

Group CEO, Amanda Blanc's half year results 2021 film

One year ago, just after being appointed as Group CEO, I stood here and said I had big ambitions for Aviva.

I am determined to realise the potential of this company, and to create value for our shareholders, our customers, and our people.

To do this I set out three strategic priorities:

- To focus Aviva's portfolio;
- To transform the performance of our core businesses; and
- To improve our financial strength.

Today, I'm very proud to report that we are making good progress on all fronts.

I want to thank all of our people for their amazing efforts over the last 12 months.

Starting with our work to focus the portfolio, I'm happy to say that's now largely complete.

We've realised significant value for our shareholders, announcing the sales of 8 businesses for cash proceeds of £7.5 billion.

We've recently completed the sales of Aviva Vita in Italy and Aviva SA in Turkey, and we expect to complete the remaining disposals by the end of 2021.

Our second priority is to transform the performance of Aviva. This is the real focus of our efforts, now and for the future.

Again, I'm pleased to report we have delivered a good first half performance.

We're benefitting from our competitive advantage of being the only UK insurer able to serve all our customers needs.

And we're making encouraging progress in the areas we have targeted to grow.

- In General Insurance, we've delivered the highest sales in a decade
- In Savings & Retirement, we've seen a record half year performance
- We remain number 1 in Workplace savings
- And Protection & Health profits have returned to growth

Alongside delivering top line growth, we are also improving the efficiency of Aviva. Controllable expenses are down 2%, we are on track to deliver our intended £300m of cost savings by 2022, and we are focused on delivering top quartile efficiency in all businesses.

One of the ways we are achieving this is by digitising our operations, achieving the dual benefit of saving money and improving outcomes for our customers.

Together with delivering for our customers, we are also delivering for society.

Aviva is the clear leader in UK financial services on ESG. We're the first insurer, globally, to commit to being net zero by 2040, and have recently launched a Climate-focused partnership with the World Wildlife Fund to aid us on that journey.

Our market leading teams in Aviva Investors play a critical role in terms of our impact in society, with £43 billion of Assets Under Management invested across infrastructure and real estate, supporting the transition to Net Zero. And we have committed to investing a further £10bn by 2023, as we seek to support the broader economy and UK government initiatives.

This approach and stand is resonating very positively with customers.

It's early days, but the flows into Aviva Investors' ESG funds in the first half of 2021 are literally double those for the whole of 2020 - indicating where the world, and the market, is moving.

Finally, our third priority is improving our financial strength. I'm delighted to say we have accomplished a great deal in the past year, and our balance sheet today is extremely robust.

Today, we are announcing an interim dividend of 7.35 pence per share, an increase of 5%, reflecting our confidence in the strength of the business and the underlying cash flow.

I've also been very clear over the past year that we intend to deliver a substantial return of capital to shareholders following the focusing of the portfolio.

And today we are kicking-off that return of capital, with the immediate commencement of a £750 million share buyback, and a clear intent to return a total of at least £4 billion of capital to investors by half year 2022 - subject of course to the deals completing, and obtaining regulatory and shareholder approval for the distribution.

To close, and in summary, I believe these half year results provide clear evidence that we are delivering upon our commitments:

- We have focused our portfolio;
- We remain firmly on track to deliver against our financial targets; and
- We're creating attractive value for shareholders, both through the return of substantial capital in the short term, and via delivery of a transformed performance over the longer term.

I'm encouraged by the direction of travel, but I'm restless in wanting to deliver more and all of us remain resolutely focused on the job at hand as we look ahead.