

# Nomination and Governance Committee report



**George Culmer**  
Chair, Nomination and  
Governance Committee

**“During the year, the Committee reviewed the skills, experience and diversity on the Board and led the selection process for the appointments of Andrea Blance, Mike Craston and Charlotte Jones.”**

## Committee at a glance

### Committee membership and meeting attendance

Name	Appointed	Meeting attendance
George Culmer (Chair)	25/09/19	6/6
Andrea Blance	21/02/22	5/5
Mike Craston	09/08/22	3/3
Patrick Flynn	16/07/19	6/6
Shonaid Jemmett-Page	20/12/21	6/6
Mohit Joshi	01/12/20	6/6
Pippa Lambert	01/01/21	6/6
Jim McConville	01/12/20	6/6
Michael Mire	12/09/13	6/6
Martin Strobel	22/10/21	6/6

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

### Committee purpose

The Committee assists the Board in its oversight of Board composition; Board and executive succession; talent development; diversity, equity and inclusion initiatives; and the operation of the Group's governance framework and Aviva's subsidiary governance principles.

### Key committee activities during 2022

- The Committee led the selection process for the appointment of Non-Executive Directors to the Board.
- The Committee led the appointment process for the appointment of Charlotte Jones as Chief Financial Officer on 5 September 2022.
- The Committee reviewed the succession plans and the talent development framework for senior executives and continued to oversight the governance and effectiveness of the Group's subsidiary boards.

## 2023 priorities

- Continue to focus on succession planning at the Board and senior management level to develop a strong and diverse talent pipeline.
- Continue to oversee the governance arrangements of, and engagement with, our subsidiary boards.

## Committee membership

Andrea Blance joined the Committee upon her appointment on 21 February 2022 and Mike Craston was also appointed to the Committee on 9 August 2022. Patricia Cross and Belén Romana García both retired from the Committee at the Annual General Meeting on 9 May 2022. Details of members' experience, qualifications and attendance at Committee meetings, together with the number of Committee meetings held during the year, are shown in the 'Our Board of Directors' and 'Governance at a glance' sections of the Governance report.

As already noted, whilst the Committee no longer considered Michael Mire to be independent, he continued to contribute positively to the Committee discussions as a member of the Committee.

## Nomination and Governance Committee report continued

### Board and executive succession planning

The 2018 UK Corporate Governance Code (the Code) places an emphasis on succession planning and the Committee continues to build on its existing processes to strengthen its focus in this area.

The Committee, on behalf of the Board, assesses the balance of Executive and Non-Executive Directors, and the composition of the Board in terms of skills, experience, diversity and capacity.

During the year, the Committee reviewed the Board skills matrix and identified areas of experience which would be beneficial to add to the composition of the Board. Andrea Blance was appointed on 21 February 2022, bringing detailed understanding of customers, risk and regulation to the Board. Mike Craston was appointed as a Non-Executive Director with effect from 17 May 2022. Mike is Chair of the Aviva Investors' Board in the UK and Canada and brings invaluable asset management and corporate leadership experience to the Board.

The Committee also reviewed the succession plan for the Group CEO to ensure that the internal and external talent pipeline was robust and diverse.

On 13 January 2022, we announced that Jason Windsor had resigned as an Executive Director of Aviva plc, he stepped down from the Board with effect from 9 May 2022.

The Committee led on the appointment of Charlotte Jones as Chief Financial Officer and Executive Director with effect from 5 September 2022.

Michael Mire reached nine years of tenure on 12 September 2022 and therefore no longer met the independence criteria from that date. The Committee considered the composition of the Board and agreed that it would further support the Board's discussion if Michael remained on the Board as a Non-Executive Director.

Patricia Cross and Belén Romana García retired from the Board as Non-Executive Directors at the Company's 2022 AGM.

### Board appointments

Our Non-Executive Directors played a principal role in the process to appoint new directors to the Board. Russell Reynolds, an independent consulting company, undertook the search processes for the appointment of the CFO. MWM Consulting supported the Committee in identifying Andrea Blance as a suitable candidate for the Board. Mike Craston, as noted in the 'Effective Governance', case study on 'Governance in Action' was Chair of the Aviva Investors Board and was appointed, inter alia, to strengthen the linkage between the Board and boards of our principle operating entities. Neither Russell Reynolds nor MWM Consulting have other connections with the Company or any individual Director other than the provision of recruitment services.

In line with our succession planning processes, we undertake a formal, rigorous and transparent search process for each external appointment, considering the current balance of skills, experience and diversity amongst our directors. Each appointment is made subject to receipt of the requisite regulatory approvals.

Furthermore, the Board is subject to an annual board effectiveness review including confirming that each Director's performance continues to be satisfactory. In accordance with the Code and the Company's Articles of Association, all serving directors must retire and those who wish to continue in office must stand for election or re-election by our shareholders at each AGM. All directors intending to remain in office at the time of the 2022 AGM, were elected or re-elected at that meeting.

### Talent management

The Committee monitors the development of the Group Executive Committee (ExCo) to ensure that there is an appropriate pipeline of senior executives and potential future Executive Board members with the required skills and experience.

During 2022, the Committee received updates from the Group CEO on composition and changes to the Group ExCo and considered the development plans and talent profiles of these individuals in line with the Group's succession plans.

The Committee also considered the development plans designed to prepare successors for ExCo roles. Internal talent development and developing a pipeline of potential future leaders remained an area of focus for the Committee during the year.

The Committee also considers initiatives to enhance, strengthen and diversify the talent pipeline across the wider Group and members of the Committee remain involved in various initiatives, including the Ethnically Diverse Leadership programme and reverse mentoring programmes with senior leaders.

### Diversity, Equity and Inclusion

Diversity, Equity and Inclusion continued to be an area of focus for the Committee and the Board. The Board is committed to having a diverse and inclusive leadership team which provides a range of perspectives and insights and the challenge needed to support good decision making. Diversity at Aviva includes, but is not limited to, gender, ethnicity, skills and experience, geographic and socio-economic and educational backgrounds, disability and sexual orientation.

The ways in which we seek to put into practice these values are set out in our Board Diversity, Equity and Inclusion Statement, which supports the Committee's approach to succession planning. This includes our commitment to increasing the number of women in leadership roles to 40% by 2024 and to enhancing the ethnic diversity of our leadership and succession pipeline.

## Nomination and Governance Committee report continued

During the year, the Committee reviewed the Statement and expanded its remit to include socio-economic and educational backgrounds. The Statement, which aligns to the overall Group Diversity, Equity and Inclusion strategy, is available on the Company's website at [www.aviva.com/corporate-governance](http://www.aviva.com/corporate-governance).

As at the date of this report the representation of women on the Board is 42%. In addition, women represent 42% of the ExCo and further details on gender diversity in the workforce and wider senior leadership population can be found in the Strategic report.

We actively support women advancing into senior roles, with the Group CEO being a member of the 30% Club and HM Treasury's Women in Finance Champion, which commits financial services companies to a range of measures to improve gender diversity amongst senior management.

The Board is pleased to have met the Parker Review Committee's target for all FTSE 100 boards to have at least one director from an ethnic minority background.

The Company also ranks as number 27 on the Stonewall UK Workplace Equality Index.

### Conflicts of interest and independence

During 2022, the Committee regularly reviewed the independence of the Board, and conducted a review of individual Director conflict authorisations as recorded in the Conflicts of Interest register. This included any potential conflicts related to

external appointments, including Amanda Blanc's appointment to the board of BP plc. In order to form a view of a Director's independence, consideration was also given to other external appointments held by each Director.

For Non-Executive Directors, independence of thought and judgement is vital to facilitating constructive and challenging debate in the boardroom and is essential to the operational effectiveness of the Board and Committees of Aviva. The Committee determines a Non-Executive Director's independence in line with Provision 10 of the Code and was satisfied that all Independent Non-Executive Directors met the criteria for independence and that the Chair of the Board met the criteria on appointment to that role. Mike Craston was not considered an independent Non-Executive Director upon appointment due to his previous role at Aviva Investors. Michael Mire reached nine years of tenure on 12 September 2022 and therefore no longer met the independence criteria from that date. As a result he stood down from the Risk and Remuneration Committees on 12 September 2022.

### Organisational design

The Committee considers proposals for operating model simplification within the Group. The reduced geographic size of the Group provided an opportunity to optimise and simplify our operating model to drive efficiency and deliver greater value to our shareholders. The Committee reviewed the organisational design plans and the programme workstreams and considered the governance and controls around the proposed changes.

### Corporate governance

The Committee monitors the Group's compliance with the Code and other areas of regulation and guidance. The Group Company Secretary provides updates to the Committee on governance matters, and legal and litigation risks which have the potential to impact the reputation of the Group.

During 2022, the Committee focused on the implementation and embedding of the Group Governance Framework for the oversight of the Group's subsidiaries, as reported in the Subsidiary Governance dashboard. Updates were provided relating to enhancements to the Subsidiary Governance Principles, the effectiveness of the Company's subsidiary boards and the Group Conflicts of Interest policy, and related safeguards.

The Committee considers succession planning for material subsidiaries around the Group and, where appropriate, approves changes to the composition of the material subsidiary boards. The Committee also reviews the outcomes of the board evaluations completed by subsidiaries and monitors the action plans developed by those boards in response to those outcomes.

### 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.

**George Culmer**  
Chair of the Nomination and Governance Committee  
8 March 2023