AVIVA

UK pay gap report 2024

Contents

01 Foreword

02 Gender pay gap

03 Ethnicity pay gap

04 Our actions

a. Recruitment

b. Retention

c. Progression

05 Useful notes

a. Pay gap vs equal pay

b. Mean and median explained

c. Legislative requirements

d. Defining the ethnicity pay gap

01 Foreword

“

Aviva is here to help customers across the UK, from all walks of life. To do that well, we want our people to reflect the diversity of the communities we serve.

A balanced workforce, therefore, makes business sense. The data we track in these pages is an invaluable tool for measuring progress towards that goal. It also allows us to refine the actions we need to improve further.

This year’s numbers, once again, show an improving picture. Although still gradual, the positive trend of recent years has largely continued. We would like to move faster, but it is encouraging that since our first report in 2017, our mean gender pay gap, for example, has improved by nearly a third. The process of measuring, and publicly reporting, this information has helped deliver a tangible difference.

There is more still to do, but I take confidence from what we’ve achieved so far as we work towards a brilliant, diverse workforce right across Aviva.”

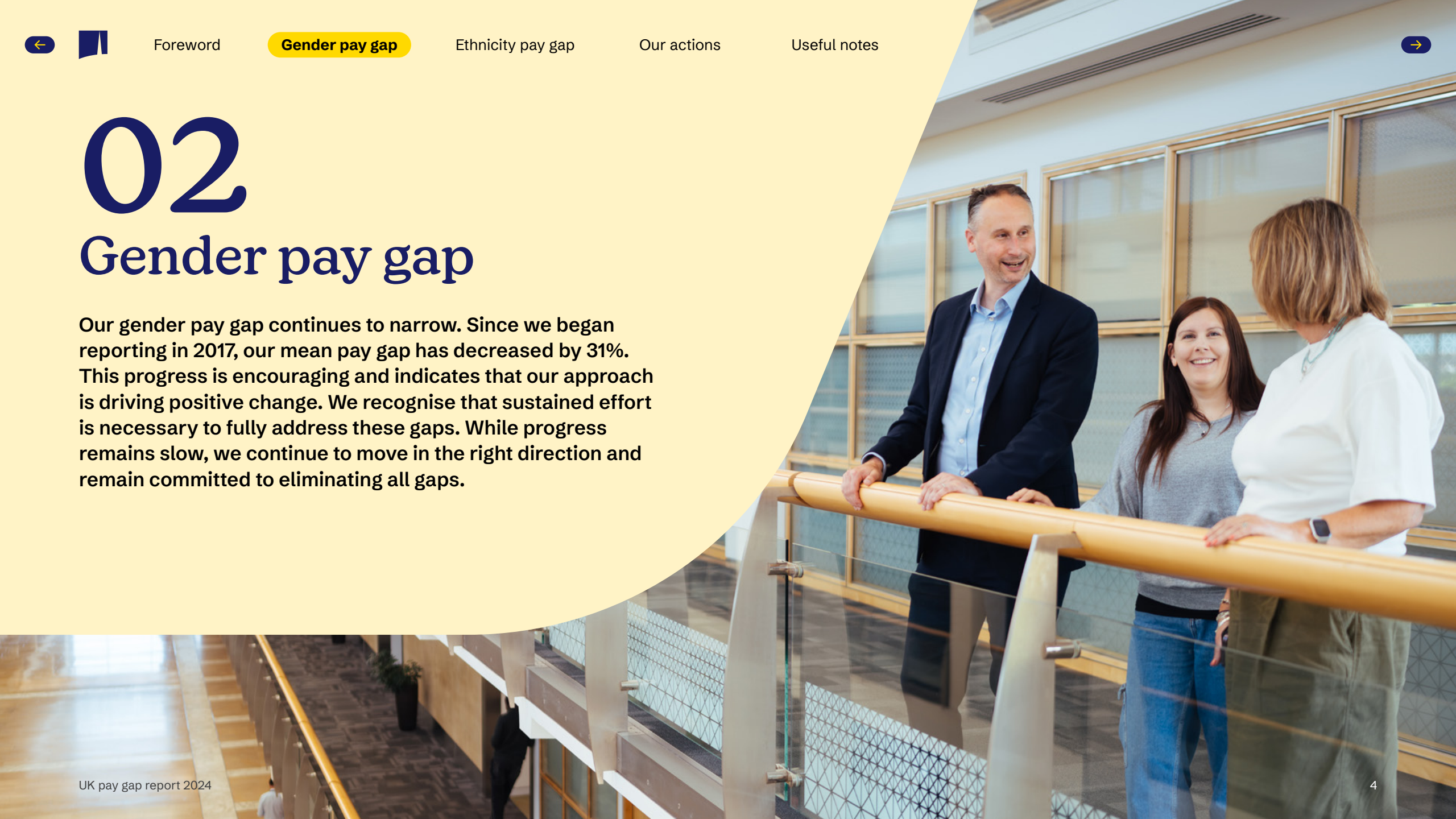
Danny Harmer,
Chief People Officer

I confirm the gender pay gap data and narrative contained in this report is accurate.

02

Gender pay gap

Our gender pay gap continues to narrow. Since we began reporting in 2017, our mean pay gap has decreased by 31%. This progress is encouraging and indicates that our approach is driving positive change. We recognise that sustained effort is necessary to fully address these gaps. While progress remains slow, we continue to move in the right direction and remain committed to eliminating all gaps.



Key points

Understanding the gap

The gender pay gap is driven by an imbalance of men and women across different levels of seniority. We have fewer women in leadership roles and a smaller proportion of men in junior positions. Although we have seen an increase in women in senior roles, achieving a more equitable distribution remains essential to close the gap.

Our pay gap continues to close

Since our last report the proportion of women in senior management (and upper mid and top pay quartiles) has increased.

Our bonus gap is impacted by variable factors

This year we observed a slight increase in the mean bonus gap. Bonuses tend to fluctuate more than pay due to several factors, including eligibility based on hiring date; bonus pro-rating due to absences (including parental leave); varying company and business unit performance; and a time lag in the vesting of share awards. Despite variable factors, the long-term trend shows our bonus gaps are reducing. Additionally, bonus figures do not account for pro-rated payments to part-time colleagues, most of whom are women. Despite this challenge, we remain committed to promoting flexible working as a key retention strategy.

Aviva's gender pay gap

		April 2024	April 2023	April 2022	April 2021	April 2020	April 2019
Gender pay gap	Mean	19.6%	21.3%	24.3%	25.9%	26.0%	26.7%
	Median	20.8%	22.7%	25.1%	25.8%	26.7%	27.3%
Bonus pay gap	Mean	42.5%	41.3%	50.9%	51.1%	51.2%	51.4%
	Median	26.9%	28.0%	33.7%	33.4%	36.5%	39.0%
% employees receiving a bonus	Male	95.0%	94.9%	95.2%	98.2%	96.3%	95.2%
	Female	95.6%	95.2%	96.2%	98.4%	96.5%	94.9%

Gender split by level (as at 5 April 2024)

	Male	Female
Senior Leaders	508	347
Management & specialist	3,795	2,690
Customer facing & support	4,288	5,544

Proportion of males & females by pay quartile

Key Male | Female

Quartile	April 2024		April 2023		April 2022		April 2021	
Lower	41%	59%	40%	60%	41%	59%	41%	59%
Lower mid	45%	55%	46%	54%	45%	55%	44%	56%
Upper mid	53%	47%	55%	45%	55%	45%	55%	45%
Top	63%	37%	65%	35%	66%	34%	67%	33%

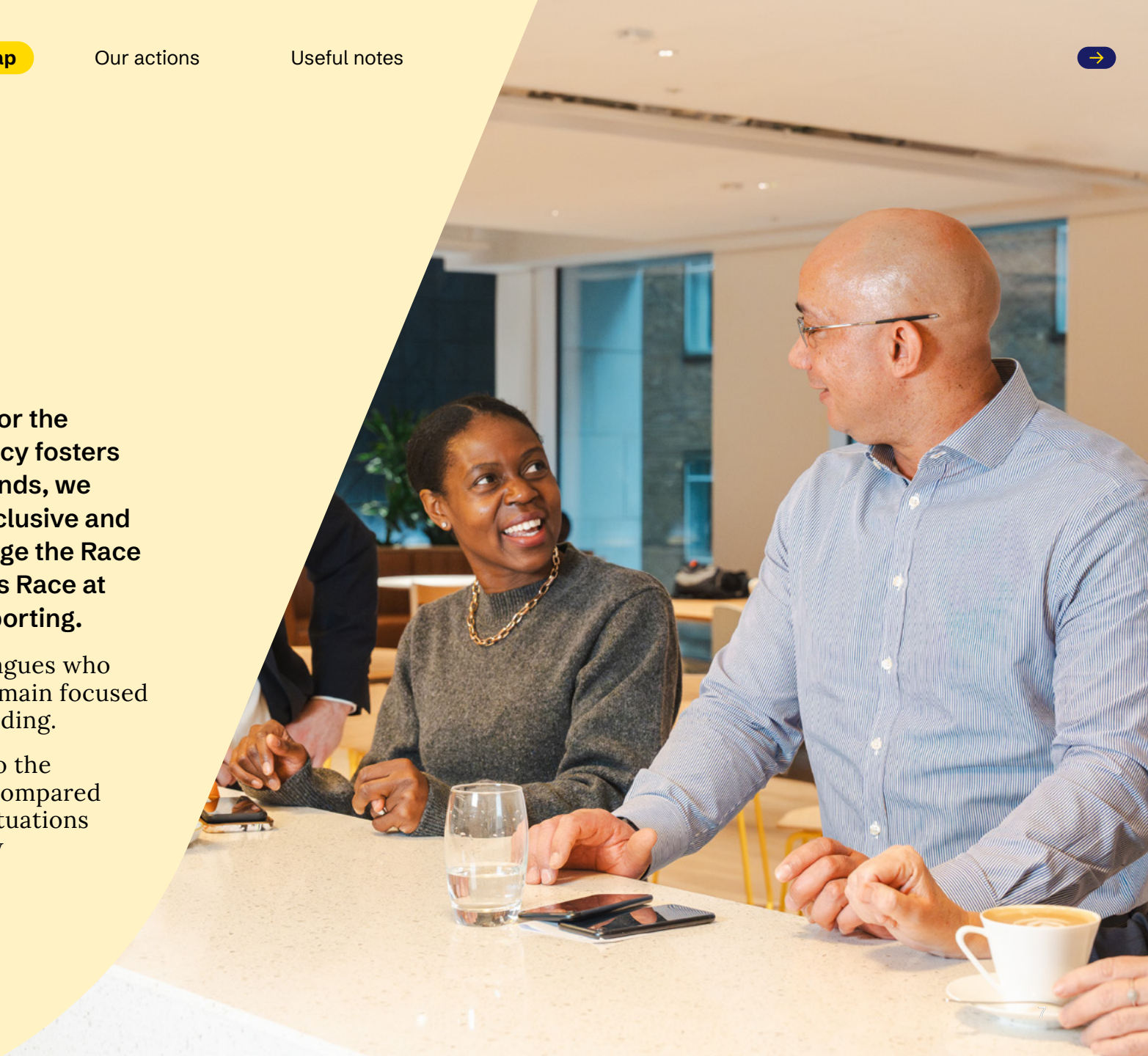
03

Ethnicity pay gap

We are voluntarily disclosing our ethnicity pay gap for the fourth consecutive year. We believe that transparency fosters accountability, and by analysing and sharing our trends, we can drive meaningful progress and create a more inclusive and equitable workplace. As founding members of Change the Race Ratio and signatories of Business in the Community's Race at Work Charter, we advocate for ethnicity pay gap reporting.

Our pay gap figures are based on the 89.1% of UK colleagues who have shared their ethnicity (as at April 5th 2024). We remain focused on increasing disclosure rates to deepen our understanding.

Analysing ethnicity pay gaps remains challenging due to the relatively low number of ethnically diverse colleagues compared to white colleagues. The small sample size leads to fluctuations in the gaps, making it hard to establish trends and draw definitive conclusions.



However, key points for this year are:

Our pay gaps remain negative

Our ethnically diverse colleagues make up a relatively small portion of our workforce overall and tend to be in more senior roles. Encouragingly, pay gaps have notably narrowed since our last report.

Our ethnically diverse workforce is small

While we have seen an increase in the number of ethnically diverse colleagues across all pay quartiles this year, our ethnically diverse workforce remains small. Of colleagues who disclosed their ethnicity, approximately 1,616 identified with an ethnically diverse background, representing about 10.8% of our UK workforce. This small sample is a limiting factor for analysis.

Ethnicity distribution is different across role types and grades

We have a higher proportion of ethnically diverse colleagues in more specialist roles, which tend to be higher paid. Whilst we have made some progress in diversifying our workforce, ethnically diverse colleagues are still underrepresented at Aviva, particularly in more generalist roles.

Location is a factor

A higher proportion of ethnically diverse colleagues are London-based, where pay is typically higher.

The bonus gap continues to be volatile

The relatively low number of ethnically diverse colleagues compared to white colleagues can drive highly variable results. This years' change in bonus gap is influenced by a higher proportion of ethnically diverse colleagues at lower grades compared to 2023, a slight decrease in the proportion of ethnically diverse colleagues in the investment arm of Aviva and the impact of other demographic factors. As we continue to hire a diverse workforce, this impacts the proportions of colleagues eligible for bonus. This is impacted by in year starters (eligible for pro-rated bonus only) and Q1'24 new joiners not reflected in the bonus calculations.

Aviva's ethnicity pay gap

		April 2024	April 2023	April 2022	April 2021
Ethnicity pay gap	Mean	-11.5%	-13.7%	-20.1%	-18.8%
	Median	-19.6%	-22.2%	-24.8%	-24.6%
Bonus pay gap	Mean	6.1%	-1.1%	-26.5%	-33.9%
	Median	-2.3%	1.5%	-10.5%	-21.1%
% employees receiving a bonus	White	95.6%	95.8%	96.2%	98.1%
	Ethnically diverse	91.4%	90.9%	91.3%	95.1%

Ethnicity split by level

	White	Ethnically diverse
Senior Leaders	697	88
Management & specialist	5,121	681
Customer facing & support	7,848	889

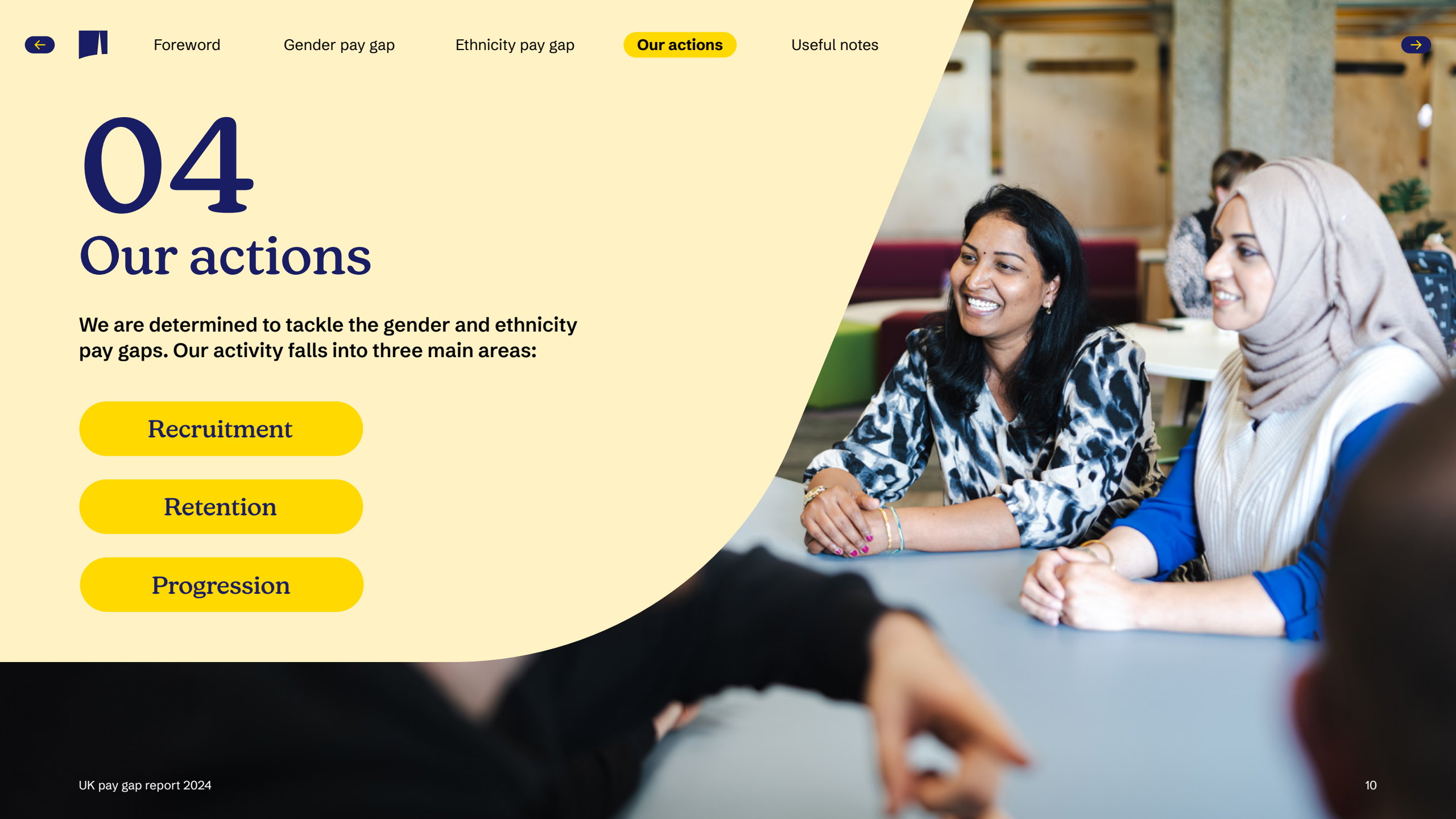
Proportion of white and ethnically diverse by pay quartile

	April 2024				April 2023				April 2022				April 2021			
Quartile	White	Ethnically diverse	Prefer not to say	No data	White	Ethnically diverse	Prefer not to say	No data	White	Ethnically diverse	Prefer not to say	No data	White	Ethnically diverse	Prefer not to say	No data
Lower	80.4%	8.6%	2.4%	8.6%	75.5%	6.3%	2.4%	15.8%	73.8%	5.2%	2.4%	18.6%	62.9%	4.2%	1.9%	31.0%
Lower mid	81.2%	7.3%	3.0%	8.5%	79.2%	6.4%	3.3%	11.1%	77.2%	5.6%	3.4%	13.8%	68.4%	4.2%	2.6%	24.8%
Upper mid	80.0%	9.5%	4.7%	5.7%	79.2%	8.5%	4.9%	7.4%	77.8%	7.5%	5.2%	9.5%	71.2%	6.4%	4.5%	17.9%
Top	76.3%	13.1%	5.4%	5.1%	75.4%	11.6%	5.1%	7.9%	74.8%	10.7%	5.3%	9.2%	68.8%	9.1%	4.5%	17.6%

04
Our actions

We are determined to tackle the gender and ethnicity pay gaps. Our activity falls into three main areas:

- Recruitment
- Retention
- Progression



Recruitment

Attracting and recruiting diverse talent

- Diverse shortlists for all senior internal and external hiring, including a mix of genders and ethnicities.
- Inclusive recruitment training (Licence to Hire) for all leaders to reduce bias in our recruitment and interview processes.
- Since April 2022 all job adverts have no more than five requirements and we publish salary bands for all roles.
- We advertise roles on specialist job sites VERCIDA, iCAN jobs board and BMEJobs.com to reach a wider talent pool.
- We use specialist software, Textio, to create gender neutral vacancy marketing, reducing gender bias in our talent attraction.

The proportion of diverse hires (internal and external) into senior roles (the most senior 5% of employees) has notably increased since we started reporting:

2018	2019	2020	2021	2022	2023	2024
34%	38%	38%	39%	44%	43%	41%

Female hires rates

Our graduate programme – a talent pool for future leadership – has a balance of genders and ethnicities. In 2024,

47% were women.

23% were from an ethnically diverse background.

Our apprenticeship programmes are also diverse, attracting new talent and providing development for existing colleagues. In 2024,

40% were women.

13% were from an ethnically diverse background.

- We encourage the next generation of female talent across our business through networks such as Aviva Investors Women's Network, Women in Tech, Commercial Lines Women's Network and our Aviva Balance Community, an employee resource group which focuses on gender parity. We are recognised as a Times Top 50 Employer for Women.
- Our Aviva intern programme is now in its seventh year. In 2024 we had 59 interns go through the programme which balances gender, ethnicity, and socioeconomic background.
- We continue our "Return to Work" programmes in Aviva Investors and our Technology function. These programmes support individuals returning to the workplace after a career break of 18 months or more, enabling participants to refresh their knowledge and skills during a six-month work placement, supported by a range of networking and learning opportunities. 73% of participants took on permanent roles in our 2024 cohorts, providing a pipeline of talent for the future.

Retention

Retaining diverse talent is critical for our success.

Retaining our diverse talent

- Equipping our colleagues to demonstrate inclusive behaviours is an important part of our culture. We continue to provide leader training to create a culture where concerns can be raised to colleagues and leaders.

In our 2024 all-colleague Voice of Aviva:

88% of respondents answered favourably to the question 'it is safe for me to speak up and express my views/ opinions, without fear of negative consequences'

91% answered favourably to the question: 'I work in an inclusive environment free of discriminatory behaviour'

92% answered favourably to the question: 'How effective is your team leader/manager at supporting inclusion and diversity?'

- Since 2017, our equal parental leave policy has enabled all parents to be actively involved in childcare. This policy provides all UK colleagues with up to 12 months of leave, with six months fully paid.
- Flexible, job share, and part-time working is available to everyone. In 2024 we launched a 'job share matching tool' designed to connect colleagues who have an interest in job sharing.
- Advertising roles with flexible locations has helped enable career progression for colleagues who are less mobile.
- In 2024 we launched our 'Flexible Bank Holiday' policy, giving colleagues more choice about when they work and when they take time off.

All employees are entitled to **35 hours** of paid carers leave a year, and an additional 35 hours paid leave for urgent dependants' care.

Leveraging networks and partnerships

- Our Origins Community celebrates race and ethnicity, faith and belief, and social mobility. The group promotes personal and professional growth, empowering members at every career stage. Origins consistently collaborates with other communities to promote intersectionality.
- Our Black Professional Network, East & Southeast Asian (ESEA) Network and Aviva South Asian Professionals Network (ASAP), all subgroups of Origins, empower and support our people from a professional and personal perspective.
- We support and promote ethnically diverse talent throughout our business by leveraging networks like iCAN, the Insurance Cultural Awareness Network.
- We are Founding Members of Change the Race Ratio and signatory to the Race Equality Charter.
- Women leaders at Aviva act as role models for future talent, sharing their insights and experiences. For the last eight years Aviva executives have been named as HERoes Women Role Models.
- We actively participate in Moving Ahead and are members of the Women in Finance Charter. Our CEO, Amanda Blanc, serves as HM Treasury's Women in Finance Champion, leading initiatives to accelerate gender parity within UK financial services.
- The Women in Finance Blueprint continues to inform our internal activity as well as that of the wider industry.

Progression

To increase the number of females and ethnically diverse colleagues in senior leadership we have the following actions in place:

Supporting all our talent

- We use data insights to monitor the inclusivity of our culture. We have developed machine learning to identify progression trends across all diversity characteristics, work patterns and geographical locations.
- Our Sponsorship Programme accelerates the pipeline of women and ethnically diverse talent into senior leadership roles.
- Alongside general succession planning, we undertake diverse talent sessions, spotlighting women and ethnically diverse colleagues who have the potential to progress.
- We have continued our coaching programme for parents returning from 6+ months of leave, building confidence and support networks to reduce the progression gap.
- A Group-wide Ethnically Diverse Leadership Programme (EDLP) launched in 2020, focussing on ethnically diverse colleagues. Since launch, 79% of participants have had a promotion or lateral move to build their career.

Growing our female leaders

We are working towards a Group ambition of

41%

women in senior leadership by the end of 2025.

As at 31 December 2024, we are at

40.3%

women in senior leadership in the UK, increasing from 31.9% in 2020.

Developing our ethnically diverse colleagues

We are working towards a Group ambition of

14.4%

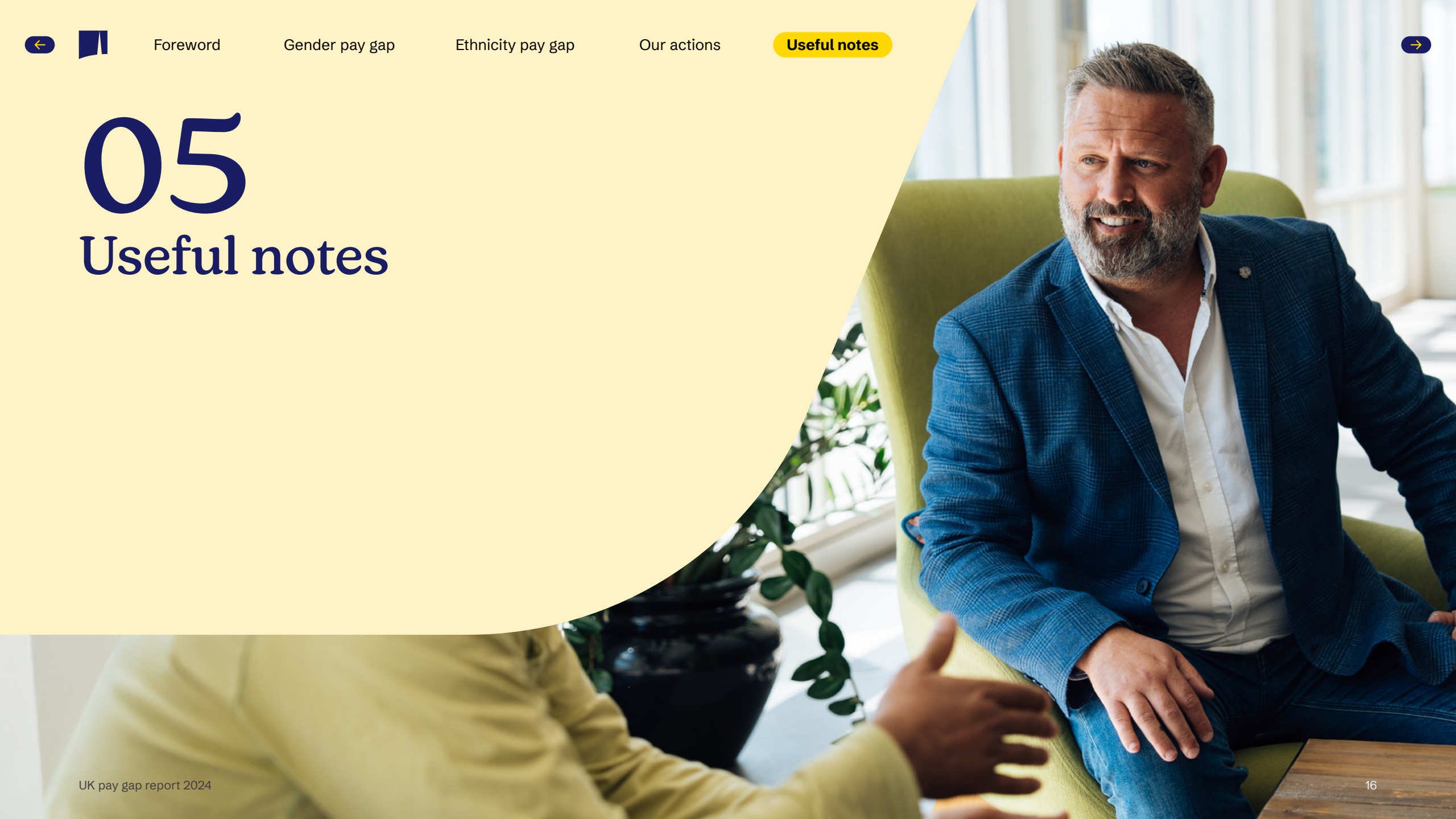
ethnically diverse leadership by the end of 2025.

As at 31 December 2024, we are at

11.3%

ethnically diverse leadership in the UK (based on 93.8% ethnicity disclosure) up from 10.5% in 2020.

05
Useful notes



Pay gap vs equal pay

A pay gap is a measure of the difference between the average earnings between two groups. For gender this means between men and women employees and for ethnicity between ethnically diverse and white employees (irrespective of roles or seniority).

Equal pay is our legal obligation as an employer to give equal pay for equal work. Our pay gap is not a result of equal pay issues, as we have a gender and ethnicity neutral approach to pay across all levels of the organisation. We regularly monitor this as equal pay is our legal and moral obligation.

Mean and median explained

The mean pay gap is the difference in the arithmetic average hourly pay for one group compared to the other, within our organisation (men compared to women or ethnically diverse compared to white).

The median represents the middle point of a population. If you lined up all our women and all our men in order of the hourly rate at which they are paid, the median pay gap is the difference between the hourly rate for the middle woman compared to that of the middle man. Or similarly between ethnically diverse or white employees.

The mean and median are important metrics and need to be looked at together. However, the mean can be skewed by fewer individuals earning more in the upper ranges.

Reminder of the legislative requirements

Gender pay gap legislation requires employers in the United Kingdom with 250 employees or more to calculate and publish on an annual basis gender pay gap data. This must be based on figures taken on the 5th of April each year. The specific information we are required to publish needs to include:

- Mean and median gender pay gap (based on an hourly rate of pay on 5 April 2024).
- Mean and median bonus gender pay gap (considers bonus pay received in the 12 months leading up to 5 April 2024).
- Proportion of men and women receiving a bonus payment.
- Proportion of men and women in each quartile pay band (looking at the proportion in 4 pay bands when we divide our workforce into four equal parts). The gender pay gap is expressed as a percentage of male earnings (e.g. women earn x% less than men).

Defining the ethnicity pay gap

There are no legal requirements to publish an ethnicity pay gap, we do this voluntarily.

The ethnicity pay gap shows the difference between the average pay for all Aviva UK employees who have told us they are of an ethnically diverse background and all employees who have told us they are of a white background. Our ethnically diverse population includes all employees who have shared that they are within the following ethnic groups: Black, Asian, Mixed/ Multiple Ethnicity and Other. The white population includes all employees who have shared that they are from a White ethnic group.

We have disaggregated our ethnically diverse data set and calculated pay and bonus gaps in relation to the following ethnic groups: Black, Asian, Mixed/ Multiple Ethnicity and Other. However, due to the small population size we have aggregated the data for reporting purpose.

We have used the first published government guidance on Ethnicity pay reporting, which sets out a consistent approach to measuring pay differences and mirrors the approach set out in the guidance for gender pay gap reporting.

Although there is no formal guidance on calculation method, our ethnicity pay gaps have been calculated using the government regulations for calculating gender pay gaps. The data outlined in this report reflects figures taken on the 5 April 2024.

AVIVA