

# Smooth Managed Fund Range - Target Market Statement

## What are Aviva's Smooth Managed Funds?

Smooth Managed Funds aim to deliver growth over the medium to long term, employing a 'smoothing' process to shelter clients from some of the impact of market movements. There are differences across the range of Smooth Managed Funds in their objectives and mix of assets. All Smooth Managed Funds invest in a broad range of global assets, which change over time as we adjust to keep the investment risk in line with a cautious or moderately cautious risk profile, depending on which fund is chosen. As with any investment, your client's capital is at risk.

## What is the target market for Smooth Managed Funds?

The Smooth Managed Fund range suits customers who want to accumulate their wealth by investing for at least five years. In addition, Smooth Managed Funds can be used for clients seeking income, as these investors prefer less volatility in their investments.

### For which clients is the Smooth Managed Fund range suitable?

- Clients who are prepared to take a moderate amount of investment risk to increase the chances of achieving a positive return, as:
  - higher-risk funds usually invest more heavily in equities and property to aim for a better return, but the value fluctuates more than a medium-risk fund
  - lower-risk funds usually steer towards bonds and cash/money markets. Whilst this can help to reduce volatility in fund values, the long-term returns can often be lower.
- Clients who know that the value of their investment can go down and up, so they may get back less than they invested.
- Clients who prefer to spread risk by investing in a wide range of assets and are comfortable with their money being invested more heavily in shares and/or property rather than fixed-interest assets. Investors in either the accumulation or decumulation phase could also benefit from a Smooth Managed Fund, as their growth rates are closely linked to the Bank of England Base Rate.

Smooth Managed Funds can support clients in matching their required rate of return and therefore help them to achieve their investment goals. Either Smooth Managed Fund can be blended with a Centralised Investment Proposition (CIP) and other multi-asset funds, single-asset funds and/or model portfolios on the Aviva Platform's open architecture.

## What about risk appetite?

This is Aviva's view of the Smooth Managed Funds' investment risk, which may differ from the view of other providers or 3rd party rating risk rating agencies:

### Smooth Managed Fund 2

#### Risk rating

1	2	3	4	5	6	7
---	---	---	---	---	---	---

Funds with this rating typically invest in corporate bonds or a mix of assets where the day-to-day prices go up or down less than shares. There is still a risk that the value of an investment could fall. We regularly review the ratings we give to each investment fund. They may change from time to time.

### Smooth Managed Fund

#### Risk rating

1	2	3	4	5	6	7
---	---	---	---	---	---	---

Funds with this rating typically invest in a mix of assets with the potential for better long-term returns than lower-risk funds. There is a greater risk that the value of an investment could fall. We regularly review the ratings we give to each investment fund. They may change from time to time.

## How does the Smooth Managed Fund range meet a client's objectives and needs?

There are five key metrics to determine whether a Smooth Managed Fund is the right option for your client:

<b>Preservation of capital</b>	You can offer this fund to a client who can lose all capital.
<b>Growth</b>	You can offer this fund to a client who can accept a limited fall in capital.
<b>Income</b>	Products which can access our Smooth Managed Funds allow regular and ad hoc withdrawals - see individual Aviva product terms and conditions for further details.
<b>Time Horizon</b>	The minimum recommended holding period is five years or more.
<b>Maturity date</b>	These funds have no fixed maturity date.

## Target market segments

		SMF	SMF 2
<b>Needs and objectives</b>	Capital preservation	✓	✓
	Capital growth	✓	✓
	Income	✓	✓
<b>Investment time horizon</b>	Under 1 year	✗	✗
	1-2 years	✗	✗
	3-4 years	✗	✗
	5+ years	✓	✓
<b>Knowledge/experience</b>	Basic	✓	✓
	Informed	✓	✓
	Advanced	✓	✓
<b>Ability to bear loss</b>	Zero	✗	✗
	Limited loss	✓	✓
	No guarantee	✓	✓
	More than 100%	✗	✗

## How do clients invest in this fund range?

<b>Advised</b>	✓	These funds are available on an advised basis.
<b>Non-Advised</b>	✗	These funds are not available on a non-advised basis.
<b>Execution Only</b>	✗	These funds are not available on an execution only basis.

## Important information

- The value of an investment and any income from it can go down as well as up and can fluctuate in response to changes in currency and exchange rates.
- The funds use derivatives, these can be complex and highly volatile. This means in unusual market conditions the funds may suffer significant losses.
- Investors may not get back the original amount invested.
- The funds invest in emerging markets, these markets may be volatile and carry higher risk than developed markets.

For more information, or to talk through your clients' options, please contact us by emailing:  
**[investmentspecialistsalesteam@aviva.com](mailto:investmentspecialistsalesteam@aviva.com)**

## NEED THIS IN A DIFFERENT FORMAT?

Please get in touch if you'd prefer this brochure (LF01192) in large font, a different colour, braille or as audio.

| Insurance | Wealth | Retirement |

Aviva Life & Pensions UK Limited. Registered in England & Wales No. 3253947. Registered Office: Aviva, Wellington Row, York, YO90 1WR. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Member of the Association of British Insurers. Firm Reference Number 185896.  
**[aviva.co.uk](http://aviva.co.uk)**

LF01192 06/2025 © Aviva plc

