment mainly within and across global equity markets. This is a socially responsible fund.	0.25%	✓
<b>Aviva BlackRock Global Equity</b>	<b>BlackRock</b>	<b>Adventurous</b>	The Fund seeks to achieve long-term capital growth from investment primarily in a global portfolio of equity securities of successful companies domiciled in, or exercising a significant part of their economy activity in developed markets. The Fund may also invest in collective investment schemes.	0.75%	
<b>Aviva Gartmore China Opportunities</b>	<b>Gartmore Investment Management</b>	<b>Aggressive</b>	To achieve capital growth from an actively managed portfolio of Hong Kong and/or Chinese investments.	0.90%	
<b>Aviva Gartmore Emerging Market Opportunities</b>	<b>Gartmore Investment Management</b>	<b>Aggressive</b>	To achieve long-term total return in excess of the benchmark index. The fund will invest in companies listed on the stock exchanges of the emerging markets of the world.	0.90%	
<b>Aviva Invesco Perpetual Asian</b>	<b>Invesco Perpetual</b>	<b>Aggressive</b>	To achieve capital growth in Asia (excluding Japan). The fund is invested mainly in shares of companies in Asia, although it may include other Asian-related investments that the fund manager considers appropriate.	0.80%	
<b>Aviva Invesco Perpetual International Equity</b>	<b>Invesco Perpetual</b>	<b>Balanced</b>	To achieve a rewarding level of capital growth with a higher than average level of investment income from equities, by investing in UK and international equities.	0.80%	
<b>Aviva Newton Oriental</b>	<b>Newton</b>	<b>Aggressive</b>	To achieve capital growth by investing in Asian and Pacific markets including Australia and New Zealand but excluding Japan. It is actively managed and is designed to offer investors, willing to accept a higher level of volatility for potentially higher returns, the opportunity for capital growth through exposure to Far Eastern equity markets.	0.50%	
<b>Aviva Schroder Institutional Global Equity</b>	<b>Schroders</b>	<b>Balanced</b>	To provide a high return by investing mainly in equities listed on stock markets around the world.	0.50%	
<b>Aviva Threadneedle Global Select</b>	<b>Threadneedle Investments</b>	<b>Balanced</b>	To achieve above-average long-term capital growth through investment in a range of international equities. The focus will be on picking stocks with superior growth potential, which should ensure there is a relatively concentrated range.	0.75%	

## EQUITY FUNDS – Specialist – Will invest in Companies based around a specific investment theme (e.g. ethically-based, commodities-based, technology-based.)

Fund name	Fund Manager	Risk category	Fund objective	Total additional charges (per year)	Ethical/ SRI
<b>Aviva CIS Sustainable Leaders</b>	<b>The Co-operative Asset Management</b>	<b>Balanced</b>	The CIS Sustainable Leaders fund aims to provide capital growth from a diverse portfolio of equities, mainly in the UK and in any economic sector. Investment is limited to companies that are likely to benefit from measures to improve the environment, human health, safety and the quality of life. In addition, investment may be made in companies considered to be beneficiaries of changing attitudes towards a cleaner and safer environment, including those seen to be making above-average efforts to minimise environmental damage caused by their activities. Areas of avoidance include animal testing (unless conducted for the benefit of human health), countries where human rights are disregarded, items with military applications, tobacco and nuclear power.	0.04% (includes an FMEC of 0.04% – this may vary from year to year)	✓
<b>Aviva Artemis New Enterprises*</b>	<b>Artemis</b>	<b>Speculative</b>	Aims to provide long-term capital growth through investment in companies likely to benefit from the implementation or provision of new technologies. The Fund has the ability to invest globally in search of these objectives.	1.0% (includes an FMEC of 0.39% – this may vary from year to year)	
<b>Aviva UK Ethical</b>	<b>Aviva Investors</b>	<b>Adventurous</b>	To provide long-term capital growth and investment income by investing mainly in equities. The assets in which it invests meet a set of ethical considerations. The Socially Responsible Investment (SRI) funds managed by Morley cover a range of global bond and equity markets. These funds offer the opportunity to invest in companies that are at the forefront of promoting and supporting sustainable development through the products and services they offer, or through their leading social, environment and management practices. Within the ethical criteria, individual equities are selected on the basis of potential long-term rewards.	NIL	✓
<b>Aviva BlackRock UK Absolute Alpha</b>	<b>BlackRock</b>	<b>Balanced</b>	To achieve absolute return for investors and, as such, the Fund will not be managed against any UK equity index. The Fund invests primarily in a portfolio of equities and equity-related securities (including derivatives) of companies incorporated or listed in the UK, although from time to time cash or near cash may be held. The Fund may also invest in other transferable securities, permitted money market instruments, permitted deposits and units in collective investment schemes. This fund may have a performance fee*.	0.8% (includes an FMEC of 0.19% – this may vary from year to year)	
<b>Aviva BlackRock Gold and General*</b>	<b>BlackRock</b>	<b>Speculative</b>	Aims to achieve long-term capital growth by investing in gold mining and precious metal-related shares	1.0% (includes an FMEC of 0.21% – this may vary from year to year)	
<b>Aviva Investec Global Energy*</b>	<b>Investec</b>	<b>Speculative</b>	Aims to achieve capital growth principally through investment in companies throughout the world involved in the exploration, production or distribution of oil, gas and other energy sources	0.75% (includes an FMEC of 0.14% – this may vary from year to year)	
<b>Aviva JPM Natural Resources</b>	<b>JP Morgan Asset Management</b>	<b>Speculative</b>	Aims to provide capital growth over the long-term, primarily through a portfolio of shares in companies throughout the world engaged in the production and marketing of commodities	0.8% (includes an FMEC of 0.14% – this may vary from year to year)	
<b>Aviva Jupiter Financial Opportunities</b>	<b>Jupiter</b>	<b>Aggressive</b>	To achieve capital growth derived from opportunities in the financial services sector. The fund has a global mandate but with a natural bias towards the UK.	1.00%	
<b>Aviva Jupiter Undervalued Assets</b>	<b>Jupiter</b>	<b>Adventurous</b>	To achieve long-term capital growth by investing in companies which the fund manager feels have recovery potential.	1.00%	
<b>Aviva Schroder Income Maximiser</b>	<b>Schroders</b>	<b>Balanced</b>	To generate good returns by investing in the shares of attractively priced companies that pay high, sustainable dividends. These are likely to be mature, well-established organisations such as banks or oil companies. These shares also offer the potential of capital growth, especially if they are currently undervalued by the market. The Fund also seeks income from the sale of 'options'.	0.8% (includes an FMEC of 0.16% – this may vary from year to year)	
<b>Aviva SG Technology</b>	<b>SG Asset Management</b>	<b>Speculative</b>	To achieve capital growth through investing in an international range of shares of companies involved in high technology industries. The United States is the main country for investment, but Japan and the UK are also important.	0.75%	

\*Funds soon to be available for investment – date to be confirmed.

# Glossary of investment terms

**Actively Managed:** Funds which aim to outperform a benchmark index, such as the FTSE 100. The aim is for the fund manager to manage the fund's investments in such a way that the fund will generate better returns than you might receive in a passively managed fund.

**Assets:** This term is used to describe anything owned by an individual or business which has a monetary value. Some assets are relatively easy to measure – debtors, cash and stock. Others are more difficult – goodwill, intellectual property and brand values.

**Blue Chip:** A company with stable earnings, consistent dividend record, and reputation as a reliable investment. There are no formal rules for joining the ranks of blue-chips, and not necessarily any agreement about which companies belong to the club, but the companies which make up the FTSE 100 index would commonly be regarded as blue-chip.

**Bonds:** From an investment point of view, when a bond is written, it is a promise to repay a debt. It is issued for a period of more than one year for the purpose of raising capital through borrowing. The bond is generally a promise to repay the borrowed amount plus interest at a specified date. This should not be confused with an 'investment bond', which is a product that allows access to one or more investment funds with the purpose of providing growth/income.

**Collective Investment Schemes:** These are schemes such as unit trusts and open-ended investment companies (OEICs) where investors' money is pooled together. The aim of collective investment scheme is to allow investors with small amounts of money access to a wider range of stocks and shares than would be available to them if they were to invest individually.

**Commercial Property:** Land or buildings for business use.

**Distributions:** Income paid out from a unit trust or OEIC in the form of interest or dividends.

**Diversified Investment:** Investing in a range of assets in order to minimise risk.

**Dividends:** Payment declared by a company's board of directors and given to its shareholders.

**Dividend Yield:** Yearly dividend divided by the share price, which is expressed as a percentage.

**Fixed Interest:** Stocks issued either by the government (gilts) or companies (corporate bonds) as a way of generating extra cash they can use for investment. By investing in fixed-interest stocks you are loaning your money to these institutions. In return, they pay you interest on your money, plus, on a fixed date in the future, they will return your original investment.

**FMEC:** A Fund Manager Expense Charge may also apply for some funds. It covers the fund manager's expenses connected with buying, selling, valuing, owning and maintaining the assets and will be taken each day by reducing the unit price of the funds. It will change in the future when the expenses charged to the funds change.

**FTSE All-World (ex UK) Index Series:** The FTSE All-World (ex UK) Index Series covers 48 different countries and over 2,400 stocks and captures 90-95% of the investible market. The index is divided into Developed, Advanced Emerging and Emerging segments. The modular nature of the series provides maximum breadth of options for structuring portfolios with indices calculated at regional, national and sector level.

**FTSE 100 Index:** There are over 900 companies listed on the London Stock Exchange; however, 100 of the biggest account for about 90% of the entire stock market's value. The FTSE 100 Index measures the daily share price performance of these companies.

**FTSE Mid-250 Index:** These are the companies ranked between 101 and 350 on the London Stock Exchange. The FTSE Mid-250 Index measures the daily share price performance of these companies (sometimes known as Mid Cap companies).

**FTSE Actuaries All-Share Index:** The daily share price performance of all 900 companies listed on the London Stock Exchange is measured by the FTSE Actuaries All-Share Index.

\*Each time this Fund is valued – the valuation point – a calculation is performed to work out how much performance fee, if any, is due. This is based on a charge of 20% of any amount by which the Fund's performance has exceeded a set minimum level called a 'Hurdle'. The level of the Hurdle will be decided quarterly in advance, based on the three-month LIBOR – the rate at which banks lend to each other. If the bid price (the price of units in the Fund) fails to exceed the Hurdle no performance fee will be accrued for the valuation period.

In addition, there will be no performance fee if the Fund has failed to increase in value over its financial year or 'Performance Period'. To measure this, a 'High Water Mark' is set. This level is determined by the bid price of the Fund on the latest business day of the Performance Period. Until the price of units in the Fund exceeds the High Water Mark, no performance fee will be charged.

**FTSE Actuaries All-Share Index Yield:** Yearly dividend of all 900 companies on the FTSE Actuaries All-Share Index divided by their total share price. This is expressed as a percentage.

**Gilts:** A bond issued through the United Kingdom Treasury and guaranteed by the British Government. An investor is effectively lending money to the Government and, in return, they will pay a competitive level of fixed interest.

**Gross Income Yield:** The percentage rate of return on a stock paid in the form of dividends prior to tax.

**Income Earned:** The investment income provided by a distribution fund each month. This income buys additional units in the fund, which can be used to provide distributions.

**Investment Income:** Income such as dividends, provided or derived from a range of invested assets.

**Large Cap:** Large caps refer to the very largest companies. So companies in the FTSE 100 would certainly be large caps and those in the FTSE MID 250 are also likely to be large caps.

**OEICs:** Open-ended investment companies. These are very similar to unit trusts, but are constituted as companies rather than trusts. They are the established structure in many other European countries and are usually single priced.

**Return:** The return on an investment is the combination of any capital growth and investment income.

**Securities:** Another name for documented investments such as stocks, shares and bonds.

**Shares:** These are stakes in the ownership of companies. Shares traded on the stock market are also known as equities. Dividend income is usually paid to shareholders twice a year, although it is not guaranteed. There is no maturity date and shareholders not wishing to hold the shares any longer, must sell to the market.

**Socially Responsible:** These are funds that invest in companies which operate ethically, provide social benefits and are sensitive to the environment. Three of our portfolios are socially-responsible – these are a combination of socially-responsible Co-operative Insurance funds, SRI funds provided by other fund managers and where no SRI option exists, some non-SRI funds.

**Tokyo Stock Exchange First Section:** There are four sections to this stock exchange, the first being the largest, holding the most successful companies often referred to as 'blue-chip'.

**Total Return:** The return on an investment is the combination of any capital growth and investment income.

**Tracker:** Tracker funds aim to mirror the progress of a stock market index, e.g. the FTSE 100, by buying and selling shares in the same proportions as represented on the index. These are also sometimes called index (tracker) funds or passively managed funds.

**Unit Trusts:** Investors pool their contributions with others, which combine to form a large fund. The fund invests in a spread of different assets to minimise the risk of loss. Also known as collective/pooled investments or investment funds. Unit trusts are usually dual priced although some can be single priced.

**Yield:** The amount of income generated by the fund's investments in relation to the price. Equity funds will quote net (after tax and charges). Fixed-interest securities will quote gross.

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