

Customer and Sustainability Committee report



Shonaid Jemmett-Page
Chair, Customer and
Sustainability Committee

“During the year, the Committee transitioned from the Customer, Conduct and Reputation Committee to focus more closely on overseeing the progress of our customer and sustainability ambitions.”

Committee at a glance

Committee membership and meeting attendance

Name	Appointed	Meeting attendance
Shonaid Jemmett-Page (Chair)	14-02-22	4/4
Mike Craston	09-08-22	2/2
Jim McConville	01-12-20	5/5
Pippa Lambert	01-01-21	5/5
Michael Mire	12-09-13	4/5

I am pleased to present the Customer and Sustainability Committee (the Committee) report for the year ended 31 December 2022.

Committee purpose

The Committee assists the Board in its oversight of customer and sustainability issues. This includes evaluating progress on Aviva's ambition to be a leading customer-service-oriented company, including in our investments and innovation in customer experience. The Committee also reviews our progress in bringing the power of the whole of Aviva to the benefit of our existing and future customers and our communities, as well as delivering on our Sustainability Ambition.

Key committee activities during 2022

- Reviewed the customer agenda, received regular updates on material customer trends and monitored progress against customer metrics.
- Undertook deep dives in relation to the FCA's new Consumer Duty Regulations, vulnerable customers, customer data, corporate customers and financial inclusion, including the community investments we made.
- Monitored the progress of Aviva's Sustainability Ambition, including tracking performance against key metrics and targets.
- Reviewed our Sustainability Report, Climate Transition Plan, TCFD report and non-financial metrics and recommended these to the Board for approval.
- Received updates on how we measure and track our reputation.
- Reviewed the Group's conduct risk dashboard (including emerging risks) and received regulatory updates.
- Reviewed the Groups's Modern Slavery Statement and approved Aviva's Business Ethics Code.

2023 priorities

- Continue to focus on the customer agenda and the progress of the customer strategy.
- Monitor the impact the implementation of the Consumer Duty will have on our customers.
- Oversee progress against our sustainability scorecard and review our Sustainability Report, Climate Transition Plan and TCFD report.

Committee membership

I was delighted to join the Committee on 14 February 2022. During the year, Jim McConville stepped down as Chair, while remaining a member of the Committee. I became Chair on 17 May 2022. I would like to thank Jim for his leadership of the Committee since 2020. Mike Craston joined the Committee on 9 August 2022. The members of the Committee as at 31 December 2022 and their attendance are shown in the table opposite. Details of their experience and qualifications are shown within the 'Our Board of Directors' and 'Governance at a glance' sections of the Governance report. In addition, the UK Life Insurance and UK General Insurance Conduct Committee Chairs also attend the committee by standing invite.

Customer and Sustainability Committee report continued

Transition to the Customer and Sustainability Committee during 2022

During the year, the Committee transitioned from the Customer, Conduct and Reputation Committee to the Customer and Sustainability Committee. Conduct matters were transferred to the remit of the Risk Committee and reputational matters to the Board. This has enabled the Committee to focus more closely on customer and sustainability matters across all of Aviva's businesses, routinely from the UK Life Insurance and UK General Insurance businesses and by way of deep dives from the Canadian and Irish businesses.

Customer

The Committee provided oversight of our customer strategy and operations. This included regular reviews of the customer dashboard, which provided the Committee with an overview of key customer metrics, data and insights. The Committee reviewed our Customer and Marketing transformation plan, which is designed to help Aviva meet more of our customers' needs. It also monitored the progress of customer journeys which could be undertaken digitally and the improvements in customer experience.

The Committee reviewed and supported our new brand campaign, "Making it Click" which recognises that taking financial action can be difficult for customers and was aimed at helping customers make decisions in relation to their finances.

In a joint meeting with the Risk Committee, the Committee undertook a deep dive on Aviva's data strategy and reviewed our data capabilities, as well as our plans to enhance customer experience, including for our more vulnerable customers.

Sustainability

The Committee tracked progress against Aviva's Sustainability Ambition, including programme governance, Key Performance Indicators and the Sustainability Ambition scorecard. The Committee reviewed and agreed the non-financial metrics, which demonstrate Aviva's ESG performance and monitored progress against the metrics. The Committee also provided input into the governance model for external reporting.

The Committee provided oversight of the Aviva Climate Transition Plan which supports Aviva's ambition to become a Net Zero carbon company by 2040. The Committee reviewed the content of the TCFD disclosures in preparation for the climate disclosures being voted on (on an advisory basis) at the Annual General Meeting. The Committee also reviewed the Aviva Sustainability Report and recommended this to the Board.

The Committee continued to monitor and support our community investment and received updates on the partnership with Citizens Advice and the Money Advice Trust.

The Committee received updates on the actions we are taking to help our customers and communities through the cost of living challenge.

Further information on our integrated responsibility and sustainable business approach can be found on the Company's website at: www.aviva.com/sustainability.

Aviva Canada and Ireland

During the year, Aviva Canada and Aviva Ireland presented to the Committee an update on their customer strategies including customer journeys and experience and on the sustainability scorecards for their markets. The presentations provided the Committee with information on how Aviva Canada and Ireland contributed to the overall group performance.

Conduct and compliance

Whilst as the Customer, Conduct and Reputation Committee, the Committee reviewed Aviva's conduct risk agenda, conduct risk profile, compliance obligations and the wider regulatory landscape. The Committee received regular updates on the implementation of the FCA's Pricing Practices regulation which came into effect on 1 January 2022.

The Committee also conducted a deep dive into the FCA's new Consumer Duty proposals, following the FCA's second consultation paper published in December 2021 and reviewed Aviva's response to the consultation in February.

The Committee continued to receive regular updates on the Consumer Duty regulation throughout the year and assessed the impact the Duty would have on our customers.

Reputation

Prior to the transition of the Committee, the Committee monitored developments in the Group's reputation and reputational risk position. Key areas of focus included feedback on Aviva's reputation amongst different stakeholder groups, as well as the impact of business interruption litigation on Aviva and the cost of living challenges faced by Aviva customers.

Committee effectiveness review

The Committee undertakes a review of its effectiveness annually as part of the Board Evaluation. More information can be found in the 'Governance in action' section of the Governance report.

Shonaid Jemmett-Page
Chair of the Customer and Sustainability Committee
8 March 2023