

Fund objective

To outperform the MSCI Emerging Markets Index by 3.0% p.a. over rolling three year periods, before charges.

Fund manager

Laurence Bensafi

Benchmark

MSCI Emerging Markets Index

Fund size

£60.15m

No of holdings

121

Launch date

02 October 1996

Further information

www.avivainvestors.com

Fund summary

The Emerging Equity Active Fund* invests in a global portfolio of stocks selected from 15-20 emerging countries.

Fund comment

Emerging market equities regained some lost ground during the fourth quarter with the MSCI Emerging Market index returning 4.7 per cent over the quarter, translating into a gain of 4.7 per cent for UK investors. Latin American, and the South-East Asian markets of Thailand and Malaysia, performed relatively well, as did China which rallied sharply in October. The Chinese market did, however, record a heavy loss over the calendar year on concern over the domestic economic outlook. India was a notable underperformer on persistent high inflation. At the sector level, energy stocks performed well on the back of rising demand for oil while utilities, less sensitive to the level of underlying economic growth, outpaced the broader index.

Against this backdrop the fund returned 4.5 per cent over the quarter, underperforming the MSCI Emerging Markets index by 0.2 per cent. Strong stock selection drove relative returns, particularly in the energy and utilities sectors, where the fund also benefited from being overweight. Consumer discretionary was the weakest sector as stock selection suffered, and was further impacted by our overweight position in this sector, which fell during the quarter. At a country level one of the poorest performing markets, India, was the strongest contributor in the fund because of strong stock selection combined with an underweight position. Our Russian holdings also performed strongly driven by energy holdings such as Gazprom and Rosneft. The largest contributor was Sunway Bhd, a Malaysian construction and property company. Malaysia was one of the strongest performing emerging countries given its domestic consumption led economy and this benefited the stock. The stock also gained after winning a 309mn ringgit contract to build the Pinewood Iskandar Malaysia studios. CJ E&M was the top detractor. The company's film division experienced a poor season at the box offices; this combined with an increase in the development and marketing expenses for their games division and a drop in the sales of its flagship game "Suddenattack" have depressed near term earnings expectations, sending the stock sharply lower in an overall tough market environment.

Source: Aviva Investor/Bloomberg as at 31 December 2011

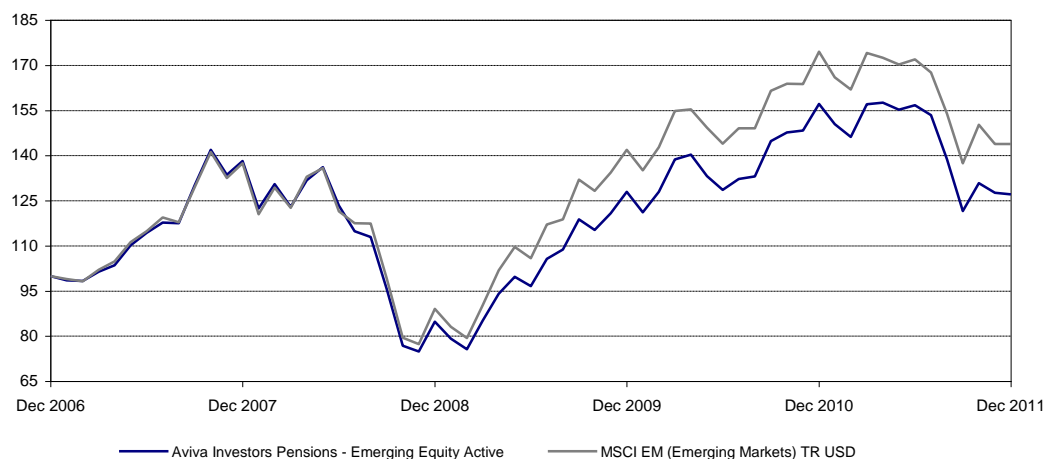
Fund performance (%)

	3 Months	Year To Date	1 Year	Annualised		
				3 yrs	5 yrs	10 yrs
Fund	4.5	-19.1	-19.1	14.5	4.9	12.8
Benchmark	4.7	-17.6	-17.6	17.4	7.5	13.5
Relative †	-0.2	-1.9	-1.9	-2.5	-2.4	-0.6

Past performance is not a guide to the future

Source: Aviva Investor/ Lipper Hindsight as at 31 December 2011
Basis: Mid to mid, Income reinvested, before charge, in Sterling

Fund performance vs Benchmark (%) 5 years

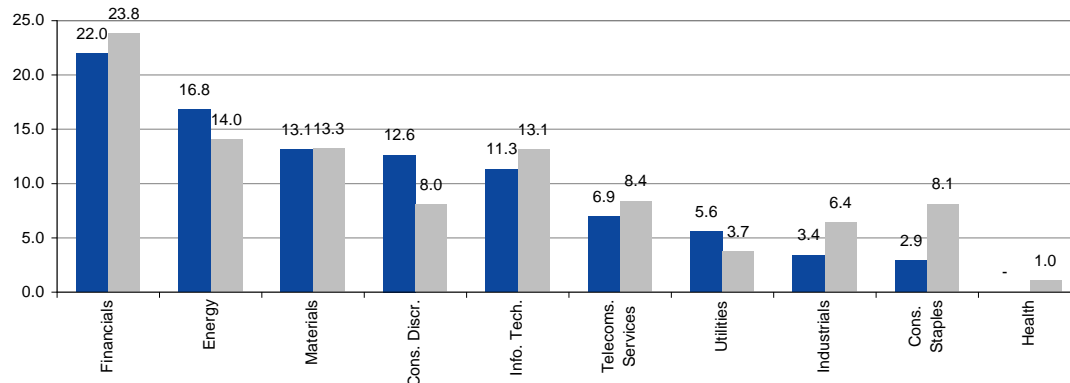


Source: Aviva Investor/ Lipper Hindsight as at 31 December 2011
Basis: Mid to mid, Income reinvested, before charge, in Sterling

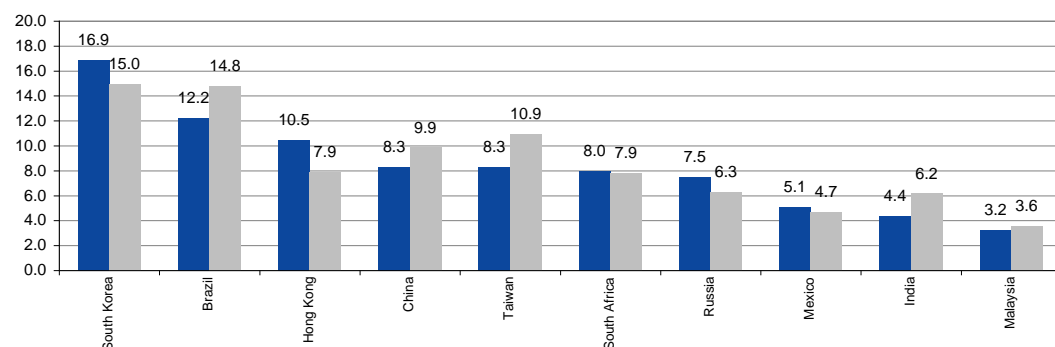
Additional information

* In April 2006, the Emerging Markets Equity Fund was renamed the Emerging Equity Active Fund and the performance target increased from 2% to 3% per annum (gross of fees). Full details are available on request.

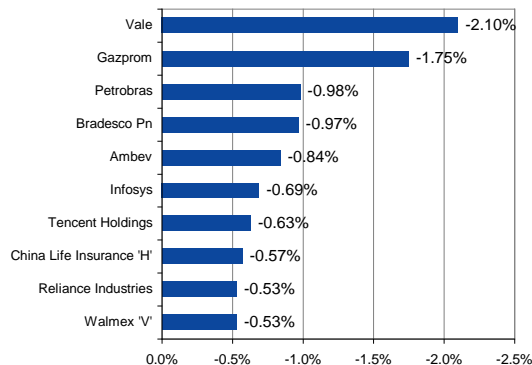
Sector weightings (fund ■ vs benchmark ■)



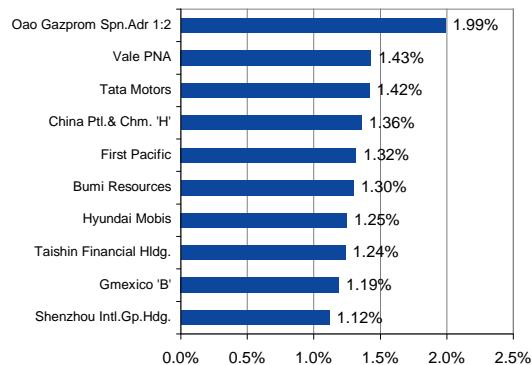
Country weightings (fund ■ vs benchmark ■)



Top 10 underweights§



Top 10 overweights§



§Fund positions relative to the benchmark

Past performance is not a guide to the future

† Performance has been calculated on a geometric relative basis

There are two methods of comparing a fund against a benchmark, the geometric relative or arithmetic, 'simple difference'. Aviva Investors uses the geometric relative. This is a ratio of out/under performance rather than simply the Fund Return less Benchmark Return. We believe this is a more realistic measure of out/underperformance particularly for comparisons between short and long term performance. The different calculations are shown below.

Performance Calculation:

Arithmetic Relative = Fund Performance – Benchmark Performance

Geometric Relative = $\frac{(1 + \text{Fund Return} / 100)}{(1 + \text{Benchmark Return} / 100)} - 1$ * 100

Aviva Investors Pensions Limited is the company through which the pooled fund contract is written. Any opinions expressed are based on views of Aviva Investors Global Services Limited, the investment manager appointed by Aviva Investors Pensions Limited to manage the funds. The content of this factsheet should not be viewed as indicating any guarantee of return from an investment in the funds nor should any part be construed as a recommendation to invest or to buy and sell stocks. The value of an investment can go down as well as up and investors may not get back their original investment. Further important details on our service, charges, available funds and specific risk warnings are provided in the Key Features document which is available on request.

Aviva Investors Pensions Limited, registered in England No. 1059606. Registered Office: No. 1 Poultry, London EC2R 8EJ. Authorised and regulated in the UK by the Financial Services Authority and a member of the Association of British Insurers.
Contact us at Aviva Investors Pensions Limited, No. 1 Poultry, London EC2R 8EJ. 12/0069/30042012

**THIS DATA IS FOR INVESTMENT PROFESSIONALS ONLY. IT IS NOT TO BE VIEWED OR USED WITH
RETAIL INVESTORS**