Remuneration Committee report

Our 2023 remuneration outcomes reflect another year of strong performance for Aviva. The limited proposed changes to our 2024 Remuneration Policy ensure continued alignment to our purpose and strategy.

Pippa Lambert
Chair of the Remuneration Committee

Committee at a glance

Membership

- Pippa Lambert (Chair)
- Andrea Blance
- Patrick Flynn
- Jim McConville (from 1 February 2023)

Read more in our Board of Directors

Roles and responsibilities

The Remuneration Committee (the Committee) assists the Board in its oversight of remuneration by:

- Reviewing the Directors' Remuneration Policy (the Policy) and Directors' Remuneration Report.
- Approving remuneration packages for the Non-Executive Chair and Executive Committee (ExCo).
- Approving the remuneration framework for regulated employees and reviewing wider workforce remuneration and policies.
- Working with the Risk Committee to ensure that risk management is considered in setting the Policy through the alignment of incentive and rewards with risk management.

2023 highlights

- Review of the Policy.
- Senior management objectives, pay decisions, bonus and Long Term Incentive Plan (LTIP) target setting.
- Monitoring the impact on colleagues as a result of the continued cost of living challenges.
- Progressing our ambitious diversity, equity and inclusion (DE&I) agenda.
- Share plan operations and performance testing.
- Governance and regulatory matters.

More details are provided in the Annual report on remuneration.

The Committee's decisions are taken in the context of the Reward Governance Framework, which sets out the key policies, guidelines and internal controls and is summarised in the Annual report on remuneration.

Read more in Annual report on remuneration

2024 priorities

- Implementation of the new Policy.
- Ensuring the broader colleague reward proposition remains competitive.

More details about our 2024 focus areas are provided in the letter below.

Remuneration Committee report

On behalf of the Committee, I am pleased to present the Directors' Remuneration Report (DRR), for the year ended 31 December 2023.

The DRR is presented in three parts in addition to this letter:

- **Remuneration at a glance** - key aspects of interest to shareholders.

Read more in remuneration at a glance

- **The Policy**, outlines the remuneration framework that will apply to our Executive Directors (EDs) and Non-Executive Directors (NEDs) following approval. The new Policy will be presented to shareholders for approval at our Annual General Meeting (AGM) in May 2024.

Read more in Remuneration Policy

- **Annual report on remuneration** - further detail on how the Policy has been applied and remuneration outcomes in respect of 2023, and how the new Policy will be implemented in 2024.

Read more in Annual report on remuneration

2023 Company performance

2023 was another year of strong performance, reflecting our market leading positions, customer focus and the benefits of our diversified business. We have continued capital-light growth momentum and delivery across our diversified Group, and are in a strong and resilient capital position.

Performance against the annual bonus financial measures was strong, exceeding the targets set for the majority of measures.

- Growth in the value created by our businesses was seen in the increase in Solvency II operating own funds generation (Solvency II OFG) and gross cash remittances, both exceeding target levels.
- Growth and expense discipline saw increased Group adjusted operating profit and we have exceeded our £750 million gross cost reduction target, one year early.
- Solvency II shareholder cover ratio remains strong at 207%, underpinned by robust capital generation.

In terms of non-financial performance, the Committee welcomed the continued improvement evident in our risk and control environment, as reflected in an above target assessment against the qualitative and quantitative measures within the Risk scorecard. Our employee engagement levels saw a two point increase to 88%, a figure well ahead of market norms. This reflects the focus on leadership development and visibility, and actions to support our people through a difficult economic environment.

Performance against our customer measures was more challenging, given the continued impact of inflation on product pricing and supply chain issues. Our investment in improving digital customer journeys resulted in online experience targets being achieved.

Supporting our people

Oversight of remuneration across the wider colleague population remains a focus area for the Committee.

- We are proud to pay all of our UK colleagues at least the Real Living Wage, plus an additional 8% to enable colleagues to benefit from our 14% matching pension contribution and save for their retirement.
- In addition, in March 2023, we were one of the first UK employers to be awarded the Living Pension accreditation. This signifies that we provide a Living Pension savings level which equates to 12% of a full-time real Living Wage salary, of which at least 7% comes from Aviva as an employer.
- Further actions taken to support our colleagues in 2023 included an extension to our financial education programmes, improved communication of our overall reward package and improvements to our UK health and wellbeing proposition.

For 2024, the UK salary budget was 6%. Recognising the cost of living challenges, a higher budget was targeted at more junior colleagues offset by a significantly lower budget for senior management.

Policy Review and Shareholder Consultation

In line with the usual three-year cycle, we are required to submit our Policy to shareholders for approval at our AGM in May 2024. The Committee has therefore completed a review of the Policy to ensure it remains aligned to our purpose and strategy and continues to drive and reward strong performance.

Our review concluded that, overall, our framework continues to achieve these aims and remains fit for purpose. As such, we are proposing only modest changes to the Policy, ensuring that it remains market aligned and that our incentive measures reflect business priorities.

I would like to thank our major shareholders and their representative bodies for their level of engagement and overall positive feedback received as part of our consultation process.

Proposed changes to our Policy are outlined below and in the "Directors' Remuneration Policy" section of this report.

Policy Changes

To better align with market practice and ensure our approach remains competitive and fair, the level of bonus deferral will reduce from two-thirds to half. This change will increase alignment with FTSE 100 practice and that of close peers, while continuing to ensure that a meaningful proportion of any bonus award is deferred into Aviva shares.

As part of a broader improvement to our wider workforce health proposition, Company-provided wellbeing services such as health assessments will be provided for NEDs.

Remuneration Committee report

Non-Policy Changes - Annual Bonus Plan Measures

Following the achievement of the previously communicated cost reduction target and reflecting our growing businesses, the Cost Reduction measure will be replaced by efficiency measures. Recognising the diversified nature of Aviva, each of our core businesses will have targeted efficiency measures, which we will use to measure progress against our overall efficiency ambition. The weighting will remain at 10%.

Non-Policy Changes - LTIP

The current LTIP measures and weightings remain appropriate as key drivers of our long-term success. Therefore, changes are limited to refining the methodology and operation of 3 of the 7 measures:

Solvency II Return on Equity (Solvency II RoE)

The Solvency II RoE calculation basis will move to a total capital basis, rather than a target 180% basis. This will simplify the calculation methodology whilst continuing to provide a clear incentive for management to actively deploy excess capital. We continue to report and monitor target capital basis for in-flight LTIPs.

Relative Total Shareholder Return (rTSR)

Consistent with prior years, we continue to review the comparator group for rTSR purposes. To ensure the group represents our geographic footprint and those companies we compete with directly, we will remove AXA, Allianz and Zurich.

Our current approach provides for 20% of award value vesting when threshold performance is achieved. Market practice is mixed, with threshold vesting being set at 25% in many cases, and numerous recent examples of companies increasing their threshold vesting level. However, the Committee concluded that, aligned with our view that incentive arrangements should drive and reward strong performance, it was not appropriate to propose a change to our approach in this regard. We are though, proposing a small change to the operation of the rTSR element of the LTIP such that maximum vesting will be triggered by upper quartile performance, rather than upper quintile performance. This approach will ensure we incentivise and reward strong performance, bringing us more into line with market practice and improving the overall competitiveness of the LTIP's operation.

Customer – Relationship Net Promoter Score (RNPS)

Reflecting our strategy being centred around our customers, a customer measure with a 7.5% weighting, will be retained. In place of a standalone RNPS measure, we will introduce a Customer Scorecard that better reflects our strategic ambitions to grow our customer franchise and serve more customer needs. The measures within the scorecard will be simple in design and operation, more aligned to growth, and easier for stakeholders to understand and scrutinise. The measures will not overlap with the customer measures within the ABP, which are shorter term measures focused on the active management of customer experience and continue to work well.

Remuneration outcomes for 2023

Our remuneration outcomes reflect the continued strong performance of Aviva in 2023, as set out below.

2023 annual bonus

The formulaic outcome from the annual bonus scorecard was 70.6% of maximum (at 141.1%). The Committee carefully considered this outcome in the context of broader performance and a quality of earnings assessment, noting input from the Audit and Risk Committees, to ensure the scorecard outcome was reflective of overall performance and aligned with the experience of shareholders. The Committee determined that no adjustments were required to the formulaic bonus scorecard outcome.

In line with the Policy the Committee also considered the individual performance of the Group Chief Executive Officer (CEO) and Group Chief Financial Officer (CFO) to determine whether individual adjustments to the scorecard outcome were required.

Amanda Blanc's performance as Group CEO continues to be exceptional. Successful progression of the strategy, which Amanda set out, has resulted in Aviva pivoting to capital-light and outperforming the competition in the growth of General Insurance, Workplace, Protection and Health, alongside strategic bolt-on acquisitions. Our strategy continues to engage colleagues at record levels.

Throughout the year Amanda has also continued to strengthen the senior leadership team including three ExCo appointments.

From an external perspective, Amanda has continued to enhance Aviva's profile across multiple industry and public forums such as the Prime Minister's Business Council and the Association of British Insurers (ABI) Board.

This performance is reflected in Amanda's annual bonus for 2023 of 88.1% of maximum (at 176.1% of salary).

Charlotte Jones has demonstrated strong performance in 2023, driving the effective performance management processes across the Group that support the delivery of our financial results. Maintaining our balance sheet strength and effective capital management has enabled investment for growth and efficiency as well as delivery of regular and sustainable capital returns. Charlotte has successfully executed M&A activity and led the delivery of the transition to IFRS 17. The £300 million share buyback has been effectively executed and Charlotte has led extensive market, investor and analyst engagement. Internally, Charlotte has strengthened her leadership team and re-shaped our approach to transformation activity.

Charlotte's annual bonus for 2023 was 85.4% of maximum (at 128.1% of salary).

2021-23 LTIP

The formulaic vesting outcome was 91.8%, reflecting very strong performance against the Solvency II RoE target and maximum vesting of the rTSR element (performance exceeding upper quintile of the peer group).

Remuneration Committee report

Shareholder consultation
The Chair and EDs met with institutional shareholders during the year. Topics raised during 2023 included Aviva's dividend policy, capital returns, climate risk and progress against our strategic plan. A shareholder newsletter is published quarterly on aviva.com.

I look forward to continued constructive engagement with shareholders this year as we present our revised Policy for approval at the 2024 AGM.

Remuneration in 2024
Salary
Amanda will receive a salary increase of 3.7%. Charlotte will receive a salary increase of 3.9%.

The percentage increases for our EDs are below the overall increase in the UK salary budget of 6%.

2024 Annual Bonus and 2024-26 LTIP
For Amanda and Charlotte, the opportunities are unchanged from the awards made for the prior year.

	Annual bonus		
	Target opportunity	Maximum opportunity	LTIP opportunity
Group CEO	100%	200%	350%
Group CFO	100%	150%	225%

Opportunities are in line with the Policy.

2024 focus areas
The Committee will continue to focus on ensuring that remuneration fairly rewards, and is aligned with, business performance, particularly in the context of the changes being made to incentive measures following the review of the Policy.

In addition we will ensure that the broader colleague reward proposition remains competitive.

Conclusion
We have again delivered very strong results in a challenging and volatile economic environment, demonstrating the benefits of our diversified business. As a Committee, we have sought to make decisions which effectively drive and reward results, while continuing to align with UK best practice remuneration and governance expectations. I hope that this report is clear and informative and I look forward to seeing shareholders at the forthcoming AGM.

Pippa Lambert
Chair of the Remuneration Committee
6 March 2024

Remuneration at a glance

1. What are the elements of our EDs' remuneration?

Short Term | Long Term

Salary + Pension and other benefits + Bonus: Cash + Bonus: Deferred into shares released annually over three years + LTIP = Total remuneration

Fixed: Salary, Pension and other benefits | Variable: Bonus: Cash, Bonus: Deferred into shares released annually over three years, LTIP

2. How did we determine performance-based pay in 2023?

Component: 2023 Annual bonus

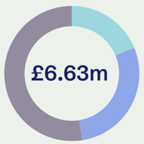
Measure	Outcome	Maximum
Cash remittances	32.7%	50%
Solvency II OFG	40.0%	
Group adjusted operating profit	13.9%	30%
Risk scorecard	19.0%	30%
Cost reduction	20.0%	
Employee engagement	10.0%	
Online experience score	5.5%	10%
Transactional Net Promoter Score (TNPS)	0.0%	10%
Total	141.1%	200%

Component: 2021-2023 LTIP

Measure	Outcome	Maximum
rTSR	45.0%	
Cumulative cash remittances	15.3%	22.5%
Solvency II RoE (adjusted for excess capital)	22.5%	
Reduction in CO_2 intensity of shareholder assets	5.0%	
Ethnically diverse employees in senior leadership roles	1.5%	2.5%
Females in senior leadership roles	2.5%	
2021 LTIP vesting outcome	91.8%	100%

3. How much did we pay our EDs in 2023?

Chief Executive Officer
Amanda Blanc



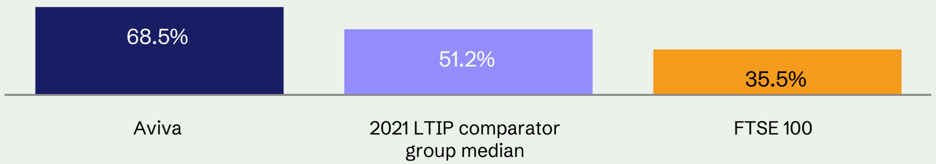
Chief Financial Officer
Charlotte Jones

Salary, pension and other benefits | Bonus | LTIP[1]

1. No LTIP vested for Charlotte Jones due to her starting in 2022 thus was not awarded a 2021 LTIP

4. Performance against our peer group and the FTSE 100 - rTSR

3 year rTSR Performance



Remuneration at a glance

5. Remuneration policy and implementation for 2024

Fixed pay

Group CEO
£1,120k (3.7% increase)

Group CFO
£735k (3.9% increase)

Pension contribution rate aligned to wider workforce (14% of basic salary)

Benefits are in line with the Policy

Annual Bonus

- Group CEO – maximum of 200% of salary
- Group CFO – maximum of 150% of salary

Operation:

1/2 paid in cash	1/2 deferred into shares

Shares released in equal tranches after years 1, 2 and 3

1 year | 2 years | 3 years

Measures
Financial measures (70% of total):

- 25% Cash remittances
- 20% Solvency II OFG
- 15% Group adjusted operating profit
- 10% Efficiency measures

Strategic measures (30% of total):

- 15% Risk scorecard
- 5% Employee engagement
- 5% Online experience score
- 5% TNPS

LTIP

- Group CEO – maximum of 350% of salary
- Group CFO – maximum of 225% of salary

Operation:
3 year performance period followed by 2 year holding period

2024 | 2026 | 2027 | 2028 | 2029

Performance period → 2-year holding period → Released

Measures
Financial measures (80 % of total):

- 40% rTSR
- 25% Cumulative cash remittances
- 15% Solvency II RoE

Strategic measures (20% of total):

- 7.5% Reduction in weighted average carbon intensity of shareholder and with-profits credit and equity assets
- 7.5% Customer scorecard
- 2.5% Females in senior leadership roles
- 2.5% Ethnically diverse employees in senior leadership roles

Shareholding requirements

Group CEO – 300% of salary

Group CFO – 225% of salary

Post-cessation shareholding requirements apply for two years

6. How remuneration is linked to our strategy

Our strategic priorities

Our incentives are aligned to our strategic priorities as set out below

- **Growth**
- **Efficiency**
- **Customer**
- **Sustainability**

2024 Annual Bonus Plan (ABP)	Strategic priorities
Gross cash remittances	Growth, Efficiency
Solvency II OFG	Growth, Efficiency
Group adjusted operating profit	Growth, Efficiency
Efficiency measures	Growth, Efficiency
Risk scorecard	Growth, Sustainability
TNPS	Customer
Online experience score	Customer
Employee engagement	Sustainability

2024-2026 LTIP	Strategic priorities
rTSR	Growth
Cumulative cash remittances	Growth, Efficiency
Solvency II RoE	Growth, Efficiency
Reduction in weighted average carbon intensity of shareholder and with-profits credit and equity assets	Sustainability
Customer scorecard	Customer
Females in senior leadership roles	Sustainability
Ethnically diverse employees in senior leadership roles	Sustainability

7. Wider workforce remuneration

Salary

6% salary increase budget for 2024 with a higher budget targeted at more junior colleagues offset by a lower budget for senior management

Pension

Aviva pays all UK colleagues at least the Real Living Wage, plus 8% enabling colleagues to benefit from our 14% matching pension contribution and save for their retirement

Living pension accreditation achieved in March 2023

Health and wellbeing

Competitive provision for all UK colleagues includes Digital GP services, and either full Private Medical Benefit, or access to physio support and critical illness cover (all company funded)

More detail can be found in Table 23

Directors' Remuneration Policy

The proposed Remuneration Policy for directors is set out in accordance with the requirements of the Companies Act 2006 (as amended) and the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) and is subject to shareholder approval at the 2024 AGM on 2 May 2024. If approved, it will apply immediately, for up to three years.

The key changes between this Policy and the current Policy as approved at the 2021 AGM are detailed below and noted in the tables that follow:

- Annual bonus - The current Policy requires two-thirds of any bonus award to be deferred. To better align with market practice and ensure our approach remains competitive and fair, we are proposing to reduce the level of deferral to 50%.
- NED benefits – The proposed policy allows flexibility to introduce health assessments for our NEDs. This change follows broader wellbeing improvements that we have made for our wider workforce in the UK.

Alignment of Group strategy with executive remuneration

The Committee considers that alignment between Group strategy and ED remuneration is critical. The Policy provides market competitive remuneration, and incentivises EDs to achieve the annual business plan and the longer-term strategic objectives of the Group. Significant levels of deferral, and within and post-employment shareholding requirements, align EDs' interests with those of shareholders and aid retention of key personnel. As well as rewarding the achievement of objectives, variable remuneration can be zero if performance thresholds are not met. Remuneration payments to Directors can only be made if they are consistent with the approved Policy.

Table 1 provides an overview of the Policy for EDs. The Policy for NEDs is in table 3.

Table 1 Key aspects of the Policy for Executive Directors

Element		
Basic salary	**Purpose** To provide core market related pay to attract and retain the required level of talent. **Operation** Annual review, with changes normally taking effect from 1 April each year. The review is informed by: • Individual and business performance. • Levels of increase for the broader employee population. • Relevant pay data including market practice among relevant FTSE listed companies of comparable size to Aviva in terms of market capitalisation, large European and global insurers, and UK financial services companies.	**Maximum opportunity** There is no maximum increase within the Policy. However, basic salary increases take account of the average basic salary increase awarded to the broader employee population. Different levels of increase may be agreed in certain circumstances at the Committee's discretion, such as: • An increase in job scope and responsibility. • Development of the individual in the role. • A significant increase in the size, value or complexity of the Group. **Assessment of performance** Any movement in basic salary takes account of the performance of the individual and the Group. **Note:** No changes proposed over current Policy.

Directors' Remuneration Policy

Element		
Annual bonus	**Purpose** To reward EDs for achievement against the Company's strategic objectives and for demonstrating the Aviva values and behaviours. Deferral provides alignment with shareholder interests and aids retention of key personnel. **Operation** Awards are based on performance in the year. Targets are normally set annually and pay-out levels are determined by the Committee based on performance against those targets and a quality of earnings assessment and risk review. **Form and timing of payment** • 50% of any bonus is payable in cash at the end of the year. • 50% of any bonus awarded is deferred into shares which vest in three equal annual tranches. Additional shares are awarded at vesting in lieu of dividends paid on the deferred shares. **Malus and clawback** Cash and deferred awards are subject to malus and clawback. Details of when these may be applied are set out in the notes below.	**Maximum opportunity** 200% of basic salary for Group CEO 150% of basic salary for other EDs **Outcome at threshold and on target** Performance is assessed against multiple measures. Threshold performance against a single measure would result in a bonus payment of no more than 25% of basic salary. 100% of basic salary is payable for on target performance. **Assessment of performance** Performance is assessed against a range of relevant financial, employee, customer and risk targets designed to incentivise the achievement of our strategy, as well as individual strategic objectives as set by the Committee. Although financial performance is the major factor in considering overall expenditure on bonuses, performance against non-financial measures including progress towards our strategic priorities and behaviours in line with our values will also be taken into consideration. **Discretion** See notes to this table. **Note:** Proposed revised Policy reduces deferral from two-thirds to half to better align with competitive practice.

Element		

Long-term incentive plan	**Purpose**
	To reward EDs for achievement against the Company's longer-term objectives; to align EDs' interests with those of shareholders and to aid the retention of key personnel and to encourage focus on long-term growth in enterprise value.
	Operation
	Shares are awarded annually which vest dependent on the achievement of performance conditions. Vesting is subject to an assessment of quality of earnings, the stewardship of capital and risk review.
	Performance period
	Three years. Additional shares are awarded at vesting in lieu of dividends on any shares which vest.
	Additional holding period
	Two years.
	Malus and clawback
	Awards are subject to malus and clawback. Details of when these may be applied are set out in the notes below.
		Maximum opportunity
		350% of basic salary.
		Performance measures
		Awards will vest based on a combination of financial, rTSR and strategic performance measures.
		The Policy provides for a minimum aggregate weighting of 80% for financial measures and rTSR and for up to 20% to be based on strategic performance measures. We would engage with shareholders before changing measures or weighting in future years.
		For the 2024 awards the measures and weightings will be:
		• 40% rTSR
		• 25% Cumulative cash remittances
		• 15% Solvency II RoE
		• 20% Strategic measures:
		  • 7.5% Carbon intensity
		  • 7.5% Customer scorecard
		  • 2.5% Ethnicity
		  • 2.5% Gender
		Vesting at threshold
		Threshold vesting for all measures is 20%.
		Discretion
		See notes to this table.
		Note:
		No changes proposed over current Policy.

Directors' Remuneration Policy

Element		
Pension	**Purpose** To give a market competitive level of provision for post-retirement income. **Operation** EDs are eligible to participate in a defined contribution plan up to the annual limit. Any amounts above annual or lifetime limits are paid in cash.	**Maximum opportunity** If suitable employee contributions are made, the Company contributes 14% of basic salary for all EDs, aligned to the rate available to the majority of the UK workforce. **Note:** No changes proposed over current Policy.
Benefits	**Purpose** To provide EDs with a suitable but reasonable package of benefits as part of a competitive remuneration package. This involves both core executive benefits, and the opportunity to participate in flexible benefits programmes offered by the Company (via salary sacrifice). This enables us to attract and retain the right level of talent necessary to deliver the Company's strategy. **Operation** Benefits are provided on a market related basis. The Company reserves the right to deliver benefits to EDs depending on their individual circumstances, which may include a cash car allowance, life insurance, private medical insurance and access to a company car and driver for business use. In the case of non-UK executives, the Committee may consider additional allowances in line with standard relevant market practice. EDs are eligible to participate in the Company's broad based employee share plans on the same basis as other eligible employees.	**Maximum opportunity** Set at a level which the Committee considers appropriate against comparable roles in companies of a similar size and complexity to provide a reasonable level of benefit. Costs would normally be limited to providing a cash car allowance, private medical insurance, life insurance, and reasonable travel benefits (including the tax cost where applicable). In addition, there may be one-off or exceptional items on a case by case basis, which would be disclosed in the DRR. **Note:** No changes proposed over current Policy.

Element		
Relocation and mobility	**Purpose** To assist with mobility across the Group to ensure the appropriate talent is available to execute strategy locally. **Operation** EDs who are relocated or reassigned from one location to another receive relevant benefits to assist them and their dependants in moving home and settling into the new location.	**Maximum opportunity** Dependent on location and family size, benefits are market related and time bound. They are not compensated for performing the role but to defray costs of a relocation or residence outside the home country. The Committee would reward no more than it judged reasonably necessary, in the light of all applicable circumstances. **Note:** No changes proposed over current Policy.
Shareholding requirements	**Purpose** To align EDs' interests with those of shareholders. **Operation** A requirement to build a shareholding in the Company equivalent to 300% of basic salary for the Group CEO and 225% for other EDs. This shareholding is normally to be built up over a period not exceeding five years (subject to the Committee's discretion where personal circumstances dictate).	Post-cessation shareholding requirements also apply to EDs being the lower of 300% of basic salary for the Group CEO and 225% for other EDs, or the holding on termination of employment, for two years post-cessation. **Note:** No changes proposed over current Policy.

Directors' Remuneration Policy

Notes to the table:

Performance measures

For the annual bonus, performance measures are chosen to align to the Group's key performance indicators and include financial, strategic, risk, employee and customer measures. Achievement against individual strategic objectives is also taken into account.

LTIP performance measures are chosen to provide an indication of both absolute and relative return generated for shareholders. In terms of target setting, a number of reference points are taken into account each year including, but not limited to, the Group's business plan and external market expectations of the Company. Maximum payouts require performance that significantly exceeds expected performance under both the annual bonus and the LTIP.

Quality of earnings assessments

Throughout the year, the Committee engages in a regular quality of earnings assessment. A quality of earnings assessment sign-off is the final step in determining annual bonus scorecard outcomes, and is performed before vesting is determined against financial measures under the LTIP.

As a minimum, at any Committee meeting where LTIP vesting or annual bonus scorecard decisions are considered, the Financial Controller or equivalent prepares a report to the Committee on the quality of earnings reflected in the results being assessed, against performance targets. Extensive information from the audited accounts is used to explain the vesting and scorecard outcomes – ranging from movements in reserves, capital management decisions, consistency of accounting treatment and period to period comparability. The Financial Controller or equivalent attends the Committee meeting to answer any questions that any member of the Committee may choose to ask. Any vesting decision or confirmation of awards is made after this process has been undertaken.

Malus and clawback

The circumstances when malus (the forfeiture or reduction of unvested shares awarded under the ABP and LTIP) and clawback (the recovery of cash and share awards after release) may apply include (but are not limited to) where the Committee considers that the employee concerned has been involved in or partially/wholly responsible for:

- A materially adverse misstatement (as defined by the Board) of the Company's financial statements, or a misleading representation of performance;
- A significant failure of risk management and/or controls;
- A scenario or event which causes material reputational damage to the Company;
- A scenario or event which causes material corporate failure;
- Any regulatory investigation or breach of laws, rules or codes of conduct;
- Misconduct which, in the opinion of the Committee, ought to result in the complete or partial lapse of an award;
- Conduct which resulted in significant loss(es) or summary termination of employment;
- Failure to meet appropriate standards of fitness and propriety;
- A material error (as defined by the Board) in the calculation of a financial or strategic measure used to determine the outcome of variable pay, or any other error or material misstatement that results in overpayment to employees;
- Any circumstances determined by the Board that mean the underlying financial health of the Group or member of the Group has significantly deteriorated, resulting in severe financial constraints which preclude or limit the ability to fund variable pay; and
- Any other circumstance required by local regulatory obligations or that, in the Board's opinion, justifies the reduction or repayment of variable pay.

The clawback period runs for two years from the date of payment in the case of the cash element of any annual bonus award.

For deferred bonus elements and LTIP awards, the overall malus and clawback period is five years from the date of grant.

Discretions

The discretions the Committee has in relation to the operation of the ABP and LTIP are set out in the plan rules. In relation to the outcomes under these plans, the Committee has unfettered discretion to adjust upward or downward (including to nil) the mechanical outcome where it considers that:

- The outcome does not reflect the underlying financial or strategic performance of the participant or the Group over the relevant period;
- The outcome is not appropriate in the context of circumstances that were unexpected or unforeseen at the award date;
- There exists any other reason why an adjustment is appropriate; and/or
- It is appropriate to do so, taking into account a range of factors, including the management of risk and good governance and, in all cases, the experience of shareholders.

Directors' Remuneration Policy

Other discretions include, but are not limited to, the ability to set additional conditions and the discretion to change or waive those conditions. Such discretions would only be applied in exceptional circumstances, to ensure that awards properly reflect underlying business performance. Any use of the discretions and how they were exercised will be disclosed, where relevant, in the DRR and, where appropriate, be subject to consultation with Aviva's shareholders.

Change in control

In the event of a change in control, unless a new award is granted in exchange for an existing award, or if there is a significant corporate event like a demerger, awards under the LTIP would normally vest to the extent that the performance conditions have been satisfied as at the date of the change in control, and unless the Committee decides otherwise, would be pro-rated to reflect the time between the date of grant and the change in control event. Awards under the ABP would normally vest on the date of the change in control and may vest if there is a significant corporate event.

Consistency of executive Policy across the Group

The Policy for our EDs is designed as part of the remuneration philosophy and principles that underpin remuneration for the wider Group. Remuneration arrangements for colleagues below the EDs take account of the seniority and nature of the role, individual performance and local market practice. The components and levels of remuneration for different colleagues may therefore differ from the Policy for EDs.

Any such elements are reviewed against market practice and approved in line with internal guidelines and frameworks.

Differentiation in reward outcomes based on performance and behaviour that is consistent with the Aviva values is a feature of how Aviva operates its annual bonus plan for its senior leaders and managers globally.

A disciplined approach is taken to moderation across the Company in order to recognise and reward the key contributors. The allocation of LTIP awards also involves strong differentiation, with expected contribution and ability to collaborate effectively in implementation of the strategy driving award levels.

Legacy payments

The Committee reserves the right to make any remuneration payments and payments for loss of office (including exercising any discretions available to it in connection with such payments) notwithstanding that they are not in line with the Policy set out above, where the terms of the payment were agreed (i) before May 2014 (the date the Company's first Policy came into effect), (ii) before the Policy set out above came into effect, provided that the terms of the payment were consistent with the Policy in force at the time they were agreed, or (iii) at a time when the relevant individual was not a director of the Company and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a director of the Company. For these purposes, 'payments' includes the Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are 'agreed' at the time the award is granted.

Approach to recruitment remuneration

On hiring a new ED, the Committee would align the proposed remuneration package with the Policy in place for EDs at the time of the appointment.

In determining the actual remuneration for a new ED, the Committee would consider the package in totality, taking into account elements such as the skills and experience of the individual, local market benchmarks, remuneration practice, and the existing remuneration of other senior executives. The Committee would ensure any arrangements agreed would be in the best interests of Aviva and its shareholders. It would seek not to pay more than necessary to secure the right candidate.

Where considered appropriate the Committee may make awards on hiring an external candidate to 'buyout' remuneration arrangements forfeited on leaving a previous employer. In doing so, the Committee would take account of relevant factors including any performance conditions attached to these awards, the form in which it was paid (e.g. cash or shares) and the timeframe of awards.

Directors’ Remuneration Policy

Buyout awards would be awarded on a ‘like for like’ basis compared to remuneration being forfeited, and would be capped to reflect the value being forfeited. The Committee considers that a buyout award is a significant investment in human capital by Aviva, and any buyout decision will involve careful consideration of the contribution that is expected from the individual.

The maximum level of variable pay which could be awarded to a new ED, excluding any buyouts, would be in line with the Policy set out above and would therefore be no more than 550% of basic salary for the Group CEO (200% of basic salary annual bonus opportunity and 350% of basic salary as the face value of a LTIP grant) and 500% of basic salary for other EDs (150% of basic salary annual bonus opportunity and 350% of basic salary as the face value of a LTIP grant).

All other elements of remuneration will also be in line with the Policy set out above.

Should the Company have any prior commitments outside of this Policy in respect of an employee promoted internally to an ED position, the Committee may continue to honour these for a period of time. Where an ED is appointed from within the organisation, the normal policy of the Company is that any legacy arrangements would be honoured in line with the original terms and conditions. Similarly, if an ED is appointed following Aviva’s acquisition of, or merger with, another company, legacy terms and conditions may be honoured.

On appointing a new NED, the Committee would align the remuneration package with the Policy for NEDs, outlined in table 3, including fees and travel benefits.

Directors' Remuneration Policy

Illustration of the Policy

The charts below illustrate how much EDs could earn under different performance scenarios in one financial year:

- **Minimum** – basic salary, pension or cash in lieu of pension and benefits, no bonus and no vesting of the LTIP.

- **Target** – basic salary, pension or cash in lieu of pension, benefits, and:
  - A bonus of 100% and a LTIP of 350% of basic salary (with notional LTIP vesting at 50% of maximum) for the Group CEO.
  - A bonus of 100% and a LTIP of 225% of basic salary (with notional LTIP vesting at 50% of maximum) for the Group CFO.

- **Maximum** – basic salary, pension or cash in lieu of pension, benefits, and:
  - A bonus of 200% and a LTIP of 350% of basic salary (with notional LTIP vesting at maximum) for the Group CEO.
  - A bonus of 150% and a LTIP of 225% of basic salary (with notional LTIP vesting at maximum) for the Group CFO.

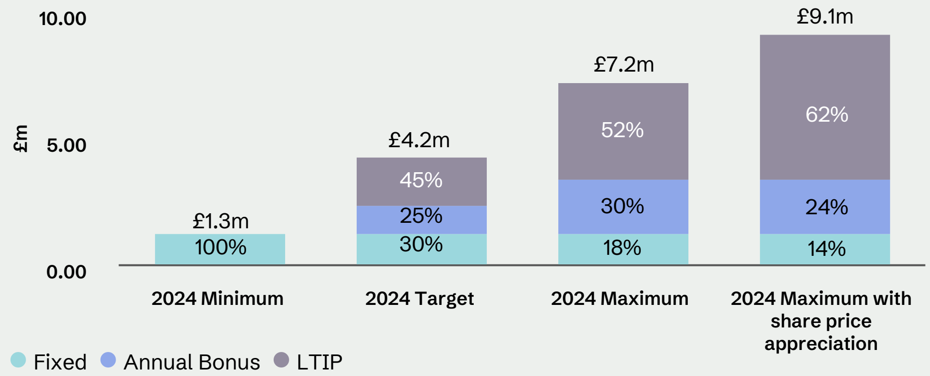
- **Maximum with share price appreciation** – indicative maximum remuneration, assuming a notional LTIP vesting at maximum and share price appreciation of 50% on the LTIP.

Employment contracts and letters of appointment

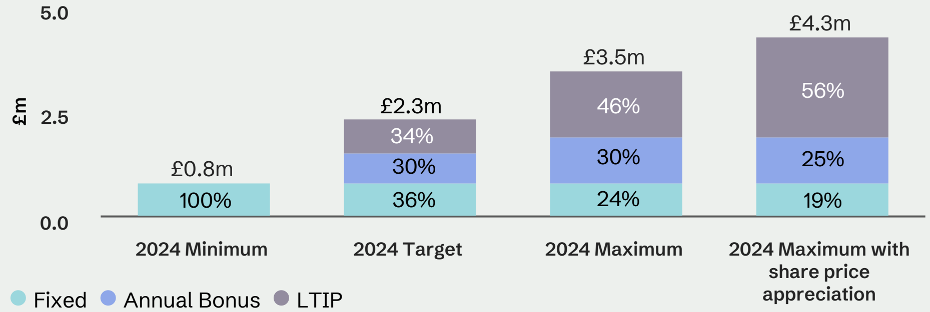
ED employment contracts and NED letters of appointment are available for inspection at the Company's registered office during normal hours of business, and at the place of the Company's 2024 AGM on 2 May 2024 from 10.15am until the close of the meeting.

The key employment terms and conditions of the current EDs, and those who served during the year, as stipulated in their employment contracts, are set out in the table below.

Potential earnings by pay element - Amanda Blanc



Potential earnings by pay element - Charlotte Jones



Notes to the charts

1. The charts are illustrative only and the actual value EDs could earn is subject to business performance and share price movement to the date of vesting of the LTIP and of the deferred share element of the annual bonus
2. Fixed pay consists of basic salary, pension as described in table 5, and estimated value of benefits provided under the Policy, excluding any one-offs. Actual figures may vary in future years.
3. The value of the deferred element of the annual bonus assumes a constant share price and does not include additional shares awarded in lieu of dividends that may accrue during the vesting period
4. The value of the LTIP assumes a constant share price (with the exception of the maximum with share price increase scenario) and does not include additional shares awarded in lieu of dividends that may accrue during the vesting period
5. The LTIP is as proposed to be awarded in 2024, which would vest in 2027, subject to the satisfaction of performance conditions. The shares would then be subject to a further two-year holding period.

Directors' Remuneration Policy

Table 2 Executive Directors' key conditions of employment

Provision	Policy	
Notice period **By the ED** **By the Company**	6 months. 12 months, rolling. No notice or payment in lieu of notice to be paid where the Company terminates for cause.	
Termination payment	Pay in lieu of notice up to a maximum of 12 months' basic salary. Any payment is subject to phasing and mitigation requirements. An ED would be expected to mitigate the loss of office by seeking alternative employment. Any payments in lieu of notice would be reduced, potentially to zero, by any salary received from such employment.	
Remuneration and benefits	The operation of the annual bonus and LTIP is at the Company's discretion.	
Expenses	Reimbursement of expenses reasonably incurred in accordance with their duties.	
Holiday entitlement	30 working days plus public holidays.	
Private medical insurance	Private medical insurance is provided for the ED and their family. The ED can choose to opt out of this benefit or take a lower level of cover. However, no payments are made in lieu of reduced or no cover.	
Other benefits	Other benefits include participation in the Company's staff pension scheme, life insurance and, where applicable, access to a Company car and driver for business related use.	
Sickness	100% of salary for the first 52 weeks and up to £150,000 per annum for a further 5 years.	
Non-compete	During employment and for nine months after leaving (less any period of garden leave) without the prior written consent of the Company.	
Contract dates	**Director** Amanda Blanc Charlotte Jones	**Date current contract commenced** 6 July 2020 5 September 2022

Policy on payment for loss of office

There are no pre-determined ED special provisions for compensation for loss of office. The Committee has the ability to exercise its discretion on the final amount actually paid. Any compensation would be based on basic salary, pension entitlement and other contractual benefits during the notice period, or a payment made in lieu of notice, depending on whether the notice is worked.

Where notice of termination of a contract is given, payments to the ED would continue for the period worked during the notice period. Alternatively, the contract may be terminated, and phased monthly payments made in lieu of notice for, or for the balance of, the 12 months' notice period. During this period, EDs would be expected to mitigate their loss by seeking alternative employment. Payments in lieu of notice would be reduced by the salary received from any alternative employment, potentially to zero. The Company would typically make a reasonable contribution towards an ED's legal fees in connection with advice on the terms of their departure.

There is no automatic entitlement to an annual bonus for the year in which loss of office occurs. The Committee may determine that an ED may receive a pro rata bonus in respect of the period of employment during the year loss of office occurs based on an assessment of performance. Where an ED leaves the Company by reason of death, disability or ill health, or any other reason determined by the Committee, there may be a payment of a pro rata bonus for the relevant year at the discretion of the Committee.

The treatment of leavers under the ABP and LTIP is determined by the rules of the relevant plans. Good leaver status under these plans would be granted in the event of, for example, the death of an ED. Good leaver status for other leaving reasons is at the discretion of the Committee, taking into account the circumstances of the individual's departure, but would typically include planned retirement, or their departure on ill health grounds.

In circumstances where good leaver status has been granted, awards may still be subject to malus and clawback in the event that inappropriate conduct of the ED is subsequently discovered post departure, and retirees are subject to post-activity restrictions which allow the Committee to reduce or recover awards if certain employment is taken elsewhere. If good leaver status is not granted, all outstanding awards will lapse.

In the case of LTIP awards, where the Committee determines an ED to be a good leaver, vesting is normally based on the extent to which performance conditions have been met at the end of the relevant performance period, and the proportion of the award that vests is pro-rated for the time from the date of grant to final date of service (unless the Committee decides otherwise). Any decision not to apply this would only be made in exceptional circumstances and would be fully disclosed. It is not the practice to allow such treatment.

Directors' Remuneration Policy

Consideration of wider employee pay and shareholder views

When determining the Policy and arrangements for our EDs, the Committee considers:

- Pay and employment conditions elsewhere in the Group to ensure that pay structures are suitably aligned and that levels of remuneration remain appropriate. The Committee reviews levels of basic salary increases for other employees and executives based on their respective locations. It reviews changes in overall bonus pool funding and long-term incentive grants. The Committee considers feedback on pay matters from sources including the employee opinion survey and employee forums. The Committee also takes into account information provided by the people function and external advisers and the Committee Chair has in place a programme of consultation and meetings with employee forums including trade unions, Your Forum and the Evolution Council to discuss remuneration.
- In its ongoing dialogue with shareholders, the Committee seeks shareholder views and takes them into account when any significant changes are being proposed to remuneration arrangements and when formulating and implementing the Policy. For example, there was detailed engagement with our largest shareholders regarding the proposed Policy during 2023.

Non-Executive Directors

The table below sets out details of our Policy for NEDs.

Table 3 Key aspects of the Policy for Non-Executive Directors

Element		
Chair and NEDs' fees	**Purpose** To attract individuals with the required range of skills and experience to serve as a Chair or as a NED. **Operation** NEDs receive a basic annual fee in respect of their Board duties. Further fees are paid for membership and, where appropriate, chairing Board committees. The Chair receives a fixed annual fee. Fees are reviewed annually taking into account market data and trends and the scope of specific Board duties. NEDs are able to use up to 100 % of their post-tax base fees to acquire shares in Aviva plc. The Chair and NEDs do not participate in any incentive or performance plans or pension arrangements and do not receive an expense allowance. NEDs are reimbursed for reasonable expenses, and any tax arising on those expenses is settled directly by Aviva. To the extent that these are deemed taxable benefits, they will be included in the DRR, as required. NEDs may be provided with benefits, if deemed appropriate including health and wellbeing benefits.	**Maximum opportunity** The Company's Articles of Association provide that the total aggregate remuneration paid to the Chair of the Company and NEDs will be determined by the Board within the limits set by shareholders and detailed in the Company's Articles of Association. **Note:** Proposed revised Policy includes addition of health and wellbeing benefits.
Chair's travel benefits	**Purpose** To provide the Chair with suitable travel arrangements for them to discharge their duties effectively.	The Chair has access to a company car and driver for business use. Where these are deemed a taxable benefit, the tax is paid by the Company.

Directors' Remuneration Policy

Element		
NED travel and accommodation	**Purpose** To reimburse NEDs for appropriate business travel and accommodation, including attending Board and committee meetings.	**Operation** Reasonable costs of travel and accommodation for business purposes are reimbursed to NEDs. On the limited occasions when it is appropriate for a NED's spouse or partner to attend, such as a business event, the Company will meet these costs. The Company will meet any tax liabilities that may arise on such expenses.

The NEDs, including the Chair of the Company, have letters of appointment which set out their duties and responsibilities. The key terms of the appointments are set out in the table below.

Table 4 Non-Executive Directors' key terms of appointment

Provision	Policy
Period	In line with the requirement of the Code, all NEDs, including the Chair, are subject to annual re-election by shareholders at each AGM.
Termination	By the director or the Company at their discretion without compensation upon giving one month's written notice for NEDs and three months written notice for the Chair of the Company.
Fees	As set out in table 22.
Expenses	Reimbursement of travel and other expenses reasonably incurred in the performance of their duties.
Time commitment	Each director must be able to devote sufficient time to the role in order to discharge responsibilities effectively.

Director	Appointment date[1]	Appointment end date[2]	Committee: Nomination and Governance	Audit	Risk	Customer and Sustainability	Remuneration
George Culmer	25 September 2019	AGM 2024	C				
Andrea Blance	21 February 2022	AGM 2024	●	●	C		●
Mike Craston	17 May 2022	AGM 2024	●			●	
Patrick Flynn	16 July 2019	AGM 2024	●	C	●		●
Shonaid Jemmett-Page	20 December 2021	AGM 2024	●	●	●	C	
Mohit Joshi	1 December 2020	AGM 2024	●		●		
Pippa Lambert	1 January 2021	AGM 2024	●			●	C
Jim McConville	1 December 2020	AGM 2024	●	●	●	●	●
Michael Mire	12 September 2013	AGM 2024	●			●	
Martin Strobel	22 October 2021	AGM 2024	●	●	●		

1. The dates shown reflect the date the individual was appointed to the Aviva plc Board
2. All appointment end dates are the 2024 AGM, in accordance with the NEDs' letters of appointment

Committee membership key

- Nomination and Governance Committee
- Audit Committee
- Risk Committee
- Customer and Sustainability Committee
- Remuneration Committee
- C Chair

Annual report on remuneration

This section of the report sets out how Aviva has implemented its Policy during 2023.

This is in accordance with the requirements of the Large & Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended).

Committee membership

The members of the Committee during the year are shown below.

	Appointed	Years on the Committee
Pippa Lambert[1]	1 January 2021	3
Patrick Flynn	15 June 2020	4
Andrea Blance	21 February 2022	2
Jim McConville	1 February 2023	1

1. Became Chair of the Committee on 14 September 2021

The Committee met seven times during 2023, all of which were scheduled meetings. Details of Committee members' experience, qualifications and attendance at Committee meetings during the year are shown in the 'Our Board of Directors' section of the Governance report.

The Group Chair attended all meetings of the Committee. The Group General Counsel and Company Secretary acted as secretary to the Committee. The Chair of the Committee reported to subsequent meetings of the Board on the Committee's work and the Board received a copy of the minutes of each Committee meeting.

During the year, the Committee received assistance in considering executive remuneration from a number of senior managers, who attended certain meetings (or parts thereof) by invitation during the year, including:

- the Group CEO;
- the Group Chief People Officer;
- the Group Reward and Performance Director;
- the Chief Financial Controller;
- the Group Financial Planning Director;
- the Chief Audit Officer; and
- the Group Chief Risk Officer.

No person was present during any discussion relating to their own remuneration.

During the year, the Committee received advice on executive remuneration matters from Deloitte LLP. Deloitte LLP were approved by the Committee and appointed as their advisers in 2012 following a competitive tender process. The Committee regularly reviews and satisfies itself that the advice received from Deloitte LLP is independent and objective.

The Committee notes Deloitte LLP is a member of the Remuneration Consultants Group and adheres to its Code of Conduct. During the year, Deloitte LLP also provided advice to the Group on various taxation, risk, compliance and other consulting advisory services.

Tapestry Compliance Limited, appointed by the Company, provided legal and regulatory advice on share incentive plan related matters, including on senior executive remuneration matters and views on shareholder perspectives.

During the year, Deloitte LLP were paid fees totalling £208,300 and Tapestry Compliance Limited were paid fees totalling £46,292 for their advice to the Committee on these matters. Fees were charged on a time plus expenses basis.

Annual report on remuneration

The Committee reflects on the quality of the advice provided and whether it properly addresses the issues under consideration as part of its normal deliberations. The Committee is satisfied that the advice received during the year was objective and independent.

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 Our approach to governance section of the Governance report.

Committee activities during 2023

Governance, regulatory issues and reporting policy

- Reviewed and developed a new proposed Policy to be put forward for shareholder approval at the 2024 AGM, taking into account the views of shareholders.
- Reviewed updates from external advisers on the regulatory environment and on benchmarking the Group's remuneration policies and practices against industry best practice.
- Reviewed and approved the Company's annual remuneration regulatory reporting and disclosures.
- Reviewed and approved the Reward Governance Framework Policies.
- Approved the list of in scope staff in respect of the different regulatory regimes to which the Company is subject.

Senior management objectives, pay decisions and bonus and LTIP target setting

- Discussed and approved the annual bonus targets for 2024.
- Reviewed and approved the proposed individual remuneration for each member of the ExCo in relation to their performance.
- Agreed an appropriate approach to remuneration packages for incoming and outgoing ExCo members in line with policy.
- Reviewed wider workforce pay and employment terms and conditions.
- Concluded its review of 2023 performance:
  - Reviewed the Risk and Internal Audit 2022 Performance Opinion in relation to remuneration.
  - Discussed and approved the overall maximum bonus pool available to senior managers for the 2022 performance year, taking into account measures on customer, culture and risk as well as on financial performance.

Share plan operation and performance testing

- Reviewed performance testing of all existing LTIP awards, approved targets for future LTIP awards.
- Approved vesting outcomes for the 2020 LTIP and noted the interim testing for the 2021, 2022 and 2023 awards.
- Reviewed and approved any application of malus and clawback.
- Approved the terms of the SAYE, the Aviva Ireland Save as You Earn Scheme, the Ireland Profit Share Scheme, and the invitation terms for eligible employees.

The Committee's decisions were taken in the context of the Reward Governance Framework, which sets out the key policies, guidelines and internal controls and is summarised on the next page.

Annual report on remuneration

Reward Governance Framework

Terms of reference, policies and guidelines

Terms of reference	**Remuneration Committee terms of reference** Sets out the Committee's scope and responsibilities, including authorities which may be delegated but which still retain Committee oversight		
	Subsidiary board remuneration committee terms of reference Sets out the subsidiary remuneration committees' scopes and responsibilities		
Overarching policy	**Aviva Remuneration Policy** Approved by the Committee, applies to all employees in entities within Aviva Group	**Directors' Remuneration Policy** Approved by shareholders, applies to directors of Aviva Group plc	
Supporting policies	**Identification of remuneration regulated employees**	**Variable pay and risk adjustment** (includes bonus, LTIPs, buyout, retention, recognition awards and funding)	**Malus and clawback**
Internal guidelines and non-Remuneration Committee approved policies (examples)	Benchmarking	Bonus deferral	Buyouts and guarantees
	Global mobility	Retention awards	Specialist incentive schemes

Control and assurance

Remuneration business standard
Assurance framework to attest reward operations are conducted within the Aviva Remuneration Policy, Directors' Remuneration Policy and supporting policies

Reward approvals framework
Approval requirements to ensure Reward operations are conducted within the Aviva Remuneration Policy, Directors' Remuneration Policy and supporting policies

Key
Element of the Reward Governance Framework managed as part of the business of the Committee
Element of the Reward Governance Framework managed mainly under delegated authority from the Committee

Annual report on remuneration

Alignment with the UK Corporate Governance Code

The Committee is mindful of the UK Corporate Governance Code's six principles when it determines remuneration policy. The Committee's view is that the Remuneration Framework at Aviva is well-aligned with these areas.

Clarity
- Our remuneration framework is structured to support the financial and strategic objectives of the Company, aligning the interests of our EDs with those of shareholders and wider stakeholders.
- We are committed to transparent communication with all our stakeholders, including shareholders – further details of our engagement process for the Policy are set out under the consideration of wider colleague pay and shareholder views section.

Risk

Our reward structure ensures risk events are reflected in remuneration outcomes through:
- Opinion from Risk on appropriate performance measures and targets; risk, performance management and consequence management inputs are considered before awards are made.
- Overarching discretion is retained to adjust formulaic outcomes to properly reflect any risk events.
- Deferral of annual bonus (over three years) and LTIP (five years, including an additional two-year holding period for EDs), subject to malus and clawback provisions which mitigates against future risk.
- Our within- and post-employment shareholding guidelines align to the successful delivery of the company's long-term strategy.

Simplicity
- We operate a simple remuneration framework, comprising fixed pay elements, along with short- and long-term variable elements.
- This structure provides clear line of sight for both executives and shareholders.
- The annual bonus and LTIP are focused on our strategic priorities, rewarding performance against key measures of success for the business.

Proportionality
- There is clear alignment between the performance of the Company and the rewards available to EDs.
- Incentive elements are closely aligned to our strategic goals, transparent and robustly assessed, with the Committee having full discretion to adjust outcomes to ensure they align with overall Aviva performance.

Predictability
- The Policy sets out the possible future value of remuneration which EDs could receive, including the impact of share price appreciation of 50 % – see under the illustration of the Policy for further details.

Alignment to culture
- We are committed to effective stakeholder and colleague engagement.
- As part of this, the Committee regularly reviews data and insights relating to pay and broader employment conditions in the workforce, and takes these into account when considering executive remuneration.

Annual report on remuneration

Views

Shareholders

In its ongoing dialogue with shareholders and proxy advisory bodies, the Committee actively seeks their views, ensuring that feedback received is discussed at Committee meetings and ultimately feeds into the development of new proposals. We consulted with major shareholders and their representatives during 2023 in preparation for presenting our Policy to shareholders at the 2024 AGM.

Our colleagues

The Committee has sight of colleague views through the colleague engagement survey (Voice of Aviva), input from the People function during Committee meetings, colleague forums and the Evolution Council, chaired by the Board Chair. Specifically for the last two channels:

- The Committee Chair met with Your Forum (a fully elected employee forum representing UK colleagues) and members of Unite the Union in April 2023. Discussion included matters of interest to colleagues and members covering areas such as Smart Working, Recruitment and Retention, the Company's ongoing response to the cost of living challenges as well as our sustainability goals and strategy for the future.
- The Evolution Council consists of a diverse group of high calibre leaders from across the business who discuss a range of topics related to the Group strategy, values, culture and performance.

When determining the Policy and arrangements for EDs, the Committee also reviews:

- Pay and employment conditions elsewhere in the Group to ensure reward structures are suitably aligned and that levels of remuneration remain appropriate, as set out below table 16. Other considerations include:
  - Changes in remuneration (salary, benefits and bonus) of UK colleagues compared with that of directors (see table 12).
  - The ratio of CEO pay to that of colleagues (see tables 15 and 16).
  - Gender and ethnicity pay gaps. We released our UK Pay Gap Report 2023 in February 2024. This was the seventh year that we published our gender pay gap and the second time we published our ethnicity pay gap. The report also included details of actions we are taking to drive change and close the gap. The report can be found at www.aviva.com/about-us/uk-pay-gap-report.
  - Any material changes to benefit and pension provision for colleagues more widely.

Single total figures of remuneration for 2023

The table below sets out the total remuneration for 2023 and 2022 for each of our EDs.

Table 5 Total 2023 remuneration – Executive Directors (audited information)

	Executive Directors				Total emoluments of Executive Directors	
	Amanda Blanc		Charlotte Jones[6]			
	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000
Basic salary[1]	1,068	1,023	699	220	1,767	1,242
Benefits[2]	48	59	18	2	66	61
Pension[3]	131	125	86	27	217	152
Total fixed pay	1,247	1,206	804	249	2,051	1,455
Annual bonus[4]	1,902	2,001	906	283	2,808	2,284
LTIP[5]	3,479	2,242	—	—	3,479	2,242
Total variable pay	5,381	4,243	906	283	6,287	4,526
Total[7]	6,628	5,449	1,710	532	8,338	5,981

1. Basic salary received during the relevant year
2. The benefits disclosure includes the cost, where relevant, of private medical insurance, life insurance, accommodation, travel and car benefits. All numbers disclosed include the tax charged on the benefits, where applicable.
3. Pension contributions consist of employer defined contribution benefits, excluding salary exchange contributions made by the employees, plus cash payments in lieu of pension. Amanda and Charlotte received cash payments equivalent to a pension contribution of 14%, reduced for the effect of employers' National Insurance contributions when paid as cash. No ED has a prospective entitlement to benefit in a defined benefit scheme.
4. Bonus payable in respect of the financial year including any deferred element at the face value at the date of award. EDs are required to defer two-thirds of any bonus awarded in 2022 and 2023 into Aviva shares. The deferred share element is granted under the ABP and will vest in equal tranches on the first, second and third anniversary of the award date, subject to continued employment.
5. The value of the LTIP awards for 2023 relate to the 2021 award, which had a three-year performance period ending 31 December 2023. 91.8% of the award will vest in March 2024 and is the first full year of LTIP vesting Amanda is receiving (2020 award that vested in 2023 was prorated for service in 2020 and there was a 10% downward adjustment to reflect potential windfall gains). An assumed share price of 413.49 pence has been used to determine the value of the award based on the average share price over the final quarter of the 2023 financial year. The amount of the value of the LTIP that is attributable to share price appreciation (the appreciation being the difference between the face value at the date of award and the vested value of the award) is £156k. The LTIP amounts shown in last year's report in respect of the LTIPs awarded in 2020 were calculated with an assumed vesting share price of 429.65 pence. The actual share price at vesting was 416.00 pence, and the table has been updated to reflect this change. The estimated value of the award was £2,315k; the actual value was £2,242k (decrease of £73k).
6. Charlotte Jones was appointed as Group CFO on 5 September 2022; the figures for 2022 reflect the period since her appointment. Year-on-year increase in total fixed pay is primarily due to 2022 figures only reflecting part-year remuneration. The 2023 nil LTIP amount reflects the fact that Charlotte was not employed by Aviva at the time the LTIP was awarded in 2021.
7. The EDs have not received any items in the nature of remuneration other than those disclosed in table 5. Due to rounding the totals above may be higher than the sum of individual elements.

Annual report on remuneration

2023 Annual bonus outcomes

The chart below summarises how our annual bonus[1] operated for 2023.

Step I

Financial measures

- **25% Cash remittances**
- **20% Solvency II OFG**
- **15% Group adjusted operating profit**
- **10% Cost reduction**

Performance against financial measures subject to a quality of earnings assessment.

Strategic measures

- **15% Risk scorecard**
- **5% Employee engagement**
- **5% Online experience score**
- **5% TNPS**

Performance is assessed against defined minimum, target and maximum targets

Step II - Individual performance

The bonus scorecard outcome from step I may then be modified based on:

- Individual contribution and achievements;
- Individual contribution in driving progress against Group strategic objectives;
- The leadership they have exhibited; and
- How the individual has demonstrated Aviva's values.

Individual adjustments are not determined in a formulaic manner. The Committee reviews overall performance against each individual's objectives and applies judgement as to whether any adjustment is warranted. In recent years adjustments have ranged from -17.5% to +35%.

1. This approach also used as the basis for determining bonuses for colleagues across the Group. For Aviva Investors, bonus funding is primarily based on profitability.

Step I - Bonus scorecard

The table below sets out performance against financial and strategic measures under the bonus scorecard. The overall scorecard outcome percentage applies to all EDs.

Table 6 2023 performance against bonus scorecard for Executive Directors' bonuses (audited information)

Measure	Weighting	Minimum (50%)	Target (100%)	Maximum (200%)	Actual	Outcome
Financial measures (70% of total)						
Cash remittances	25.0%	£1,820m	£1,875m	£1,930m	£1,892m	32.7%
Solvency II OFG	20.0%	£1,335m	£1,445m	£1,555m	£1,729m	40.0%
Group adjusted operating profit	15.0%	£1,340m	£1,490m	£1,640m	£1,467m	13.9%
Cost reduction[1]	10.0%	£700m	£725m	£750m	£757m	20.0%
Total financial measures	70.0%					106.6%
Strategic measures (30% of total)						
Risk scorecard[2]	15.0%	7.5%	15.0%	30.0%	19.0%	19.0%
Employee engagement	5.0%	79.0%	82.0%	87.0%	88.0%	10.0%
Online experience score	5.0%	54.0%	57.0%	60.0%	57.3%	5.5%
TNPS	5.0%	39.0	42.0	45.0	36.3	0.0%
Total strategic measures	30.0%					34.5%
Scorecard outcome	100.0%					141.1%

1. Cumulative gross of inflation savings versus 2018 baseline
2. The risk scorecard objectively assesses and reports on how effectively first line Aviva employees and senior management manage risk and controls. The risk scorecard considered risk behaviours, outcomes and a second line check and challenge. The Group outturn rating reflects ongoing progress with strengthening the risk and control environment and desired risk culture throughout Aviva.

Annual report on remuneration

Step II – Individual performance

The Committee assessed Amanda and Charlotte on their individual performance in the year which is set out below.

Amanda Blanc

Amanda's exceptional leadership has delivered another strong year for Aviva.
Key achievements include:

- A strong set of financial results with 12% growth in Solvency II OFG, 9% growth in Group adjusted operating profit, £1.9 billion of cash remittances and delivery of in excess of £750 million expense savings one year earlier than planned.
- Successfully progressing the strategy of pivoting Aviva to capital-light; this includes outperforming the competition in the growth of General Insurance, Workplace, Protection and Health, as well as the acquisitions of AIG's UK protection business (subject to regulatory approvals) and Optiom in Canada.
- £300 million share buyback – bringing the return to shareholders, including dividends, over the last three years to £9 billion and upgraded forward dividend guidance announced in March 2023.
- Announcing the divestment of Aviva's Singapore business realising c.£930 million of total consideration.
- Working with industry, government, and regulators to shape relevant legislation - for example Solvency II and the Mansion House Compact.
- Phase 1 of implementation of New Consumer Duty deadline met for active products with minimal disruption to customers and to operations.
- Employee engagement at an all-time high of 88% and 7% above Financial Services (FS) norms[1]. Colleagues feeling motivated by the strategy up 9% across the Group. Aviva also achieved Great Place to Work accreditation.
- Continued strengthening of the senior leadership team through the appointment of James Hillman as Group Chief Risk Officer, Tracy Garrad as CEO Aviva Canada and Jason Storah as CEO of UK&I General Insurance.
- Successfully negotiated new long-term contracts with two strategic partners in Insurance, Wealth & Retirement (IWR) delivering material benefits for customers and shareholders.
- Substantial progress in foundations for customer digital journeys including Direct Wealth app, Health Quote & Buy journey and a step change in self-serve for Pension customers.
- Implementation of IFRS 17 – performing well against peers.
- Continued to represent Aviva through external activity. Participation in a number of industry and public forums such as the Prime Minister's Business Council and the ABI Board. Voted City AM Personality of the Year, also received The Insurance Times Industry Achiever Award and Insurance Post's BIA Achievement Award.

1. FS norms are provided by Perceptyx. The benchmark is composed of 53 global financial services organisations.

Charlotte Jones

Charlotte and the finance function supported Aviva well in a strong year.
Key achievements include:

- Supported the delivery of strong financial results while maintaining resilient balance sheet strength and effective capital management to enable investment for growth and efficiency in the business and deliver on regular and sustainable capital return.
- Driven strong effective performance management processes across the Group, ensuring Aviva exceeded the external financial targets relating to Solvency II OFG and cash remittances and exceeded the £750 million expense saving target one year earlier than planned.
- Led the delivery of the transition to IFRS 17 and communication to the market.
- Ensured execution and delivery of £300 million share buyback, updated external dividend guidance, successfully completed debt consent process and raised £500 million sub-debt at optimal rates.
- Successfully executing merger and acquisition activity including announcing the disposal of Singapore and the acquisitions of Optiom in Canada and AIG's UK protection business (subject to customary closing conditions and regulatory approvals).
- Led extensive market, investor and analyst engagement, including one to one meetings, roadshows, external conferences and leading the Personal Lines Business In Focus market presentation.
- Strengthened the Finance Leadership Team with a number of key appointments critical to both the future success of Finance and the wider business.
- Reshaped approach to Group Transformation activity with new leadership and more effective oversight across the Group.

Annual report on remuneration

The Committee considered that in light of Amanda and Charlotte's performance during the year, it was appropriate to apply an individual adjustment of 35% to Amanda's bonus outcome and 15% to Charlotte's bonus outcome.

Table 7 2023 bonus outcomes for Executive Directors (audited information)[1]

	Amanda Blanc	Charlotte Jones
Bonus scorecard (0% – 200%)	141.1%	141.1%
Committee discretion	0.0%	0.0%
Sub total		
Individual adjustment	35.0%	15.0%
Final outcome	**176.1%**	**156.1%**
Target opportunity (% of salary)	100.0%	100.0%
Maximum opportunity for 2023 (% of salary)[1]	200.0%	150.0%
Final bonus outcomes		
% of salary[2]	176.1%	128.1%
% of maximum	88.1%	85.4%
£ amount	£1,901,880	£905,954

1. The Group CEO has a maximum bonus opportunity, inclusive of any individual adjustment, of two times target (i.e. 200% of salary) while the Group CFO has a maximum opportunity, inclusive of any individual adjustment, of one and a half times target (150% of salary)
2. The bonus scorecard for EDs can range from 0% to 200%. When the final outcome is above 100%, the resulting final bonus outcome, as a percentage of salary, is on a '1% for 1%' basis for the Group CEO and on a '2% for 1%' basis for other EDs; e.g. a final outcome of 140% would result in a bonus of 140% of salary for the Group CEO and 120% of salary for other EDs. When below 100%, scaling is '1% for 1%', such that a final outcome of 80% would result in a bonus of 80% of salary for all EDs, including the Group CEO.

Discretion

The Committee is conscious of the provisions of the 2018 Code, with remuneration committees being encouraged to review incentive outcomes (ABP and LTIP) against individual and company performance, together with any wider circumstances, and to exercise independent judgement and discretion in relation to remuneration outcomes. Taking into account the impact of the outcome of the quality of earnings assessment (see next page), the Committee is of the view that these outcomes appropriately reflect the overall performance of Aviva during the year and align with the experience of shareholders and no discretion was exercised.

2021 LTIP vesting in respect of performance period 2021-2023

The outcomes for the 2021 LTIP are detailed in the table below.

Table 8 2021 LTIP award – performance conditions (audited information)

Measure		Threshold (20% vest)[1]	Maximum (100% of vest)	Vesting (% of maximum)
rTSR[2] - 45%		Median	Upper Quintile	
	Aviva performance		Upper Quintile	45.0%
Cumulative cash remittances[3] - 22.5%		£5.1bn	£5.6bn	
	Aviva performance	£5.4bn		15.3%
Solvency II RoE (adjusted for excess capital)[3] - 22.5%		10%	12%	
	Aviva performance		14.9%	22.5%
Reduction in CO_2 intensity of shareholders' assets[4] - 5%		10%	15%	
	Aviva performance		54.5%	5.0%
Ethnically diverse employees in senior leadership roles[5] - 2.5%		7.5%	12.5%	
	Aviva performance	10.0%		1.5%
Females in senior leadership roles[6] - 2.5%		36%	40%	
	Aviva performance		40.6%	2.5%
Final outcome				**91.8%**

1. Threshold vesting is 20% for each performance measure independently
2. Aviva's rTSR performance was assessed against that of the following companies: Aegon, Allianz, Assicurazioni Generali, AXA, Direct Line Group, Intact, Legal & General, Lloyds Banking Group, M&G, Phoenix and Zurich Insurance. The performance period for the rTSR performance condition was the three years beginning 1 January 2021. For the purposes of measuring the rTSR performance condition, the Company's TSR and that of the comparator group is based on the 90-day average TSR for the period immediately preceding the start and end of the performance period.
3. Any vesting of the SII RoE and Cumulative cash remittances elements of the LTIP are subject to a SII shareholder cover ratio that meets or exceeds the minimum of the stated working range (range: 160% to 180%)
4. Reduction in CO_2 intensity of shareholder assets over the three-year performance period is aligned to Aviva Group's target of being Net Zero by 2040. A 54.5% reduction in the CO_2 intensity of shareholder credit and equities has been achieved in 2023 from our 31 December 2020 baseline with delivery underpinned by the embedding of carbon intensity into our investment strategy, including the implementation of our coal exclusions policy and divestments, stewardship actions and ongoing emission reduction activities.
5. Percentage of colleagues in senior leadership roles in the UK who identify their ethnicity as anything other than 'white'
6. Percentage of colleagues in senior leadership roles in the UK, Ireland, Canada who identify as female

Amanda was granted 759,493 conditional shares under the LTIP on 27 May 2021 for the three-year performance period from 1 January 2021 to 31 December 2023. An additional 157,044 shares have accrued as dividend equivalents.

On a formulaic basis, the 2021 LTIP award vested at 91.8% of maximum. The outcome reflects very strong performance across the measures.

Annual report on remuneration

Quality of earnings assessment – 2023 remuneration decisions

The Committee discussed those items that impacted the overall results in 2023 e.g. foreign exchange, acquisitions and disposals, life assumption and modelling changes, prior year reserve development, and other items that are non-recurring in nature. This process provides the Committee with an understanding of the core profitability of the business taking these factors into account.

Malus and clawback

As part of the annual pay review process, the Committee has considered whether any recovery or withholding under the malus and clawback provisions of Aviva's incentive plans is required by any current circumstances.

No incidents concerning the EDs are currently subject to action under Aviva's Malus and Clawback policy (2022: No incidents).

Share awards granted to EDs during the year are set out below.

Table 9 Awards granted during the year (audited information)

	Date of award	Award type[1]	Face value (% of basic salary)[2]	Face value (£)[2]	Threshold performance (% of face value)[3]	Maximum performance (% of face value)	End of performance period	End of vesting/ holding period
Amanda Blanc	20 Mar 2023	LTIP	350%	£3,605,000	20%	100%	31 Dec 2025	20 Mar 2028
	20 Mar 2023	ABP	130%	£1,334,190	N/A	N/A	N/A	20 Mar 2026
Charlotte Jones	20 Mar 2023	LTIP	225%	£1,518,997	20%	100%	31 Dec 2025	20 Mar 2028
	20 Mar 2023	ABP	28%	£188,610	N/A	N/A	N/A	20 Mar 2026

1. ABP and LTIP awards have been granted as conditional share awards. The LTIP is a conditional right to receive shares, which vest at the end of a three-year performance period, with an additional two-year holding period. ABP represents two-thirds of the 2022 bonus, which is deferred into shares and vests in three equal annual tranches. Shares issued in lieu of dividends accrue on ABP and LTIP awards during the ABP deferral period and the LTIP performance period.
2. Face values for the awards granted on 20 March 2023 have been calculated using the average of the middle-market closing price of an Aviva ordinary share on the three consecutive business days immediately preceding the date of the main grant for employees, 20 March 2023, of 409.00 pence
3. Threshold vesting is 20% for each performance measure independently. This means less than 20% may vest overall.

Targets for LTIP awards made in 2023

Three-year targets are set annually within the context of the Company's strategic plan. The 2023 targets are provided below.

Table 10 2023 LTIP performance targets (audited information)

Measure	Weighting	Below threshold	Threshold		Maximum	Above maximum
Vesting		0 %	20%	20-100%	100%	100%
rTSR[1]	40%		Median		Upper quintile	
Cumulative cash remittances[1]	25%		£5.5bn		£6.0bn	
Solvency II RoE (adjusted for excess capital)[2]	15%		15%		17%	
Reduction in CO_2 intensity of shareholders' assets and with-profit funds[3]	7.5%		12.5%		17.5%	
RNPS gap to competition[4]	7.5%		8.0		11.0	
Ethnically diverse employees in senior leadership roles[5]	2.5%		12.0%		14.0%	
Females in senior leadership roles[6]	2.5%		38.0%		41.0%	

1. Aviva's rTSR performance will be assessed against that of the following companies: Admiral, Allianz, AXA, Direct Line Group, Hargreaves Lansdown, Hiscox, Intact, Legal & General, Lloyds Banking Group, M&G, Phoenix, Quilter and Zurich Insurance Group. The performance period for the TSR performance condition is the three years beginning 1 January 2023. For the purposes of measuring the TSR performance condition, the Company's TSR and that of the comparator group will be based on the 90-day average TSR for the period immediately preceding the start and end of the performance period.
2. Any vesting of the Solvency II RoE and Cumulative cash remittances elements of the LTIP are subject to a Solvency II shareholder cover ratio that meets or exceeds the minimum of the stated working range (Range: 160% to 180%)
3. Reduction in CO_2 intensity of shareholder assets and with-profit funds over the three-year performance period is aligned to Aviva Group's ambition of being Net Zero by 2040
4. RNPS is calculated on gap to competition over a three-year average
5. Percentage of colleagues in senior leadership roles in the UK, Ireland and Canada who identify their ethnicity as anything other than 'white'
6. Percentage of colleagues in senior leadership roles in the UK, Ireland and Canada who identify as female

Payments to past directors (audited information)

There were no payments made to past directors during the year.

Payments for loss of office (audited information)

There were no payments for loss of office made during the year.

Annual report on remuneration

The table below sets out the total remuneration earned by each NED who served during 2023 for Group-related activities.

Table 11 Total 2023 remuneration for Non-Executive Directors (audited information)

	Aviva plc						Subsidiaries						Group	
	Fees		Benefits[1]		Total		Fees		Benefits[1]		Total		Total	
	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000
Chair														
George Culmer	**550**	550	**15**	14	**565**	564	**—**	—	**—**	—	**—**	—	**565**	564
NEDs														
Andrea Blance[2]	**175**	144	**9**	4	**184**	148	**—**	—	**—**	—	**—**	—	**184**	148
Mike Craston[2]	**104**	74	**11**	6	**115**	80	**205**	129	**—**	3	**205**	132	**320**	212
Patrick Flynn[3]	**210**	210	**8**	9	**218**	219	**—**	—	**—**	—	**—**	—	**218**	219
Shonaid Jemmett-Page[4]	**170**	156	**10**	4	**180**	160	**—**	—	**—**	—	**—**	—	**180**	160
Mohit Joshi	**105**	105	**4**	2	**109**	107	**—**	—	**—**	—	**—**	—	**109**	107
Pippa Lambert	**145**	145	**4**	2	**149**	147	**—**	—	**—**	—	**—**	—	**149**	147
Jim McConville[5]	**154**	151	**16**	19	**170**	170	**150**	113	**10**	12	**160**	125	**330**	295
Michael Mire[6]	**100**	125	**6**	4	**106**	129	**—**	—	**—**	—	**—**	—	**106**	129
Martin Strobel	**125**	125	**15**	16	**140**	141	**150**	84	**4**	22	**154**	106	**294**	247
Total emoluments of NEDs	**1,838**	1,785	**98**	80	**1,935**	1,864	**505**	326	**14**	37	**519**	363	**2,454**	2,228

1. Benefits include the gross taxable value of expenses relating to accommodation, travel and other expenses incurred on Company business in accordance with our expense policy and may vary year-on-year dependent on the time required to be spent in the UK
2. Andrea Blance was appointed to the Board on 21 February 2022 and Mike Craston on 17 May 2022
3. Patrick Flynn was appointed as Senior Independent Director of Aviva plc on 7 September 2020
4. Shonaid Jemmett-Page joined the Audit Committee and the Risk Committee on 14 February 2022; she became chair of the Customer and Sustainability Committee on 17 May 2022
5. Jim McConville stood down as Chair of the Customer and Sustainability Committee, remaining a member, on 17 May 2022. He joined the Remuneration Committee on 1 February 2023.
6. Michael Mire stood down from the Risk Committee and Remuneration Committee on 14 September 2022

The Aviva plc total fees paid to NEDs in 2023 was £1,838,000, which is within the limits set in the Company's Articles of Association, as previously approved by shareholders.

Subsidiary company board memberships

During 2022, the following NEDs were appointed to subsidiary companies and received emoluments in respect of those appointments:

- Mike Craston received an additional fee of £205,000 (2022: £129,000) in respect of his duties as Chair of Aviva Investors Holdings Ltd, Chair of Aviva Investors Canada Inc. and as a director of two Aviva Investors subsidiary companies, all positions which he held before his appointment as a NED of Aviva plc. For 2022, only the fees payable during his time as a director of Aviva plc are disclosed.
- Jim McConville received an additional fee of £150,000 (2022: £112,500) in respect of his duties as Chair of both Aviva Life Holdings UK Ltd and Aviva Life & Pensions UK Ltd, positions to which he was appointed as a NED on 27 April 2022 and took on the role of Chair from 16 December 2022.
- Martin Strobel received an additional fee of £150,000 (2022: £84,462) in respect of his duties as a NED and then Chair of Aviva Insurance Ltd. He was appointed as a NED on 5 May 2022 and took on the role of Chair from 30 June 2022.

Annual report on remuneration

Percentage change in remuneration of the directors

Table 12 sets out the change in the basic salary, bonus and benefits of each of the directors and that of the wider workforce. The regulations require a comparison between the remuneration of each director and that of all employees of the parent company on a full-time equivalent basis. As Aviva plc has no direct employees, and in line with our approach in prior years, we have voluntarily disclosed for the UK employee workforce. The Group CEO and CFO are based in the UK (albeit with global responsibilities) and pay changes across the Group vary widely depending on local market conditions.

Table 12 Percentage change in remuneration of the directors

			2022-23			2021-22			2020-21			2019-20
	Salary/Fees	Bonus	Benefits	Salary/Fees	Bonus	Benefits[7,8]	Salary/Fees	Bonus	Benefits[7,8]	Salary/Fees	Bonus	Benefits
Group CEO[1]												
Amanda Blanc	**4.4%**	**(5.0)%**	**(18.3)%**	2.3%	13.3%	(51.4)%	0.0%	47.2 %	(23.9)%	—	—	—
Group CFO[1]												
Charlotte Jones	**3.6%**	**3.5%**	**141.1%**	-	—							
Chair[1]												
George Culmer	**0.0%**	**—**	**6.0%**	0.0%	—	74.8%	0.0%	—	57.7%	263.6%	—	(26.3)%
NEDs												
Andrea Blance[3]	**0.0%**	**—**	**86.3%**	-								
Mike Craston[3]	**4.5%**	**—**	**(26.4)%**	-								
Patrick Flynn[1,2]	**0.0%**	**—**	**(9.6)%**	0.0%	—	1433.4%	5.0%	—	(75.0)%	44.8%	—	(39.4)%
Shonaid Jemmett-Page[1,4]	**9.2%**	**—**	**141.8%**	83.0%	—	—	—	—	—	—	—	—
Mohit Joshi	**0.0%**	**—**	**130.4%**	0.0%	—	69.8%	—	—	—	—	—	—
Pippa Lambert[1]	**0.0%**	**—**	**90.8%**	17.0%	—	350.7%	—	—	—	—	—	—
Jim McConville[5]	**15.0%**	**—**	**(16.5)%**	55.3%	—	4997.8%	—	—	—	—	—	—
Michael Mire[6]	**(19.7)%**	**—**	**57.8%**	(7.8)%	—	484.0%	4.9%	—	10.5%	9.6%	— %	(82.8)%
Martin Strobel[1]	**31.6%**	**—**	**(51.6)%**	67.2%	—	—	—	—	—	—	—	—
All UK-based employees	**9.5%**	**9.5%**	**2.4%**	6.5%	2.1%	(14.2)%	3.8%	47.4%	34.8%	3.3%	0.5%	10.7%

1. Salary/fees, annual bonus and benefit amounts for the EDs, the Chair and the NEDs have been annualised where applicable to reflect what they would have been over a full 12-month period to aid comparison
2. Patrick Flynn was appointed as Senior Independent Director of Aviva plc and a Remuneration Committee member on 15 June and 7 September 2020 respectively
3. Andrea Blance was appointed to the Board on 21 February 2022 and Mike Craston on 17 May 2022
4. Shonaid Jemmett-Page joined the Audit Committee and the Risk Committee on 14 February 2022; she became chair of the Customer and Sustainability Committee on 17 May 2022
5. Jim McConville stood down as Chair of the Customer and Sustainability Committee, remaining a member, on 17 May 2022. He joined the Remuneration Committee on 1 February 2023.
6. Michael Mire stood down from the Risk Committee and Remuneration Committee on 14 September 2022
7. The increase in taxable benefits for UK based employees in 2021, and subsequent decrease in 2022 has been mainly driven by the one-off recognition in 2021 of colleagues for their hard work during the pandemic. The taxable benefits also increased in 2021 due to the increase in the cost of private medical insurance. Without these items, benefits would have increased by 8.4 % in 2021 reflecting greater use of our online recognition platform.
8. The increase in benefits for NEDs in 2022 compared to 2021 is largely reflective of the return of taxable travel and subsistence costs after the pandemic. The reduction in benefits in 2021 compared to 2020 is largely reflective of reduced taxable travel and subsistence costs due to the pandemic.

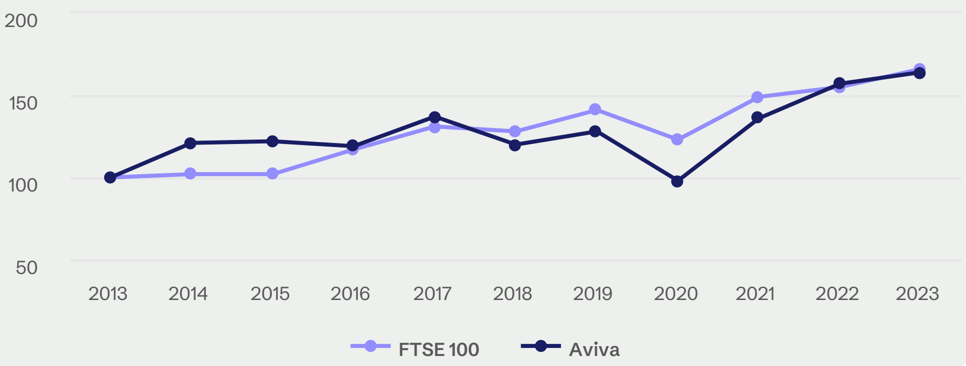
Annual report on remuneration

Historical TSR performance and Group CEO remuneration outcomes

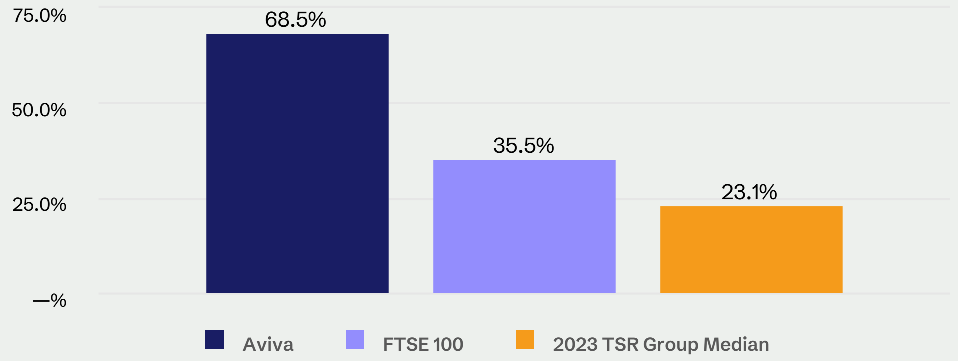
The table below compares the TSR performance of the Company over the past ten years against the TSR of the FTSE 100. This index has been chosen because it is a recognised equity market index of which Aviva plc is a member.

For additional context, the chart below also shows on a three-year basis the performance against the FTSE 100 and median TSR performance for the LTIP comparator group. The companies that comprise the 2023 LTIP group for TSR purposes are listed below table 10.

Table 13
Aviva plc ten-year TSR performance against the FTSE 100



Three-year TSR performance against the FTSE 100 and the median of the 2023 LTIP comparator group



The table below summarises the historical Group CEO single figure for total remuneration, and annual bonus and LTIP outcomes as a percentage of maximum over this period.

Table 14 Historical Group CEO remuneration outcomes

	Group CEO	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Annual bonus payout (as a % of maximum opportunity)	Amanda Blanc[1]	—	—	—	—	—	—	60.0%	88.3%	97.2%	**88.1%**
	Maurice Tulloch[2]	—	—	—	—	—	48.1%	0.0%	—	—%	—%
	Mark Wilson[3]	86.7%	91.0%	91.0%	94.0%	42.0%	—	—	—	—%	—%
LTIP vesting (as a % of maximum opportunity)	Amanda Blanc	—	—	—	—	—	—	—	—	72.2%	**91.8%**
	Maurice Tulloch	—	—	—	—	—	50.0%	0.0%	—	—	—
	Mark Wilson	—	53.0%	41.3%	36.9%	—	—	—	—	—	—
Group CEO single figure of remuneration (£000)	Amanda Blanc	—	—	—	—	—	—	1,205	3,010	5,449	**6,628**
	Maurice Tulloch	—	—	—	—	—	2,352	1,030	—	—	—
	Mark Wilson	2,600	5,438	4,523	4,318	1,836	—	—	—	—	—

1. Amanda Blanc was appointed Group CEO on 6 July 2020
2. Maurice Tulloch was appointed Group CEO on 4 March 2019. Maurice stepped down as Group CEO and retired from the Board on 6 July 2020.
3. Mark Wilson joined the Board as an ED with effect from 1 December 2012 and became Group CEO on 1 January 2013. Mark stepped down as Group CEO and left the Board on 9 October 2018.

Annual report on remuneration

CEO Pay ratio reporting

The table below sets out the ratio at median, 25th and 75th percentile of the total remuneration received by the Group CEO compared to the total remuneration received by our UK employees. Total remuneration reflects all remuneration received by an individual in respect of the relevant years, and includes salary, benefits, bonus, pension, and value received from incentive plans.

Table 15 CEO Pay ratio table

Year	Method	P25 (lower quartile)	P50 (median)	P75 (upper quartile)
2023	**Option A**	**203:1**	**145:1**	**88:1**
2022	Option A	181:1	127:1	76:1
2021	Option A	102:1	70:1	42:1
2020	Option A	80:1	56:1	34:1
2019	Option A	90:1	63:1	37:1

We would highlight the following in terms of the approach taken.

- In calculating the ratio for 2020, the single figure for both Amanda Blanc and Maurice Tulloch in respect of their services as Group CEO were aggregated
- In 2019, the single figure for Maurice Tulloch was aggregated with the pro rata fees for Sir Adrian Montague as Executive Chairman
- The P25, P50 and P75 employees were calculated based on full-time equivalent data as at 31 December of the relevant years
- Out of the three alternatives available for calculating the ratio, we chose to use Option A as it is considered to be the most accurate way of identifying employees at P25, P50 and P75, and is aligned with shareholder expectations. Under this approach we calculate total remuneration on a full-time equivalent basis for all of our UK employees and rank them accordingly.

The increase in the 2023 ratio reflects the first full year LTIP vesting since Amanda became Group CEO. 2022 reflects a pro-rata LTIP vesting, as well as 10% reduction for windfall gains, and 2021 reflected no LTIP vesting. Executive Directors receive a greater proportion of their remuneration in elements tied to performance, including participation in the LTIP. This means that the pay ratio will vary in large part due to incentive outcomes each year.

Although the CEO pay ratio has increased, the total remuneration for each quartile employee has also increased. This reflects the measures taken by Aviva to support our colleagues through the rising cost of living.

Table 16 provides further information on the total remuneration figure for each quartile employee, and the salary component within this.

Table 16 Salary and total remuneration used in the CEO pay ratio calculations

Year	Pay element	P25 (lower quartile)	P50 (median)	P75 (upper quartile)
2023	Salary	£26,648	£37,276	£60,042
	Total remuneration	£32,590	£45,822	£75,262

In reviewing the employee pay data, the Committee is comfortable that the P25, P50 and P75 individuals identified appropriately reflect the employee pay profile at those quartiles, and that the overall picture presented by the ratios is consistent with our pay, reward and progression policies for UK employees.

At Aviva, we are equally focused on our colleagues as we are on our customers. We recognise the individual needs of colleagues and we are proud of the reward, benefits and overall career packages that we offer our colleagues:

- In the UK, we have been an accredited Real Living Wage employer since April 2014 and a Real Living Hours employer since October 2020. Our salaries are at least 8% above Real Living Wage to allow colleagues to save for their retirement and benefit from an employer pension contribution up to 14% whilst still earning the Real Living Wage.
- In addition, in March 2023, Aviva was one of the first UK employers to be awarded the Living Pension accreditation. This signifies that we provide a Living Pension savings level which equates to 12% of a full-time real Living Wage salary, of which at least 7% comes from Aviva as an employer. We have been at the forefront of campaigning to drive proposals to abolish auto-enrolment contribution thresholds to enable more people to save into a pension for their retirement.
- We have a structured salary progression scheme for our frontline colleagues, providing salary increases to recognise colleagues as they develop and gain experience.
- We conduct regular market reviews of our salary ranges in order to maintain competitiveness to market rates, and we move everyone who is below a band to at least the minimum of that range each year.
- Our comprehensive, flexible benefits offering provides colleagues with the opportunity to select the benefits that matter most to them, and our range of inclusive colleague policies support life's big moments, including equal parental leave.
- UK colleagues are eligible to participate in our SAYE and All Employee Share Ownership Plan (AESOP) offerings with similar plans operating for many of our overseas colleagues. We are proud of the participation rates in these plans, with over 60% participating in the SAYE and over 70% in the AESOP, meaning colleagues both share in Aviva's success and benefit from tax-efficient savings.

Annual report on remuneration

Relative importance of spend on pay

Table 17 outlines Group adjusted operating profit, dividends paid to shareholders and share buybacks, compared to overall spend on pay in total. This measure of profit has been chosen as it is used for decision-making and the internal performance management of the Group's operating segments.

Table 17 Relative importance of spend on pay

	2023 £m	2022 £m	% change between 2023 - 2022
Group adjusted operating profit[1]	**1,467**	1,350	9%
Ordinary dividends paid to shareholders	**878**	828	6%
Share buybacks[2]	**300**	336	(11%)
Capital return[3]	**—**	3,750	(100%)
Total staff costs[4]	**1,754**	1,658	6%

1. The 2022 comparative results, which were previously prepared under IFRS 4, have been restated following the adoption of IFRS 17 from 1 January 2023, as described in note 1 of the Financial Statements
2. On 2 June 2023, Aviva completed the share buyback programme originally announced on 9 March 2023 for up to a maximum aggregate consideration of £300 million. During the period £300 million (2022: £336 million) of shares were purchased and shares with a nominal value of £24 million (2022: £19 million) were cancelled, giving rise to an additional capital redemption reserve of an equivalent amount. See note 32 for further details.
3. On 2 March 2022, Aviva announced a proposed return of capital, including a £3,750 million B Share Scheme for the holders of ordinary shares. The capital return was completed on 16 May 2022. The capital return is included here as it was a material distribution to shareholders. The value stated aligns with the value attributed to the capital return in the Consolidated statement of changes in equity. See note 32 for further details.
4. Total staff costs includes wages and salaries, social security costs, post-retirement obligations, profit sharing and incentive plans, equity compensation plans and termination benefits. The average number of employees was 25,529 (2022: 23,701).

Statement of Directors' shareholdings and share interests

EDs share ownership requirements

Under our Shareholding Policy applicable to 2023, the Company requires the Group CEO to build a shareholding in the Company equivalent to 300% of basic salary and each ED to build a shareholding in the Company equivalent to 225% of basic salary.

- The EDs are required to retain 50% of the net shares released from ABP and LTIP awards until the shareholding requirement is met.
- The shareholding requirement needs to be built up over a period not exceeding five years.
- Unvested share awards, including shares held in connection with bonus deferrals, are not taken into account in applying this test.
- A post-cessation holding period of two years applies. This is at the same level as the current (within employment) guideline. The Committee retains the discretion to waive part or all of the guideline where considered appropriate, for example in exceptional or compassionate circumstances.
- EDs are required to retain shares vesting from incentive plans within the Company-sponsored nominee account, and are not permitted to transfer them, e.g. into their own brokerage accounts, unless otherwise agreed by the Committee. In this manner, the Committee is able to retain oversight of the shares and is comfortable that this provides the ability to enforce the post-cessation guidelines in practice and helps with the enforcement of malus and clawback.

Table 18 Executive Directors – share ownership requirement (audited information)

	Shares held			Options held				
Executive Directors	Owned outright[1]	Unvested and subject to performance conditions[2]	Unvested and subject to continued employment[3]	Unvested and subject to continued employment	Vested but not exercised	Shareholding requirement (% of salary)	Current shareholding[4] (% of salary)	Requirement met
Amanda Blanc	785,722	2,466,382	702,944	—	—	300%	316%	Yes
Charlotte Jones	12,957	729,588	46,115	—	—	225%	8%	No

1. Directors' beneficial holdings in the ordinary shares of the Company. This information includes holdings of any connected persons.
2. Awards granted under the Aviva LTIPs, which vest only if the performance conditions are achieved
3. Awards arising through the ABP. Under this plan, some of the earned bonuses are paid in the form of conditional shares which are deferred for three years and released in three equal annual tranches. The transfer of the shares to the director at the end of the period is not subject to the attainment of performance conditions but the shares can be forfeited if the ED leaves service before the end of the period.
4. Based on the closing middle-market price of an ordinary share of the Company on 29 December 2023 of 434.7 pence. The closing middle-market price of an ordinary share of the Company during the year ranged from 369.2 pence to 462.4 pence.

There were no changes to the EDs interests in Aviva shares during the period 1 January 2024 to 6 March 2024.

Table 19 Non-Executive Directors' shareholdings[1] (audited information)

	1 January 2023	31 December 2023
George Culmer	99,500	210,175
Andrea Blance	15,000	15,000
Mike Craston	30,771	30,771
Patrick Flynn	7,600	7,600
Shonaid Jemmett-Page	4,565	10,490
Mohit Joshi	5,789	65,089
Pippa Lambert	6,985	12,739
Jim McConville	14,186	14,186
Michael Mire	38,000	38,000
Martin Strobel	30,400	30,400

1. This information includes holdings of any connected persons

There were no changes to the NEDs interests in Aviva shares during the period 1 January 2024 to 6 March 2024.

Annual report on remuneration

Share awards and share options

Details of the EDs who were in office for any part of the 2023 financial year and hold or held outstanding share awards or options over ordinary shares of the Company pursuant to the Company's share based incentive plans are set out in the table below. EDs are eligible to participate in the Company's broad-based employee share plans on the same basis as other eligible employees. Details of awards granted to EDs under these plans are also included in tables 5, 9 and 18.

More information around HMRC tax-advantaged plans can also be found in note 33. EDs are restricted from entering into any form of hedging arrangement or remuneration and liability-related insurance policies which might undermine the risk alignment features of share awards (such as delivery in shares, performance conditions, malus and clawback provisions).

Table 20 LTIP, ABP and options over Aviva shares (audited information)

	At 1 January 2023 (number)	Options/awards granted during year[1] (number)	Options/awards exercised/vesting during year[2] (number)	Options/awards lapsing during year[3] (number)	At 31 December 2023 (number)	Market price at date awards granted[4] (pence)	SAYE exercise price (options) (pence)	Market price at date awards vested/option exercised (pence)	Vesting date(s)/ exercise period(s)[5]
Amanda Blanc									
LTIP[6,7]									
2020	641,921	—	538,865	(178,583)	—	297.50	—	—	Mar-23
2021	759,493	—	—	—	759,493	412.50	—	—	Mar-24
2022	825,471	—	—	—	825,471	426.30	—	—	Mar-25
2023	—	881,418	—	—	881,418	411.60	—	—	Mar-26
ABP									
2021	66,043	—	36,824	—	33,022	412.50	—	437.80	Mar-24
2022	277,672	—	98,024	—	185,115	426.30	—	—	1/2: Mar-24 1/2: Mar-25
2023	—	326,208	—	—	326,208	411.60	—	416.00	1/3: Mar-24 1/3: Mar-25 1/3: Mar-26
Charlotte Jones									
LTIP[6,7]									
2022	358,195	—	—	—	358,195	425.30	—	—	Mar-25
2023	—	371,393	—	—	371,393	411.60	—	—	Mar-26
ABP									
2023	—	46,115	—	—	46,115	411.60	—	416.00	1/3: Mar-24 1/3: Mar-25 1/3: Mar-26

1. The aggregate net value of share awards granted to the EDs in the period was £6.7 million (2022: £6.2 million). The net value has been calculated by reference to the closing middle-market price of an ordinary share of the Company at the date of grant.
2. The shares comprised in these vested awards include shares issued in lieu of dividends accrued during the deferral period
3. Lapsed quantity includes the downwards adjustment of 10% to recognise the issue of windfall gains
4. The actual price used to calculate the ABP and LTIP awards is based on a three-day average closing middle-market price of an ordinary share of the Company, prior to the date of main grant to employees. These were in 2020: 229 pence, 2021: 395 pence, 2022: 424 pence and 2023: 409 pence.
5. Vesting date(s)/exercise period(s) for awards outstanding at 31 December 2023. ABP awards are deferred and released in three equal annual tranches.
6. For the 2021 LTIP, the rTSR comparator group is: Aegon, Allianz, AXA, Direct Line, Generali, Intact, Legal & General, Lloyds Banking Group, M&G, Phoenix and Zurich. For the 2022 and 2023 LTIP, the rTSR comparator group is: Admiral, Allianz, AXA, Direct Line Group, Hargreaves Lansdown, Hiscox, Intact, Legal & General, Lloyds Banking Group, M&G, Phoenix, Quilter and Zurich Insurance Group.
7. The performance periods for these awards begin at the commencement of the financial year in which the award is granted and run for a three-year period

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Dilution

Awards granted under Aviva employee share plans, apart from SAYE options, have historically been satisfied primarily through shares purchased in the market. SAYE options have historically been satisfied primarily through new issue shares. In future, all awards granted under Aviva employee share plans, including SAYE options will be satisfied primarily through shares purchased in the market. Shares are held in employee trusts, details of which are set out in note 34.

The Company monitors the number of shares issued under the Aviva employee share plans and their impact on dilution limits. The Company's usage of shares compared to the relevant dilution limits set by the Investment Association in respect of all share plans (10% in any rolling ten-year period) and executive share plans (5% in any rolling ten-year period) was 4.91% and 2.28% respectively on 31 December 2023.

Governance Regulatory Remuneration Code

Aviva Investors Global Services Limited (AIGSL) and a number of small 'firms' (as defined by the FCA) within the IWR Insurance business are subject to the Investment Firms Prudential Regime (IFPR) and the Markets in Financial Instruments Directive II (MiFID II).

Aviva Investors UK Funds Services Ltd and Aviva Investors Luxembourg are subject to the Alternative Investment Fund Management Directive (AIFMD) and the Undertakings for Collective Investments in Transferable Securities (UCITS V) directive.

Remuneration Code requirements include an annual disclosure. For AIFMD and UCITS V the disclosure is part of the Financial Statements and/or Annual accounts of the Alternative Investment Funds or UCITS. For IFPR the 2023 AIGSL disclosure will be found, when published, at https://www.aviva.com/investors/regulatory-returns/ along with the disclosure for the UK Insurance firms.

Solvency II remuneration

Remuneration Requirements (PRA PS22/16 & SS10/16) apply to the Aviva Group. Our remuneration structures have been designed in a way that is compliant with these requirements for all senior managers across the Group, not just those identified as being specifically covered by the requirements of the regulation. Such employees at Aviva are termed 'Covered Employees'. We are required to complete a Remuneration Policy Statement, which outlines how we have complied with each of the requirements. This document is approved annually by the Group Remuneration Committee.

The Solvency II reporting requirements for the year ended 31 December 2023 necessitate firms to produce the Solvency and Financial Condition Report (SFCR) which contains remuneration information and is publicly available. Aviva's reward principles and arrangements are designed to incentivise and reward employees for achieving stated business goals in a manner that is consistent with the Company's approach to sound and effective risk management.

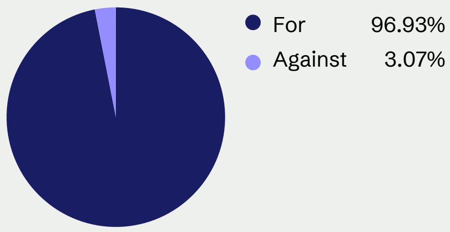
Statement of voting at AGM

The results of the shareholder votes at the Company's 2021 AGM in respect of the Policy and at the 2023 AGM in respect of the 2022 DRR are set out in the below table. The Committee was pleased with the level of support received from shareholders for the resolutions.

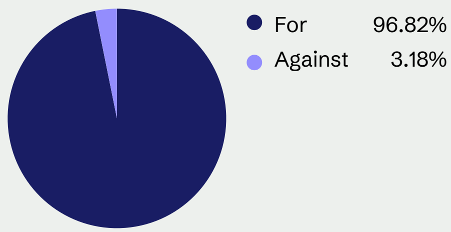
Table 21 Results of votes at AGM

	Year of AGM	Percentage of votes cast		Number of votes cast		
		For	Against	For	Against	Votes withheld
Policy	2021	96.93%	3.07%	2,374,520,911	75,190,042	2,529,266
DRR	2023	96.82%	3.18%	1,610,649,645	52,960,504	779,149

Directors' Remuneration Policy



Directors' Remuneration Report



Annual report on remuneration

Approach to NED fees for 2024

NED fees are reviewed annually with a limited number of the fee arrangements increased by the Board on 5 March 2024, effective from 1 April 2024. Before this, NED fees had not been increased since 1 July 2020. The committee chair and committee membership fees of the Customer and Sustainability and Remuneration Committees were increased to bring them into parity with the current fees of the Audit and Risk Committees, in recognition that the time commitment, breadth of remit and regulatory accountabilities for these roles are broadly comparable. Following the increase, the total base fees paid to NEDs remains within the current aggregate limit of £2,000,000 per annum.

A resolution will be put to the 2024 AGM which will seek approval to increase the aggregate NED fee limit to £3,000,000 per annum. The limit has not been increased since 2012 and the increase will bring the limit in line with other large financial services groups.

Table 22 Non-Executive Directors' fees

Role	Fee from 1 April 2024	Fee from 1 January 2023
Board Chair[1]	£550,000	£550,000
Board membership	£75,000	£75,000
Additional fees are paid as follows:		
Senior Independent Director	£35,000	£35,000
Committee Chair (inclusive of committee membership fee):		
Audit	£55,000	£55,000
Risk	£55,000	£55,000
Customer and Sustainability	£55,000	£45,000
Remuneration	£55,000	£45,000
Committee membership:		
Nomination and Governance	£10,000	£10,000
Audit	£20,000	£20,000
Risk	£20,000	£20,000
Customer and Sustainability	£20,000	£15,000
Remuneration	£20,000	£15,000

1. Inclusive of Board membership fee and any committee membership fees, and committee chair of the Nomination and Governance Committee

Annual report on remuneration

Table 23 Operation of the Remuneration policy throughout the wider workforce

<table>
<tr><th></th><th>Executive Directors</th><th>Executive Committee</th><th>Senior Management</th><th>Wider workforce</th></tr>
<tr><td rowspan="2">Salary</td><td colspan="4">Our principle is of pay equity for performing the same, or broadly similar, work, accounting for local market benchmarks and union/collective agreements, where applicable.</td></tr>
<tr><td colspan="3">Salaries are reviewed annually and increases are typically in line with or less than the wider employee population.</td><td>Salaries are reviewed annually subject to engagement with employee representatives/unions where applicable. It is important that all colleagues enjoy a reasonable standard of living and we are proud to be both a Real Living Wage and a Living Hours employer in the UK.</td></tr>
<tr><td rowspan="2">Benefits</td><td colspan="4">Eligible for a range of voluntary benefits and Wellbeing available to all colleagues in respective markets.
Colleagues can participate in a share matching plan (Aviva matches two shares for every one bought up to £50 per month) and, in the UK, the Aviva Savings Related Share Option Scheme 2020 (SAYE).
UK benefits include 8 times' salary death-in-service. In addition, flexible benefits allow colleagues to add to and/or supplement where Company provisions differ, e.g. private health benefit:</td></tr>
<tr><td colspan="3">Private Medical insurance.</td><td>Essential health support in lieu of Private Medical insurance and online GP.</td></tr>
<tr><td>Pension</td><td colspan="4">Eligible to participate in Aviva's UK defined contribution pension scheme with a 14% contribution (or where applicable receive cash in lieu).
Rates in Ireland are 14%, different rates apply in Canada in line with market.</td></tr>
<tr><td>Bonus Basis</td><td colspan="4">Annual performance-related bonus based on Group, business unit (where applicable) and individual performance against goals.</td></tr>
<tr><td>Bonus Deferral</td><td>½ into shares</td><td>½ into shares</td><td>⅓ into shares</td><td>All paid in cash</td></tr>
<tr><td rowspan="2">Long-Term Incentive</td><td colspan="2">LTIP share awards are subject to strategic performance measures over three years.</td><td rowspan="2">Eligible for Restricted Share Awards aligned with shareholder interests, long-term Aviva performance and retention of key talent.</td><td rowspan="2">Not eligible</td></tr>
<tr><td>Additional two-year holding period post-vesting applies to EDs.</td><td>Additional holding period post-vesting not applicable to ExCo.</td></tr>
</table>

Annual report on remuneration

The implementation of the Policy will be consistent with that outlined in table 1.

Table 24 How will our Policy be implemented in 2024?

Key element	Implementation in 2024	Phasing (2024 – 2029)
Fixed Pay	Group CEO • Salary[1]: £1,120,000 per annum Group CFO • Salary[1]: £735,000 per annum • Pension: 14% of salary in line with wider workforce • Benefits: As outlined in the Policy	2024
Annual Bonus[2]	• Group CEO – 200% of salary • Group CFO – 150% of salary • One-year performance assessed against financial and strategic performance measures • Financial measures (70% of total) - 25% – Cash Remittances - 20% – Solvency II OFG - 15% – Group Adjusted Operating Profit - 10% –Efficiency Measures • Strategic measures (30% of total) - 15% – Risk scorecard - 5% – Employee engagement - 5% – Online experience score - 5% – TNPS • A quality of earnings assessment will be undertaken by the Committee to provide assurance that bonus payouts appropriately reflect underlying performance and the shareholder experience • Individual performance during the year will be taken into account	2024: Performance period 2025: 1/2 paid in cash 2026–2028: 1/2 deferred into shares vesting in three equal tranches over three years 1/3 released after 1 year 1/3 released after 2 years 1/3 released after 3 years
LTIP	• Group CEO – 350% of salary • Group CFO – 225% of salary • Performance assessed over three years against financial (80%) and strategic (20%) performance measures • Performance measures (see LTIP measures and weightings for 2024 on next page)	2024–2026: Performance period 2027–2028: 2 year holding period 2029: Released
Share ownership guidelines	• Group CEO – 300% of salary • Group CFO – 225% of salary • To be built up over a period not exceeding five years • Post-cessation shareholding requirements also apply to EDs being the guideline or the holding on termination of employment, for two years post-cessation	

1. Group CEO and Group CFO's salaries will be effective from 1 April 2024
2. The target ranges are considered by the Board to be commercially sensitive and disclosure of these would put the Company at a disadvantage compared to its competitors. Target ranges will be disclosed in the 2024 DRR.

Annual report on remuneration

LTIP measures and weightings for 2024

		Vesting	Below threshold	Threshold		Maximum	Above maximum
Measure	Weighting		0%	20%	20-100%	100%	100%
rTSR[1]	40.00%			Median		Upper Quartile	
Cumulative cash remittances	25.00%			£5.6bn		£6.1bn	
Solvency II RoE[2,3]	15.00%			13%		15%	
Reduction in weighted average carbon intensity of shareholder and with-profit credit and equity assets[4]	7.50%			17.5%		22.5%	
Customer Scorecard: Customer Numbers (millions)	3.75%			19.3		19.7	
Customer Scorecard: MPH (millions)	3.75%			4.95		5.20	
Ethnically diverse employees in senior leadership roles[5]	2.50%			13%		15%	
Females in senior leadership roles[6]	2.50%			41%		43%	

The Committee will continue to consider the impacts of any future acquisitions and disposals on targets.

1. Aviva's rTSR performance will be assessed against that of the following companies: Admiral, Direct Line Group, Hargreaves Lansdown, Hiscox, Intact Financial, Legal & General, Lloyds Banking Group, M&G, Phoenix and Quilter. The performance period for the rTSR performance condition is the three years beginning 1 January 2024. For the purposes of measuring the rTSR performance condition, the Company's TSR and that of the comparator group will be based on the 90-day average TSR for the period.
2. For 2024 awards, the Solvency II shareholder cover ratio is to meet or exceed the minimum of the stated working range (Range: 160% to 180%)
3. The Committee is mindful of the volatile economic environment and the impact of significant changes in key external variables such as interest rates on RoE outcomes. The Committee therefore will keep the economic assumptions and environment under review.
4. Reduction in weighted average carbon intensity of shareholder and with-profit credit and equity assets over the three-year performance period.
5. Percentage of colleagues in senior leadership in the UK, Ireland and Canada who identify their ethnicity as anything other than 'white', excluding colleagues who have not disclosed their ethnicity.
6. Percentage of colleagues in senior leadership roles in the UK, Ireland and Canada who are female

Approval by the Board

This Directors' Remuneration Report was reviewed and approved by the Board on 6 March 2024.

Pippa Lambert
Chair of the Remuneration Committee