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Address 2
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Address 5
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6 June 2019

Dear Client Title, Surname OR Sir/Madam

Client Reference Number:

Important Changes to the Aviva Investors Distribution Fund (the “Fund”)

As part of our ongoing commitment to our clients, we constantly review our fund range to ensure that all the information we provide about our funds is as clear and appropriate as possible. We are therefore writing to inform you of our intention to clarify some aspects of the Fund’s objectives.

This letter is for your information as an investor in our funds. We recommend you take the time to review the changes. You do not need to respond to us unless you want to take action.

We are changing the way we describe the investment policy of the Fund, as detailed in the appendix to this letter. This is not a change to the way the Fund is run, it is just designed to make the Fund’s aim and strategy clearer. The following summarises and explains these changes:

The new investment policy wording better describes the Fund’s overall strategy and the types of investment the manager will look for. Its overall investment objective is long term, meaning its performance should be judged over five years or more.

We also set out how environmental, social and governance (ESG) criteria are integrated into the investment process and considered alongside a range of financial metrics and research. We also actively engage with companies and use voting rights with the aim of positively influencing company behaviour. Further information on how we integrate ESG and the limited exclusions we have is available on our website and in the prospectus.

We have introduced a “Performance and Risk Measurement” section which explains how the Fund’s performance is compared against a benchmark index, and why the benchmark index has been selected for performance and risk measurement. This introduces “tracking error” which is a risk measure of the consistency between the Fund’s returns and the returns of the index. In general, the lower the tracking error, the more consistent the Fund’s returns are relative to the index, and vice-versa.

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Please note that these clarifications will not result in any change to the investment strategy or risk profile of the Fund and are being made to more clearly describe how the Fund is managed. Full details of these clarifications are in the Appendix.

Change of investment objective

Alongside these changes, we are also amending the investment objective of the Fund to make it clearer what the Fund is trying to do, and to make it easier for you to evaluate whether we have delivered what we are aiming for.

The current investment objective is that the Fund aims to provide:

A high and growing level of income with prospects for long term capital appreciation.

This is changing to be described as:

The Fund aims to deliver an income return equivalent to that of the benchmark whilst seeking to provide capital growth over the long-term.

The benchmark (the "Index") combines 35% FTSE® All-Share Index and 65% of a ML® Composite index. The income target is measured over any given 3-year period (before charges and taxes).

Whilst these objectives may look very different, we are not actually changing the way that the Fund is run or what it is aiming to do. We feel that describing the level of income as "high and growing" is subjective, and so we are instead providing a reference point for the aim of the Fund. You will be able to compare the level of income paid by the Fund to that of the benchmark, and also see how the overall performance of the Fund (combining the income and capital growth aims) compares to the benchmark (although that is not one of its specific aims).

The benchmark combines two elements. The portion of the benchmark (35%) made up of the FTSE® All-Share Index* is designed to represent the Fund's investment in shares of companies and is linked to the capital growth aim of the Fund, whilst also reflecting some income in the form of dividends paid by companies making up the index. This is combined with 65% of a Merrill Lynch® Composite Index† (referred to above as the "ML® Composite index") representing investment in bonds which pay an income. The benchmark therefore provides a reference point for the type of bonds and shares in which the Fund is likely to invest, and it is therefore an appropriate comparator for the Fund's performance.

We are currently experiencing historically low global interest rates and the levels of income payable by many investments are at similarly low levels. In such an environment we believe it is more appropriate to have a target for the Fund that is appropriate for the prevailing market conditions, as represented by the benchmark. As market conditions change, so will the income levels of the benchmark, and therefore the Fund's target income will also change.

Therefore, although we are no longer saying that the Fund aims for a "high and growing income", the new target benchmark level of income offers this potential, and in a way that allows you to measure and compare the Fund's performance against it. We are not changing the way the Fund is being run, only the way that we describe it.

The change of objective and formal introduction of an income benchmark target introduces what we believe to be a better way of evaluating the Fund. We do not think this change alters the risk profile of the Fund but we are hereby giving 60 days' notice of the plan to implement the change because it looks so different from the subjective way we describe the Fund's aims currently. This gives you time to evaluate the change and decide if this formalised income target is still suitable for your needs.

We have a range of income-paying funds to choose from and it is free to switch funds if an alternative fund would better suit your investment needs.

Is any action required?

This letter is for information purposes and you are not required to take any action. We are providing you with 60 days' advance notice of the changes to the Fund in order that you have time to consider them and time to take action, should you wish to do so, before the changes become effective on 7 August 2019. For further details and clarification please refer to the Fund's Key Investor Information Document (KIID) and Prospectus which are available at <https://www.avivainvestors.com/amms>.

If you have any queries on the changes we are making which are not covered here, please contact your financial adviser or our Customer Service Team on 0800 051 2003** or internationally on +44 1268 44 8219***.

We recommend that you speak to your financial adviser before making any investment decisions. You should not interpret anything in this letter as financial advice. If you do not have a financial adviser then you can obtain details of independent financial advisers in your area by visiting www.unbiased.co.uk.

Thank you for investing with Aviva Investors.

Yours sincerely,

A handwritten signature in black ink that reads "Iain Buckle". The signature is written in a cursive style and is positioned above a horizontal line.

Iain Buckle
Head of UK Management Companies
Aviva Investors

*The Fund is not in any way connected to or sponsored, endorsed, sold or promoted by the London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). The LSE Group does not accept any liability whatsoever to any person arising out of the use of Fund or the underlying data.

Calls may be recorded for training and monitoring purposes, and to comply with applicable law and regulations. Details of call charges are given below:

*** Calls are free from UK landlines and mobiles.*

**** Call charges to this number will depend on the call package you have arranged with your landline or mobile provider.*

Appendix – Aviva Investors Distribution Fund

Previous	New
<p data-bbox="204 300 638 327">Aviva Investors Distribution Fund</p> <p data-bbox="204 360 478 387">Investment Objective</p> <p data-bbox="204 421 805 481">A high and growing level of income with prospects for long term capital appreciation.</p> <p data-bbox="204 515 438 542">Investment Policy</p> <p data-bbox="204 575 821 725">Diversified investment in high yielding UK equities and UK fixed interest securities. Allocations to fixed interest securities, equities and cash will vary over time. Equity selections will be based on price and long-term total return prospects.</p> <p data-bbox="204 759 821 936">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.</p>	<p data-bbox="849 300 1283 327">Aviva Investors Distribution Fund</p> <p data-bbox="849 360 1123 387">Investment Objective</p> <p data-bbox="849 421 1412 542">The Fund aims to deliver an income equivalent to the benchmark income whilst seeking to provide capital growth over the long-term (5 or more years).</p> <p data-bbox="849 575 1412 725">The benchmark (the “Index”) combines 35% FTSE® All-Share Index and 65% of a ML® Composite Index. The income target is measured over any given 3-year period (before charges and taxes).</p> <p data-bbox="849 759 1082 786">Investment Policy</p> <p data-bbox="849 819 1070 846">Core investment:</p> <p data-bbox="849 857 1412 1182">At least 60% of the Fund will be invested in bonds issued by companies, governments or supranational organisations. The Fund will also invest in shares of UK companies and non-UK companies which are listed in the UK or which have significant trading activities in the UK. Bonds will be issued in Sterling or hedged to Sterling, and a minimum of 80% of bond holdings will have been independently rated as “investment grade” with a credit rating BBB/Baa3 or above.</p> <p data-bbox="849 1216 1098 1243">Other investments:</p> <p data-bbox="849 1254 1428 1641">The Fund may also invest in other funds (including funds managed by Aviva Investors companies), cash, and deposits. Derivatives, such as futures, may be used from time to time, to gain a particular market exposure which would otherwise be difficult or costly to achieve, or to manage the Fund’s cash flows in a cost-effective manner. Derivatives may also be used to reduce risk, such as foreign currency risk within the Fund, which is hedged using Forward Foreign Exchange contracts. This type of derivative usage is called “efficient portfolio management”.</p> <p data-bbox="849 1675 970 1702">Strategy:</p> <p data-bbox="849 1713 1428 1948">The Fund is actively managed, and the Investment Manager will make high conviction (strong belief) investments at both a security and sector level, with a view to delivering a sustainable and diversified level of income, whilst basing their investment selection process on a long-term outlook, and with the intention of delivering efficient risk-adjusted returns.</p>

Environmental, Social and Governance (ESG) factors:

ESG factors are integrated into the investment process and are considered alongside a range of financial metrics and research, but the Investment Manager retains discretion over which investments are selected. We also actively engage with companies with the aim of positively influencing company behaviour and helping to create competitive returns. In addition, the Fund has limited exclusions based on Aviva Investors' UK Responsible Investment policy. Further information on how we integrate ESG and the Aviva Investors UK Responsible Investment policy into our investment approach, and how we engage with companies is available on our website and in the prospectus.

Performance and Risk:

The Fund's performance is compared against the Index but does not base its investment process upon the Index, so will not hold every company in the Index, and may also hold companies that do not form part of it. The Fund uses a "tracking error" to measure the consistency between the Fund's returns and the returns of the Index. In general, the lower the tracking error, the more consistent the Fund's returns are relative to the Index, and vice-versa. The Fund is expected to have an average yearly tracking error of between 1.25% and 3.75% when compared to the Index. In certain conditions the Fund may be outside of this range.

The Index of 35% FTSE® All Share and 65% ML Composite combines a broad UK equities index with a broad global bond index. The ML Composite Index in turn combines 50% ML £ Non-Gilt A, 50% ML £ Non-Gilt BBB, this means it covers a range of bonds with different credit ratings.

The Index has been selected as a benchmark for performance and risk measurement because it is representative of the type of bonds and shares in which the Fund is likely to invest, and it is therefore an appropriate comparator for the Fund's performance.