



Health In Focus

24 April 2024



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fluctuations in currency exchange rates; the effect of market fluctuations on the value of options and guarantees embedded in some of our life insurance products and the value of the assets backing their reserves; the amount of allowances and impairments taken on our investments; the effect of adverse capital and credit market conditions on our ability to meet liquidity needs and our access to capital; changes in, or restrictions on, our ability to initiate capital management initiatives; changes in or inaccuracy of assumptions in pricing and reserving for insurance business (particularly with regard to mortality and morbidity trends, lapse rates and policy renewal rates), longevity and endowments; a cyclical downturn of the insurance industry; the impact of natural and man-made catastrophic events (including the longer-term impact of COVID-19) on our business activities and results of operations; the transitional, litigation and physical risks associated with climate change; failure to understand and respond effectively to the risks associated with environmental, social or governance ('ESG') factors; our reliance on information and technology and third-party service providers for our operations and systems; the impact of the Group's risk mitigation strategies proving less effective than anticipated, including the inability of reinsurers to meet obligations or unavailability of reinsurance coverage; poor investment performance of the Group's asset management business; the withdrawal by customers at short notice of assets under the Group's management; failure to manage risks in operating securities lending of Group and third-party client assets; increased competition in the UK and in other countries where we have significant operations; regulatory approval of changes to the Group's internal model for calculation of regulatory capital under the UK's version of Solvency II rules; the impact of recognising an impairment of our goodwill or intangibles with indefinite lives; changes in valuation methodologies, estimates and assumptions used in the valuation of investment securities; the effect of legal proceedings and regulatory investigations; the impact of operational risks, including inadequate or failed internal and external processes, systems and human error or from external events and malicious acts (including cyber attack and theft, loss or misuse of customer data); risks associated with arrangements with third parties, including joint ventures; our reliance on third-party distribution channels to deliver our products; funding risks associated with our participation in defined benefit staff pension schemes; the failure to attract or retain the necessary key personnel, including quality financial advisers; the failure to act in good faith, resulting in customers not achieving good outcomes and avoiding foreseeable harm; the effect of systems errors or regulatory changes on the calculation of unit prices or deduction of charges for our unit-linked products that may require retrospective compensation to our customers; the effect of a decline in any of our ratings by rating agencies on our standing among customers, broker-dealers, agents, wholesalers and other distributors of our products and services; changes to our brand and reputation; changes in tax laws and interpretation of existing tax laws in jurisdictions where we conduct business; changes to International Financial Reporting Standards relevant to insurance companies and their interpretation; the inability to protect our intellectual property; the effect of undisclosed liabilities and other risks associated with our business disposals; and other uncertainties, such as diversion of management attention and other resources, relating to recent and future acquisitions, combinations or disposals within relevant industries; the policies, decisions and actions of government or regulatory authorities in the UK, the EU, the US, Canada or elsewhere, including changes to and the implementation of key legislation and regulation (for example, FCA Consumer Duty and Solvency II). Please see Aviva's most recent Annual Report and Accounts for further details of risks, uncertainties and other factors relevant to the business and its securities.

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As a reminder

Throughout this presentation we use a range of financial metrics to measure our performance and financial strength. These metrics include Alternative Performance Measures (APMs), which are non-GAAP measures that are not bound by the requirements of IFRS and Solvency II. A complete list and further guidance in respect of the APMs used by the Group can be found in the 'Other information' section of the Aviva plc Annual Report and Accounts 2023. All references to 'Operating profit' represent 'Group adjusted operating profit'.

Agenda

**Welcome &
introduction**

Health In Focus



Charlotte Jones
Group CFO

Doug Brown
*CEO
IWR*

Steve Bridger
*MD
Health*

Q&A

Key messages



Health is a key business for Aviva



Structurally attractive market set for 7-10% growth – with **headroom for Aviva**

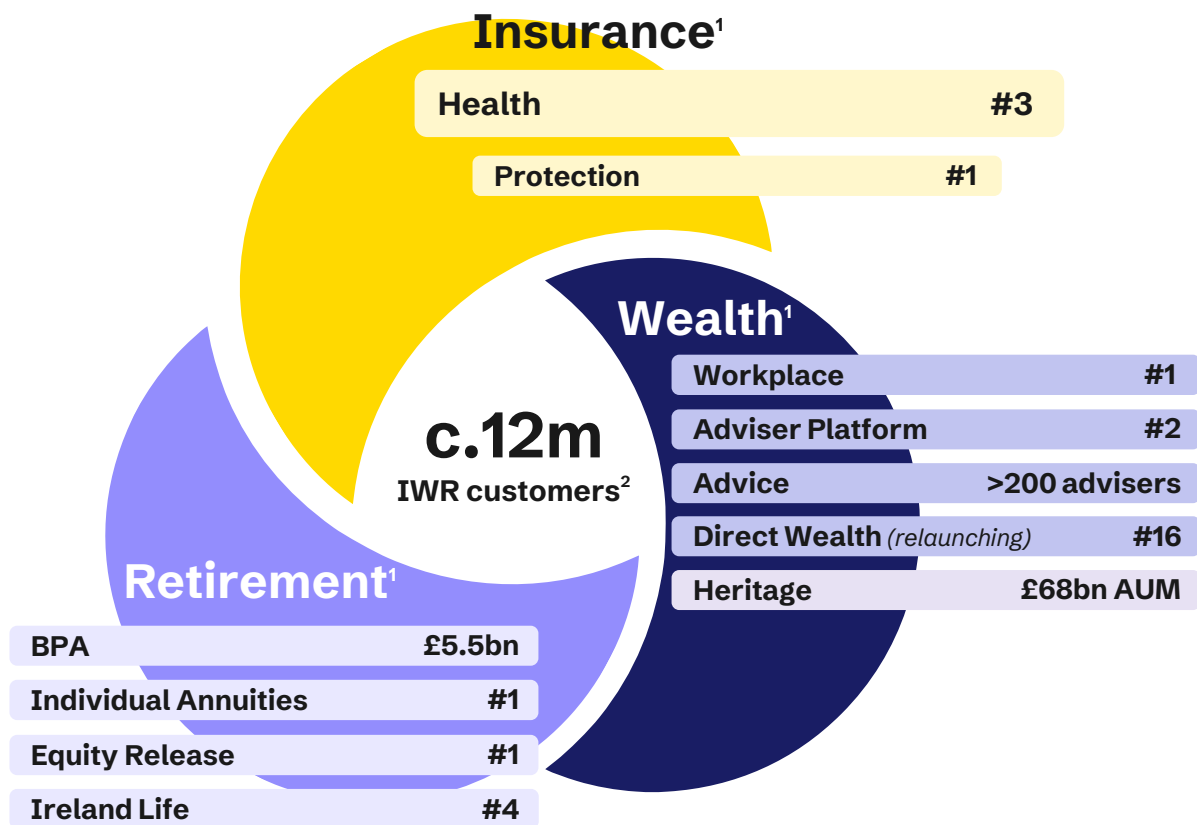


Market-leading propositions in Corporate, SME and Consumer, with **benefit of diversified business mix and unique advantages** of Aviva's Group model



Outpacing the market with a low-90s COR¹ – **ambition for £100m operating profit by 2026**

Health is a core component of IWR



Health supporting our strategy

Accelerating capital-light growth

Driving customer acquisition

Meeting more customer needs

Diversifying IWR portfolio

Material growth opportunity for Aviva

Growing UK Health market opportunity



7% p.a.
Market growth
2020-2022

7-10% p.a.
Market growth
2023 onwards

Key business for Aviva today

£861m
In-force Premiums

£151m
New Business APE

£65m
Operating Profit

Important for our strategy

+37%
In-force Premiums vs. 2020
Capital-light growth

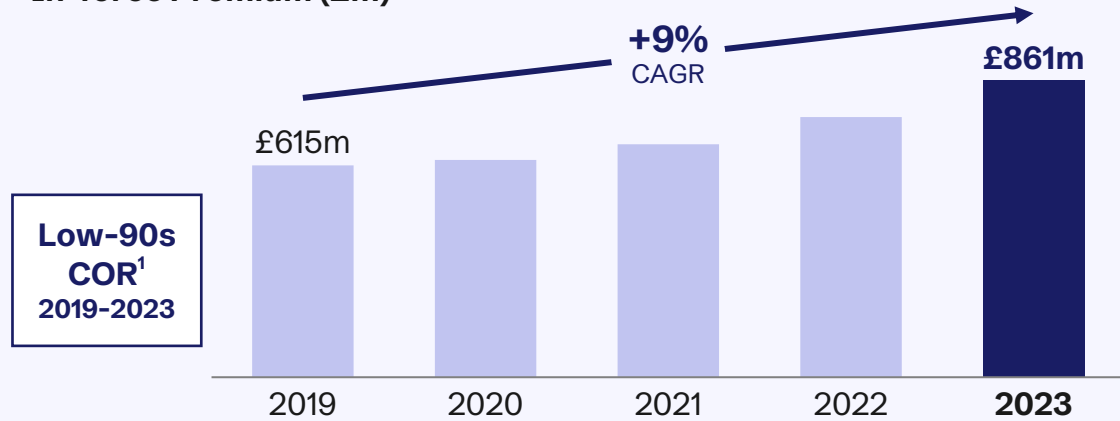
1.2m
Customer lives insured
+275k vs. 2020

430k
Health customers with 2+ Aviva policies
+190k vs. 2020

Aiming for strong profit growth

Consistently strong performance...

In-force Premium (£m)



New Business APE (£m)

2019	80	2020	76	2021	93	2022	107	2023	151
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Operating Profit (£m)²

2019	35	2020	43	2021	47	2022	68 ³ IFRS17	2023	65 IFRS17
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... with growth ambition over the next 3 years

£100m
Operating profit by 2026

underpinned by

Double-digit in-force premium growth⁴

Maintaining underwriting discipline

Supported by targeted investment in the business



Well positioned for growth in an attractive Health Market



Attractive market set for structural growth

Fundamental societal trends...



Growing pressures on public healthcare

Waiting list of **>7.5m** people today vs. 4.6m pre-pandemic



Expanding role of the employer

9 in 10 corporates offer health & wellbeing benefits



Increasing demand for private healthcare

>800k annual private hospital admissions; **+19%** PMI billing YoY

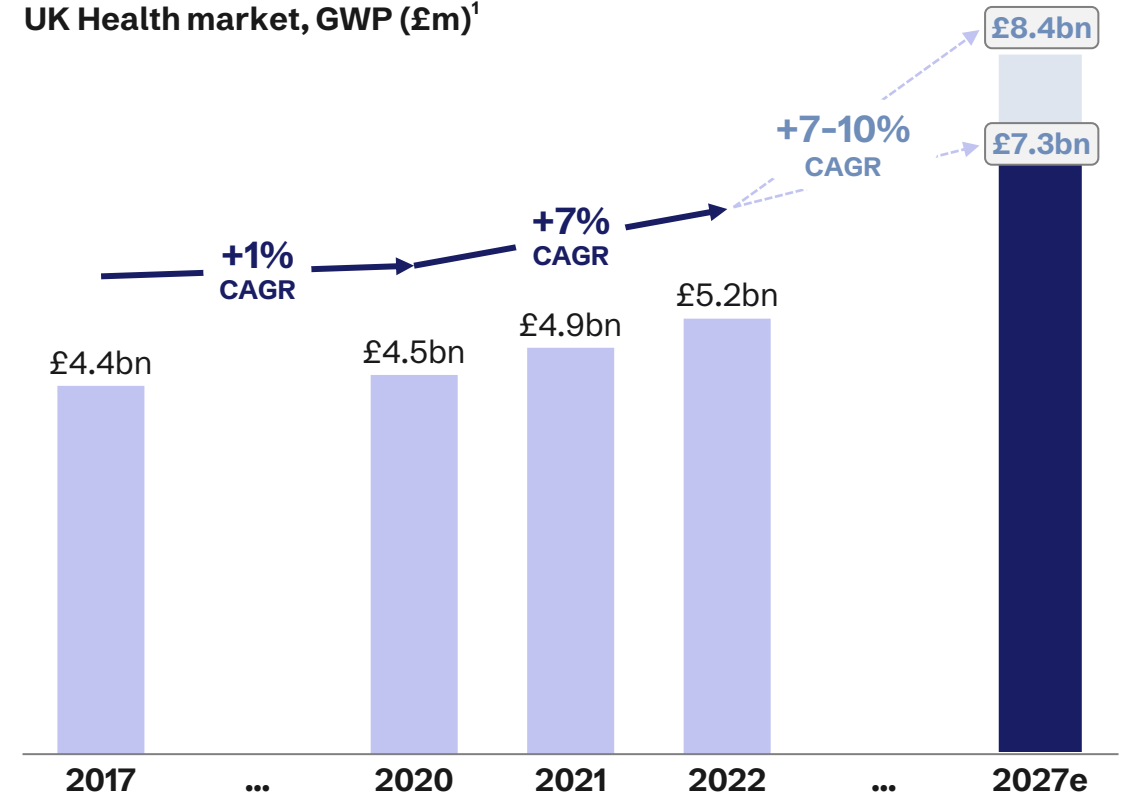


Changing customer behaviours

+20% PMI claims YoY - focus on primary care & diagnostics

... underpinning accelerated market growth

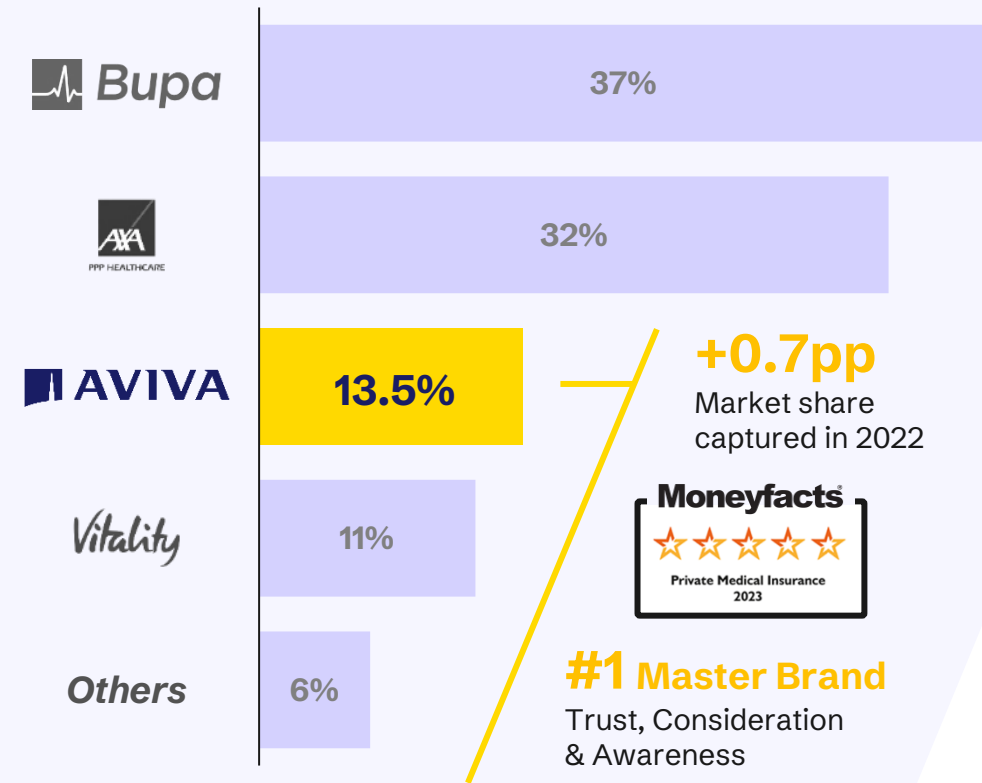
UK Health market, GWP (£m)¹



Aviva well positioned for growth

Strong #3 in a concentrated market

UK Health market share, latest view¹



Leading propositions & capabilities



Market-leading propositions

Wellbeing-led for corporates, value-based for SME & consumers



Leading distribution

Strong broker & EBC relationships, growing Direct channel



Robust pricing capabilities

Modular approach & disciplined re-pricing



Strong operational efficiency

Supply chain management, leading c.11% expense ratio



Advantage of diversified business mix

With unique benefit of Aviva's scale & #1 customer franchise

Diversified business benefitting from Aviva's Group model

Diversified business mix across segments

Corporate & Trust

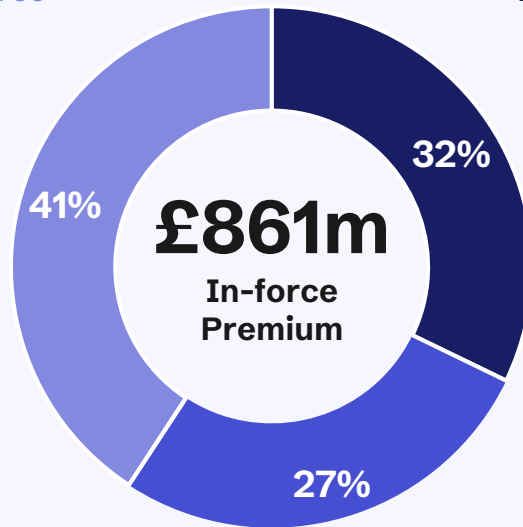
£351m in-force

618k lives

Consumer

£277m in-force

272k lives



SME

£233m in-force 331k lives

Benefitting from Aviva's Group model

#1 insurance franchise with
16m Aviva UK customers

Leading Aviva broker relationships

Waterfront corporate proposition
with joined-up account management

Cost efficiencies & capital synergies of the Group

Advantaged by our wellbeing-centred proposition



Clinical treatments for physical health...



Aviva Digital GP



BacktoBetter

... leading mental health pathways...



Mental Health Pathway



Stress counselling



Mental health toolkits

... and a range of lifestyle benefits



Aviva Wellbeing



GetActive
(gym discounts, etc.)



MyHealthCounts

Clear benefits for Aviva

Higher customer satisfaction

>90% Aviva Digital GP users likely to recommend Aviva



Increased customer engagement

6 in 10 Aviva Digital GP consultations are “repeat users”



Greater customer loyalty

c.95% Corporate scheme retention

Supporting our customers & society



By condition:

- Musculoskeletal
- Head & neck
- Gastrointestinal
- Mental health
- Oncology
- Other



Reduce over-medicalisation & waste in our supply chain and through guided pathways



Improve health affordability by increasing accessibility for underserved segments



Focus on value for money for customers, complying with Consumer Duty



Delivered on our COVID-19 Pledge by returning money to our customers

£600m Claims paid

£128m COVID-19 Pledge payments

Maintaining a strong COR through disciplined management

Growing provider leverage

Strong **partnerships** with nationals
New **3-year** contracts with key providers

Improving cost control

Scale benefit with **>1.2m lives**
Expense ratio **4pp lower** vs. 2019



Managing claims inflation

1.7x guided claims spend vs. pre-pandemic
Controlled referral process

Retaining pricing discipline

Regular claims trends reviews
Ability to re-price **at speed**

...despite a challenging, inflationary environment

Clear strategic priorities to drive future growth

1

**Disciplined growth
in Corporate
& Trust**

2

**Accelerating
growth in
Consumer & SME**

3

**Innovating to
support our
customers**



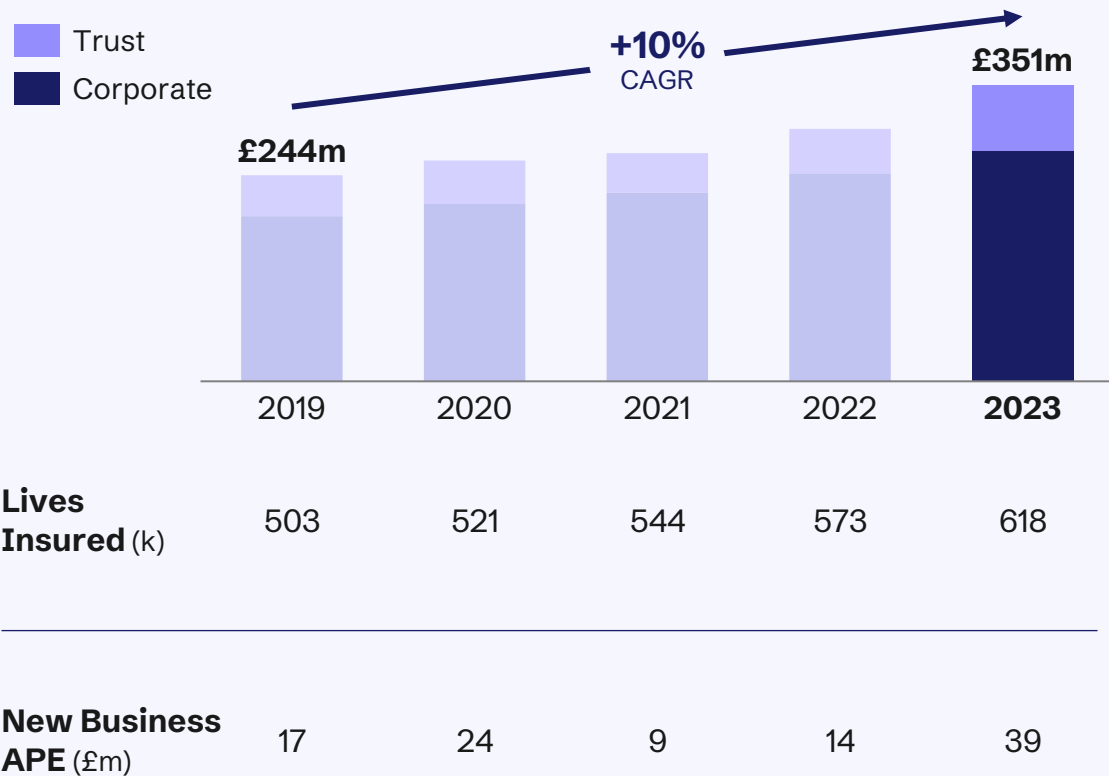
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Disciplined growth in Corporate & Trust



Outpacing the market in Corporate & Trust

Corporate & Trust In-force Premium (£m)



- > Clear structural growth drivers
- > Aviva a top player with leading capabilities
- > Aviva's Group model a unique advantage
- > Material opportunities for disciplined growth

Attractive segment with structural growth drivers



Trust² Corporate

8% p.a.
Market growth
2020-2022

7-10% p.a.
Market growth
2023 onwards



Consistent growth in UK workforce

c.25m people in full-time employment, +2.7m vs. 2013



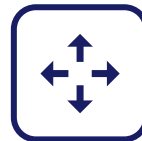
Increasing focus on employee health

4 in 10 employers intend to increase support with PMI



Transition to “whole-of-workforce” benefits

Only 15% of employers provide PMI to their entire workforce



Demand for dynamic corporate offerings

>80% of employers report rise in wellbeing benefit requests

Corporate proposition underpinned by leading capabilities

Optimum - Aviva's PMI offering for companies with 250+ employees

- ✓ Flexible cover to suit different corporate needs
- ✓ Optional benefits to help keep employees fit and active
- ✓ Choice to offer different benefits by employee category
- ✓ 'Core' list of hospitals included, with option to customise



618k
Lives insured
+98k vs. 2020

14%
Market share
+0.7pp in 2022



Leading benefits proposition

DE&I benefits across neurodiversity, menopause & fertility



Strong intermediary relationships

100% penetration across Corporate EBCs



Market-leading account management

c.95% scheme retention, unified Health & Protection support



Disciplined claims management

Supplier leverage from scale & more control with early touchpoints

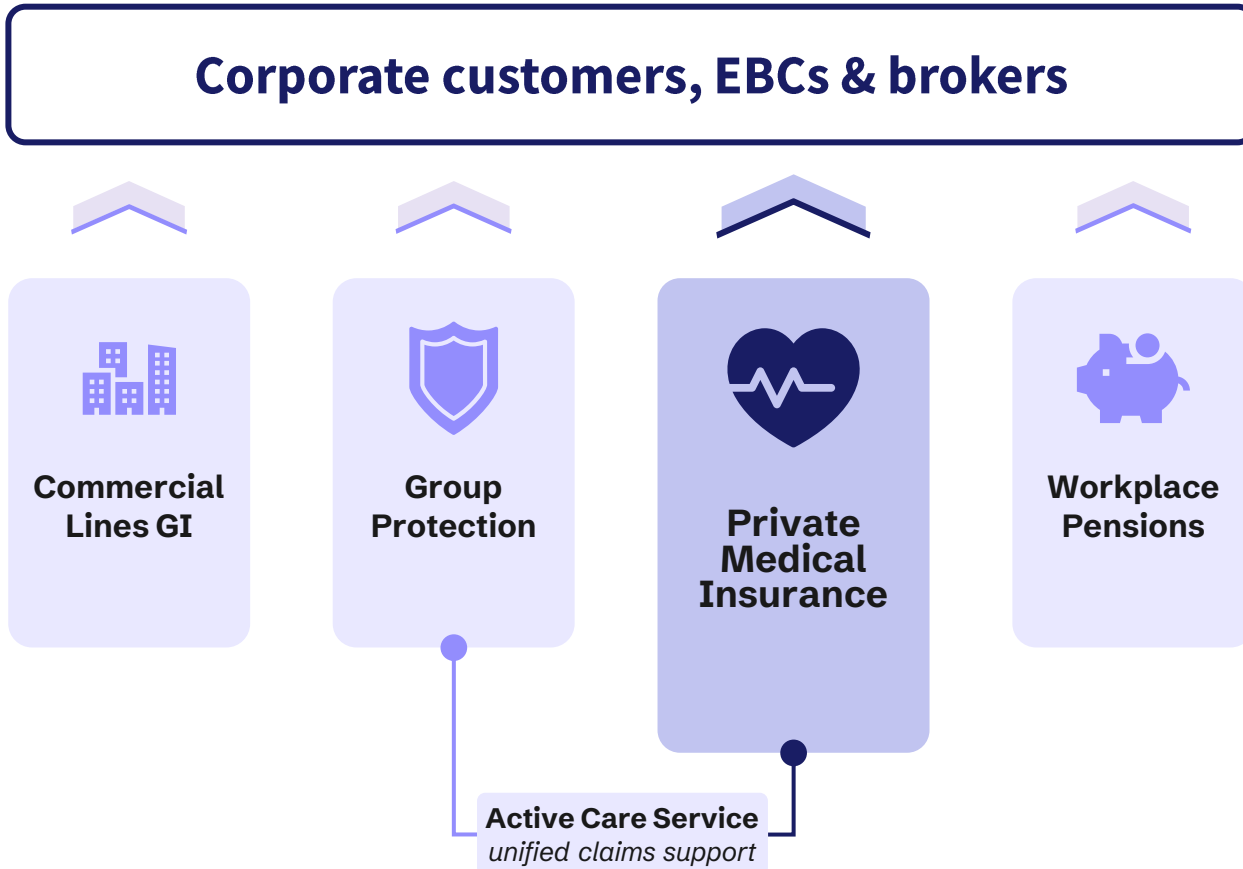


Digital-first wellbeing proposition

Aviva Digital GP, Aviva Wellbeing - and more

Unique advantage of Aviva's Group model

Waterfront corporate benefits proposition...



... deepening our relationships

1 in 3

UK companies have a policy relationship with Aviva¹



36%

Of these companies have products across 2+ Aviva business lines



>45%

New Health schemes with existing Aviva corporates

Material opportunities for disciplined growth



Leverage Aviva Group

Continue to secure new business and **outperform on retention** through active account management of key **Aviva corporate relationships**

+8pp

Aviva relationships with UK companies, 2023 vs. 2022¹



Grow with EBCs

Build from a position of strength with our EBC relationships, **deepening our share of wallet** in a highly intermediated segment

23%

Share of Corporate wallet with major EBC, 2023



Whole-of-Workforce

Deepen and grow our existing customer relationships by **extending cover to more employees** through low-cost, flexible options

15%

UK companies with benefits for all employees



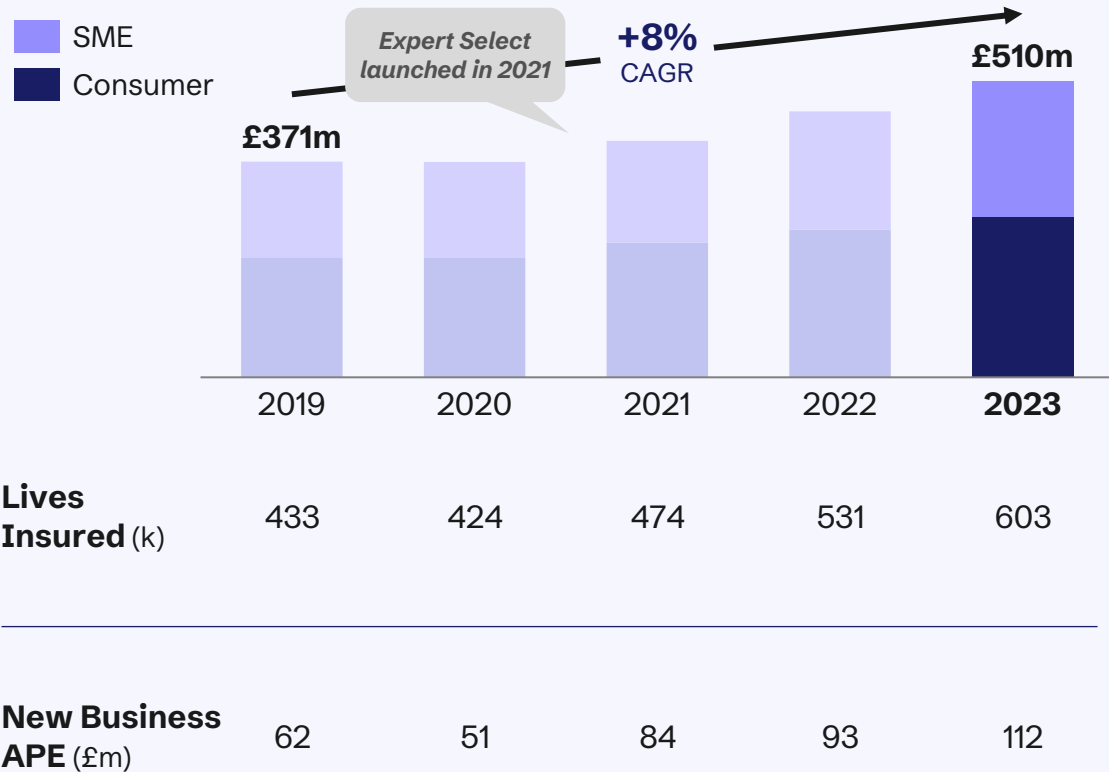
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Accelerating growth in Consumer & SME



Accelerating in Consumer & SME

Consumer & SME In-force Premium (£m)



- > Increasing demand post-pandemic
- > Market-leading Expert Select proposition
- > Benefits of value-based healthcare model
- > Range of growth opportunities

Increasing demand post-pandemic



7% p.a.
Market growth
2020-2022

7-10% p.a.
Market growth
2023 onwards



Heightened awareness of health & wellbeing

>50% of new policies for a large Aviva writer are first-time PMI users



Increased demand for speed of access

>45% of people consider quick treatment a benefit of PMI



Growing role of digital-first solutions

+50% Aviva Digital GP appointments, 2023 vs. 2022



Government taskforce to increase SME access

<30% SMEs offer health & wellbeing benefits

Market-leading Expert Select proposition

PMI cover for consumers, and SME cover through our Solutions product

- ✓ Flexible cover to suit different SME & consumer needs
- ✓ Individual, joint & family options for consumers
- ✓ Suitable specialists & hospitals through Expert Select
- ✓ Range of wellbeing services available



603k

Lives insured
+178k vs. 2020

13%

Market share
+0.8pp in 2022



Expert Select

Strong customer outcomes with guided pathways



Cost-effective networks

Condition-based networks (e.g., Hip, Knee, Spine)



Strong pricing capabilities

Personalised pricing, modular approach with predictable premiums



Active supply chain management

Increased “guidable” claims spend, reducing inflation impact



Customer engagement with value-added services

Aviva Digital GP, Aviva Wellbeing, broker portal

Benefits of value-based healthcare model



Quality guiding

Excellent providers, pathways & networks



Clinical oversight

Evidence-based treatment & great outcomes



Simple journeys

Digital-first & low-effort for the customer



Speed of access

Fast, convenient & nearby appointments



Cost-effective

Thorough triage reducing over-treatment



Customer-centric approach...

15%

Premium discount
with Expert Select

>90%

Specialist appointments
booked on initial call

... with strong clinical outcomes...

>95%

Attend good or
outstanding facilities

... and benefits for Aviva too

68%

Customers going through
guided pathways
+18pp vs. 2019

>10%

Lower cost of delivery
for networks & pathways

Range of opportunities to accelerate growth



Grow Direct & with Aviva customers

Enhancing Direct proposition to **meet more customer needs, diversify distribution**, and **capture share** in >£1bn Direct Consumer market

>55%

New Direct sales to existing Aviva customers, 2023



Grow in SME

SME has been our fastest-growing segment - opportunity to further leverage **mutual broker relationships with General Insurance**

9%

Market growth in SME, 2020-2022¹



Explore the reach of PMI

We are actively exploring a number of opportunities aligned to emerging service demands - including **low-cost, primary care & self-pay**

£2.4bn

Self-pay market by 2028



3

Innovating to support our customers



Enhancing our digital-led connected wellbeing proposition



Aviva Digital GP

>390k
Registered users

Video consultations
24/7 booking & around-the-clock availability

Choice of GP
Review profiles and select based on needs

Paediatric consultations
Ability to add children to account

Mental health toolkits

>145k
2023 appointments
+50% vs. 2022

Aviva wellbeing

GetActive *(gym discounts, etc.)*

3 in 4
Registered customers
receive a discount

Online health assessment
Get a “Q score” from a simple questionnaire

Personalised advice
Tools to understand health & lifestyle choices

Potential discounts
Chance to receive up to 15% off renewal price

MyHealthCounts

14%
Average discount
for customers

Innovating for our customers

Neurodevelopmental Pathway

Helping your neurodiverse workforce thrive

Available on healthcare schemes covering 250+ members on an Optimum or Optimum Referral product.

Helping workforces to thrive with leading DE&I benefits

>2,200

Claims through our Neurodiversity pathway



150

Monthly consultations for our Menopause benefit



Expanding our proposition with key strategic partnerships

Careology 

Support customers in every aspect of their cancer treatment

Fertifa^f

Leading reproductive health benefits & wellbeing support

HealthKey

Empower employees to select & personalise their health benefits



Key takeaways



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Structurally attractive market set for 7-10% growth – with **headroom for Aviva**



Market-leading propositions in Corporate, SME and Consumer, with **benefit of diversified business mix and unique advantages** of Aviva's Group model



Outpacing the market with a low-90s COR¹ – **ambition for £100m operating profit by 2026**

Q&A

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Footnotes

Slide	Reference	Footnote
4	1	Undiscounted combined operating ratio.
5	1	Aviva's analysis using information available including company reporting, Boring Money, Corporate Adviser, Fundscape, LaingBuisson, Milliman, Swiss Re Group Watch, UK Finance.
	2	Individual customers.
6	1	Based on ABI data. Includes derived spending on self-insured schemes.
7	1	Undiscounted combined operating ratio.
	2	2022 and 2023 operating profit figures on IFRS 17 basis; 2019, 2020 and 2021 operating profit figures on IFRS 4 basis.
	3	Excluding £11m one-off provision release.
	4	Compound annual growth rate.
9	1	Based on ABI data. Includes derived spending on self-insured schemes.
10	1	Competitors based on quoted 2022 LaingBuisson data; Aviva based on 2022 ABI data.
14	1	Undiscounted combined operating ratio.
18	1	Based on ABI data. Includes derived spending on self-insured schemes.
	2	Excludes corporate excess business.
20	1	Companies with 250+ employees.
21	1	Companies with 250+ employees.
24	1	Based on ABI data.
27	1	Based on ABI data.
31	1	Undiscounted combined operating ratio.