

Aviva International Holdings Limited

Registered in England and Wales No. 02180206

Annual Report and Financial Statements 2024

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Directors and officer

Directors

S Adams
N Harrison
G Neilson
G Ganandran

Officer – Company Secretary

Aviva Company Secretarial Services Limited
80 Fenchurch Street
London
EC3M 4AE

Independent Auditors

Ernst & Young LLP, Statutory Auditor
London

Registered office

80 Fenchurch Street
London
EC3M 4AE

Company number

Registered in England and Wales no. 02180206

Other information

Aviva International Holdings Limited (the Company) is a member of the Aviva plc group of companies (the Group).

Strategic report

The directors present their strategic report for the Company for the year ended 31 December 2024.

Review of the Company's business

Principal activities

The Company is a wholly owned subsidiary of Aviva Group Holdings Limited (AGH). The principal activity of the Company continues to be that of a holding company.

Financial position and performance

The financial position of the Company at 31 December 2024 is shown in the statement of financial position on page 19, with the results shown in the income statement on page 16 and the statement of cash flows on page 20.

Loss for the year after tax is £16 million which has decreased from a loss after tax of £20 million in 2023. The loss after tax in 2023 and 2024 was driven by the fair value movement of the derivative financial instrument and foreign exchange losses on intercompany balances. The decrease is primarily due to lower foreign exchange losses in 2024.

Total equity has decreased from £230 million as at 31 December 2023 to £214 million as at 31 December 2024. The decrease is primarily due to the foreign exchange loss and fair value movement of the derivative financial instrument recognised in the income statement in 2024 and corresponding decrease in intercompany receivables.

Significant events

There were no significant events recorded in 2024.

Future outlook

Strategies for the wider Aviva Group as a whole are determined by the Board of Aviva plc and these are shown in the Aviva plc Annual Report and Accounts 2024 for the year ended 31 December 2024. The Company will work with the Group to support the implementation of these strategies. The directors consider that the Company's principal activities will continue unchanged for the foreseeable future.

It is anticipated that the Company's significant financial assets will continue to comprise investments in associates and subsidiaries.

Principal risks and uncertainties

A description of the principal risks and uncertainties facing the Company and the Company's risk management policies are set out in note 17 to the financial statements.

The principal risk exposure to the Company relates to its investments in subsidiaries, which represent the Company's principal assets and source of income. As a result, the principal risk factors beyond the Company's control, that could significantly impact the Company's results and financial resources include, but are not limited to:

- *Impairment Risk:* The net asset value of the Company's financial resources is exposed to a potential decrease in the carrying value of the Company's investment in subsidiaries, resulting in a charge against shareholder's equity and profits. In particular, where indicators of impairment exist, such as poor performance, the carrying value of investment in subsidiaries is deemed impaired.
- *Credit Risk:* The net asset value of the Company's financial resources is exposed to the potential default on receivables due from its parent, AGH. The external issuer credit rating (representing an issuer's ability to meet its overall financial commitments as the fall due) of the Company's ultimate parent, Aviva plc, is A and as such the risk of counterparty default is considered remote.

Section 172 Statement

We voluntarily report here on how our Directors have discharged their duties under Section 172 (1) of the Companies Act 2006.

S.172 (1) sets out a series of matters to which the Directors must have regard to in performing their duty to promote the success of the Company for the benefit of its shareholders, which includes having regard to other stakeholders.

Our Board considers it crucial that the Company maintains a reputation for high standards of business conduct. The Board is responsible for monitoring and upholding the culture, values, standards, ethics and reputation of the Company to ensure that our obligations to our shareholders, customers and other stakeholders are met and Management drives the embedding of the desired culture throughout the organisation. The Board monitors adherence to our policies and compliance with local corporate governance requirements and is committed to acting where our businesses fall short of the standards we expect.

The Board is also focused on the wider social context within which our businesses operate, including those issues related to climate change which are of fundamental importance to the planet's well-being.

Our culture

Our culture is shaped, in conjunction with the wider Aviva Group, by our clearly defined purpose - with you today for a better tomorrow. As the provider of financial services to millions of customers, Aviva seeks to earn their trust by acting with integrity and a sense of responsibility at all times. We look to build relationships with all our stakeholders based on openness and transparency and we value diversity and inclusivity in our workforce and beyond.

Strategic report continued

Stakeholder Engagement

(i) Engagement with employees

The Company has no employees. All UK employees engaged in the activities of the Company are employed by subsidiary undertakings of Aviva plc. Disclosures relating to employees may be found in the annual report and financial statements of these companies.

(ii) Our customers

The Company has no direct customers.

(iii) Our suppliers

- All Group supplier related activity is managed in line with the Group Procurement & Outsourcing Business Standard. This ensures that supply risk is managed appropriately including in relation to customer outcomes, data security, corporate responsibility, financial, operational, contractual, and brand damage caused by inadequate oversight or supplier failure.
- An important part of the Group's culture is the promotion of high legal, ethical, environmental and employee related standards within our business and also among our suppliers. Before working with any new suppliers, we provide them with our Supplier Code of Behaviour, and our interaction with them is guided by our Business Code of Ethics.

(iv) Shareholders

The Board considers the long-term impact of corporate actions and decisions on our shareholders. Our shareholder is AGH and there is ongoing communication and engagement with the AGH Board. Any matters requiring escalation are escalated by the Board through the Chairman to its parent. Additionally, members of the AGH board can attend board meetings by invitation.

Key performance indicators

The directors consider that the Company's key performance indicator (KPI) that communicates the financial performance is profit/loss for the year. For more details see the 'Financial position and performance' section of the Strategic report on page 4.

Approved by the Board and signed on behalf of the Board on 18 September 2025

Signed by:

Alice Morgan

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For and on behalf of Aviva Company Secretarial Services Limited
Company Secretary

Directors' report

The directors submit their annual report and the audited financial statements for the Company for the year ended 31 December 2024.

Directors

The names of the current directors of the Company are shown on page 3.

Details of Board appointments and resignations during the year and since the year end are shown below:

K Graham resigned as a director of the Company on 31 January 2024.

S Adams was appointed as a director of the Company on 31 January 2024.

A Dinwiddie resigned as a director of the Company on 1 April 2024.

S Pond was appointed as a director of the Company on 1 April 2024 and resigned as a director of the Company on 22 July 2024.

G Neilson was appointed as a director of the Company on 22 July 2024.

G Ganandran was appointed as a director of the Company on 4 March 2025.

Company secretary

The name of the secretary of the Company appears on page 3.

Dividends

No interim ordinary dividend on the Company's ordinary shares was declared or paid during 2024 (2023: £nil). The directors do not recommend a final dividend on the Company's ordinary shares for the year ended 31 December 2024 (2023: £nil).

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report, which includes a section describing the principal risks and uncertainties. In addition, the financial statements include notes on the Company's management of its major risks (see note 17).

The Company and its ultimate parent, Aviva plc, have considerable financial resources together with a diversified business model, with a spread of businesses and geographical reach. The directors believe that the Company is well placed to manage its business risks successfully.

After making enquiries, the directors have a reasonable expectation that the Company and the Group as a whole have adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements (at least to 18 September 2026). The review includes consideration of the Company's current and forecast solvency and liquidity which aligns to management's business plan. For this reason, they continue to adopt, and to consider appropriate, the going concern basis in preparing the financial statements.

Post balance sheet events

Aviva Global Services (Management Services) Private Limited was struck off from the company register in Singapore on 29 May 2025. This is a standard process to wind down entities registered in Singapore.

On 18 September 2025, the Board of Directors approved an interim dividend on ordinary shares of £90m for the financial year ending 31 December 2025.

Future outlook

Likely future developments in the business of the Company are discussed in the strategic report on page 4.

Financial instruments

The Company uses financial instruments to manage certain types of risks, including to those relating to credit, market, liquidity and operational risks. Details of the objectives and management of these instruments are contained in note 17 on risk management.

Employees

The Company has no employees. All UK employees engaged in the activities of the Company are employed by subsidiary undertakings of Aviva plc.

Disclosure of information to the auditors

In accordance with section 418 of the Companies Act 2006, the directors in office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's External Auditors, Ernst & Young LLP, Statutory Auditor, are unaware and each director has taken all steps that ought to have been taken as a director in order to make themselves aware of any relevant audit information and to establish that Ernst & Young LLP, Statutory Auditor are aware of that information.

Independent auditors

At the 2024 Annual General Meeting of the Company's ultimate parent company, shareholders approved the appointment of Ernst & Young LLP as the Group's external auditor for the financial year ending 31 December 2024 and PwC resigned after 12 years in position.

Directors' report continued

Qualifying indemnity provisions

Aviva plc, the Company's ultimate parent, granted in 2004 an indemnity to the directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985, which continue to apply in relation to any provision made before 1 October 2007. This indemnity is a "qualifying third party indemnity" for the purposes of section 309A to section 309C of the Companies Act 1985. These qualifying third party indemnity provisions remain in force during the financial year and remain in force as at the date of approving the directors' report by virtue of paragraph 15, Schedule 3 of The Companies Act 2006 (Commencement No. 3, Consequential Amendments, Transitional Provisions and Savings) Order 2007.

The directors also have the benefit of the indemnity provision contained in the Company's articles of association, subject to the conditions set out in the Companies Act 2006. This is a "qualifying third party indemnity" provision as defined by section 234 of the Companies Act 2006.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with UK-adopted international accounting standards.

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Corporate Governance

The Company is a wholly-owned subsidiary of Aviva plc, a Company with a listing on the London Stock Exchange, and as such is subject to Aviva plc's system of risk management, internal control and financial reporting. Aviva plc is subject to the UK Corporate Governance Code. The Aviva plc Annual Report and Accounts set out details of how the Group has applied the principles and complied with the provisions of the UK Corporate Governance Code during 2024. Further information on the Code can be found on the Financial Reporting Council's website, www.frc.org.uk.

Approved by the Board and signed on behalf of the Board on 18 September 2025

Signed by:


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For and on behalf of Aviva Company Secretarial Services Limited
Company Secretary

Independent auditors' report to the members of Aviva International Holdings Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVIVA INTERNATIONAL HOLDINGS LIMITED

Opinion

We have audited the financial statements of Aviva International Holdings Limited for the year ended 31 December 2024 which comprise the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of financial position, the statement of cash flows and the related notes 1 to 20, including *material accounting policy information*. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period to 18 September 2026, being twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

First year audit considerations

In the preparation for our first-year audit of the 31 December 2024 financial statements, we performed a number of transitional procedures. Following our selection as the statutory auditor, we undertook procedures to establish our independence of the Company. We used time prior to commencing any audit work to gain an understanding of the business issues and meet with key management to understand the key judgements being made for the 31 December 2023 year end. We also reviewed the former auditor PricewaterhouseCoopers LLP ('PwC's') 2023 audit work papers and gained an understanding of their risk assessment and key judgements.

We used the understanding the audit team had formed through these transitional procedures to form our audit base and assist in the formalisation of our audit strategy for the 2024 audit. This also involved gaining an understanding of the Company's key processes and controls over financial reporting through walkthroughs of the processes.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Independent auditors' report to the members of Aviva International Holdings Limited continued

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of directors

As explained more fully in the Statement of directors' responsibilities set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are relevant laws and regulations related to elements of company law and tax legislation, and the financial reporting framework
- We understood how the company is complying with those frameworks by making enquiries of management, internal audit and those responsible for legal and compliance matters. We also reviewed minutes of the Board and gained an understanding of the company's governance.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the controls that the company has established to address risks identified by the company, or that otherwise seek to prevent, deter or detect fraud.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved making enquiries of those charged with governance, internal audit and senior management for their awareness of any non-compliance of laws or regulations, enquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees and enquiring about the company's methods of enforcing and monitoring compliance with such policies.
- We tested the appropriateness of journal entries recorded in the general ledger on a sample basis, including evaluating the business rationale for significant and/or unusual transactions.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

Ernst & Young LLP

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Sophie Abashidze (Senior Statutory Auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

London

Accounting policies

(A) Basis of preparation

The Company is a private limited company incorporated and domiciled in the United Kingdom (UK). The principal accounting policies adopted in the financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss (FVTPL).

The financial statements of the Company have been prepared and approved by the directors in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

Having assessed the principal risks, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements (at least to 18 September 2026). For this reason, the Company continues to adopt the going concern basis in preparing the financial statements.

The Company is exempt from preparing group financial statements by virtue of section 400 of the Companies Act 2006, as it is a subsidiary of a UK parent and is included in the consolidated financial statements for the Group, i.e. the ultimate parent company, Aviva plc, and its subsidiaries, joint ventures and associates, at the same date. These financial statements therefore present information about the Company as an individual entity.

The Company's financial statements are stated in pounds sterling, which is the Company's functional and presentational currency. Unless otherwise noted, the amounts shown in these financial statements are in millions of pounds sterling (£m).

New standards, interpretations and amendments to published standards that have been issued and endorsed by the UK and adopted by the Company

The Company has adopted the following amendments to standards which became effective for the annual reporting period beginning on 1 January 2024. The amendments do not have a significant impact on the Company's financial statements.

- i. Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
- ii. Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback
- iii. Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosures: Supplier Finance Arrangements

Standards, interpretations and amendments to published standards that are not yet effective and have not been adopted early by the Company

The following standards and amendments to existing standards have been issued, are not yet effective for the Company, and have not been adopted early by the Company.

(i) IFRS 18: Presentation and Disclosure in Financial Statements

In April 2024, the IASB published IFRS 18, which aims to improve how companies communicate in their financial statements by:

- Requiring additional defined subtotals in the statement of profit or loss;
- Requiring disclosures about management-defined performance measures; and
- Adding new principles for grouping of information.

IFRS 18 is effective for annual reporting beginning on or after 1 January 2027 and has yet to be endorsed by the UK. The standard is expected to result in presentational changes to the Company's income statement, and new disclosures of management-defined performance measures will be required in the notes to the financial statements. The Company is in the early stages of implementation; however, no financial impacts are expected as a result of adoption.

(ii) IFRS 19: Subsidiaries without Public Accountability: Disclosures and Amendments to IFRS 19: Subsidiaries without Public Accountability: Disclosures

Published by the IASB in May 2024 and August 2025. IFRS 19 and the amendments to IFRS 19 are effective for annual reporting beginning on or after 1 January 2027 and have yet to be endorsed by the UK.

The following new standards and amendments to existing standards have been issued, are not yet effective and have not been adopted early by the Company and are not expected to have a significant impact on the Company's financial statements.

(i) Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

Published by the IASB in August 2023. The amendments are effective for annual reporting beginning on or after 1 January 2025 and have been endorsed by the UK.

(ii) Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments

Published by the IASB in May 2024. The amendments are effective for annual reporting beginning on or after 1 January 2026 and have been endorsed by the UK.

(iii) Annual improvements to IFRS Accounting Standards – Volume 11: Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7

Published by the IASB in July 2024. The amendments are effective for annual reporting beginning on or after 1 January 2026 and have been endorsed by the UK.

(iv) Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity:

Accounting policies

Published by the IASB in December 2024. The amendments are effective for annual reporting beginning on or after 1 January 2026 and have yet to be endorsed by the UK.

(B) Critical accounting policies and the use of estimates

The preparation of financial statements requires the Company to select accounting policies and make estimates and assumptions that affect items reported in the income statement, statement of financial position, other primary statements and notes to the financial statements.

Critical accounting policies

The following accounting policies are those that have the most material impact on the amounts recognised in the financial statements, with those judgements involving estimation summarised thereafter.

Item	Critical accounting judgement	Accounting policy
Investments in subsidiaries	Investments in subsidiaries are recognised at cost less impairment. Investments are reviewed at least annually to test whether any indicators of impairment exist. Where there is objective evidence that such an asset is impaired, the investment is impaired to its recoverable value and any unrealised loss is recorded in the income statement.	C

Use of estimates

All estimates are based on management’s knowledge of current facts and circumstances, assumptions based on that knowledge and their predictions of future events and actions. Actual results may differ from those estimates, possibly significantly.

The table below sets out those items considered particularly susceptible to changes in estimates and assumptions, and the relevant accounting policy.

Item	Material accounting estimates	Accounting policy	Note(s)
Investments in subsidiaries	Investments in subsidiaries are recognised at cost less impairment. Investments are reviewed annually to test whether any indicators of impairment exist. Where there is objective evidence that such an asset is impaired, the investment is impaired to its recoverable value and any unrealised loss is recorded in the income statement.	C	9
Fair value of financial instruments and derivatives	Where quoted market prices are not available, valuation techniques are used to value derivative instruments. These include broker quotes and models using both observable and unobservable market inputs. The valuation techniques involve judgement with regard to the valuation models used and the inputs to these models can lead to a range of plausible valuations for derivative instruments.	E, J	10, 16

(C) Investments in subsidiaries

Subsidiaries are those entities over which the Company has control, either directly or indirectly. The Company controls an investee if, and only if, the Company has all of the following:

- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

The Company considers all relevant facts and circumstances in assessing whether it has power over an investee including: the purpose and design of an investee, relevant activities, substantive and protective rights, and voting and potential voting rights. The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Investments in subsidiaries are recognised at cost less impairment. Investments are reviewed at least annually to test whether any indicators of impairment exist. Where there is objective evidence that such an asset is impaired, the investment is impaired to its recoverable value and any unrealised loss is recorded in the income statement.

(D) Foreign currency translation

Foreign currency transactions are accounted for at the exchange rate prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement.

Translation differences on debt securities and other monetary financial assets measured at fair value are included in foreign exchange gains and losses in the income statement. Translation differences on non-monetary items, such as equities which are designated as Fair Value Through Profit and Loss ('FVTPL'), are reported as part of the fair value gain or loss in the income statement.

Accounting policies

(E) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. This presumes that the transaction takes place in the principal (or most advantageous) market under current market conditions. Fair value is a market-based measure and in the absence of observable market prices in an active market, it is measured using the assumptions that market participants would use when pricing the asset or liability.

The fair value of a non-financial asset is determined based on its highest and best use from a market participant's perspective. When using this approach, the Company takes into account the asset's use that is physically possible, legally permissible and financially feasible.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price i.e. the fair value of the consideration given or received. In certain circumstances, the fair value at initial recognition may differ from the transaction price. If the fair value is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging), or is based on a valuation technique whose variables include only data from observable markets, then the difference between the fair value at initial recognition and the transaction price is recognised as a gain or loss in the income statement. When unobservable market data has a significant impact on the valuation of financial instruments, the difference between the fair value at initial recognition and the transaction price is not recognised immediately in the income statement, but deferred and recognised in the income statement on an appropriate basis over the life of the instrument but no later than when the valuation is supported wholly by observable market data or the transaction is closed out or otherwise matures.

If an asset or a liability measured at fair value has a bid price and an ask price, the price within the bid-ask spread that is most representative of fair value in the circumstances is used to measure fair value.

(F) Net investment income

Investment income consists of dividends, interest receivable for the year and realised gains and losses. Dividends from investments in subsidiaries are recorded as revenue on the date dividends are declared. Interest income is recognised as it accrues, taking into account the effective yield on the investment. It includes the interest rate differential on forward foreign exchange contracts.

A gain or loss on a financial investment is only realised on disposal or transfer, and is the difference between the proceeds received, net of transaction costs, and its original cost or amortised cost, as appropriate.

(G) Derecognition and offset of financial assets and financial liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either transferred substantially all the risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable legal right to set off the recognised amounts and there is the ability and intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(H) Receivables and other financial assets

Receivables and other financial assets are recognised initially at their fair value. Subsequent to initial measurement receivables are measured at amortised cost using the effective interest rate method, less an allowance for expected credit losses. Expected credit loss is an unbiased, probability-weighted estimate of credit losses. It considers all reasonable and supportable information, including forward looking economic assumptions and a range of possible outcomes. Changes in the allowance for expected credit losses are the amount of the provision recognised in the income statement.

The gross carrying amount of a receivable or other financial asset is written off to the extent that there is no reasonable expectation of recovery. Subsequent recoveries in excess of the written-down carrying value are credited to the income statement.

(I) Payables and other financial liabilities

Payables and other financial liabilities, excluding derivatives, are recognised initially at their fair value and are subsequently measured at amortised cost using the effective interest rate method. Derivative liabilities are carried at fair value (see accounting policy J).

(J) Derivative financial instruments and hedging

Derivative financial instruments include foreign exchange contracts, currency and interest rate swaps, interest rate and currency options (both written and purchased) and other financial instruments that derive their value mainly from underlying interest rates, foreign exchange rates, credit indices, commodity values or equity instruments.

All derivatives are initially recognised in the statement of financial position at their fair value, which usually represents their cost. They are subsequently remeasured at their fair value, with the method of recognising movements in this value depending on whether they are designated as hedging instruments and, if so, the nature of the item being hedged. The Company has not designated any derivatives as hedging instruments and they are therefore treated as derivatives mandatorily held at FVTPL. Their fair value gains and losses are recognised immediately in net investment income. Fair values are obtained from quoted market prices or, if these are not available, by using valuation techniques such as discounted cash flow models or option pricing models. All derivatives are carried as assets when the fair values are positive and as liabilities when the fair values are negative. Premiums paid for derivatives are recorded as an asset on the statement of financial position at the date of purchase, representing their fair value at that date.

The notional or contractual amounts associated with derivative financial instruments are not recorded as assets or liabilities on the statement of financial position as they do not represent the fair value of these transactions.

Accounting policies

(K) Statement of cash flows

Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and in hand, deposits held at call with banks, treasury bills and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Such investments are those with less than three months' maturity from the date of acquisition, or which are redeemable on demand with only an insignificant change in their fair values.

For the purposes of the statement of cash flows, cash and cash equivalents also include bank overdrafts, which are included in payables and other financial liabilities on the statement of financial position.

(L) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more probable than not that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recorded as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the effect of the time value of money is material, the provision is the present value of the expected expenditure. Provisions are not recognised for future operating losses.

Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

The Company recognises a provision for onerous contracts when the expected benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract.

Contingent liabilities are disclosed if there is a possible future obligation as a result of a past event, or if there is a present obligation as a result of a past event but either a payment is not probable or the amount cannot be reliably estimated.

(M) Income taxes

The current tax expense is based on the taxable profits for the year, after any adjustments in respect of prior years. Tax, including tax relief for losses if applicable, is allocated over profits before taxation and amounts charged or credited to components of other comprehensive income and equity as appropriate.

Provision is made for deferred tax liabilities, or credit taken for deferred tax assets, using the liability method, on all material temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

The rates enacted or substantively enacted at the statement of financial position date are used to value the deferred tax assets and liabilities.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Where there is a history of tax losses, deferred tax assets are only recognised in excess of deferred tax liabilities if there is convincing evidence that future profits will be available.

Deferred tax is provided on any temporary differences arising from investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future.

Deferred taxes are not provided in respect of any temporary differences arising from the initial recognition of goodwill, or from the initial recognition of an asset or liability in a transaction which is not a business combination and affects neither accounting profit nor taxable profit or loss at the time of the transaction.

Current and deferred tax relating to items recognised in other comprehensive income and directly in equity are similarly recognised in other comprehensive income and directly in equity respectively, except for the tax consequences of distributions from certain equity instruments, to be recognised in the income statement.

Deferred tax related to any fair value re-measurement of investments, held at fair value through other comprehensive income, owner-occupied properties, pensions and other post-retirement obligations and other amounts charged or credited directly to other comprehensive income is recognised in the statement of financial position as a deferred tax asset or liability.

(N) Finance Costs

All borrowing costs are expensed as they are incurred.

(O) Share capital

Equity instruments

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Accordingly, a financial instrument is treated as equity if:

- there is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable; and
- the instrument is a non-derivative that contains no contractual obligation to deliver a variable number of shares, or is a derivative that will be settled only by the Company exchanging a fixed amount of cash or other assets for a fixed number of the Company's own equity instruments.

(P) Dividends

Interim dividends on ordinary shares are recognised in equity in the period in which they are paid. Final dividends on these shares are recognised when they have been approved by shareholders.

Income statement
For the year ended 31 December 2024

	Note(s)	2024 £m	2023 £m
Income			
Net investment loss	F & 2	(8)	(10)
		(8)	(10)
Expenses			
Finance Costs	N & 3	(1)	(1)
Other expenses	3	(8)	(12)
		(9)	(13)
Loss for the year before tax		(17)	(23)
Tax credit	M & 7	1	3
Loss for the year after tax		(16)	(20)

The accounting policies (identified alphabetically) on pages 11 to 13 and notes (identified numerically) on pages 19 to 27 are an integral part of the financial statements.

Statement of comprehensive income
For the year ended 31 December 2024

	2024	2023
	£m	£m
Loss for the year	(16)	(20)
Total comprehensive loss for the year	(16)	(20)

The accounting policies (identified alphabetically) on pages 11 to 13 and notes (identified numerically) on pages 19 to 27 are an integral part of the financial statements.

Statement of changes in equity
For the year ended 31 December 2024

		Ordinary Share Capital	Retained earnings	Total equity
	Note(s)	£m	£m	£m
Balance at 1 January 2023		10	240	250
Loss for the year		—	(20)	(20)
Total comprehensive loss for the year		—	(20)	(20)
Balance at 31 December 2023		10	220	230
Loss for the year		—	(16)	(16)
Total comprehensive loss for the year		—	(16)	(16)
Balance at 31 December 2024		10	204	214

The accounting policies (identified alphabetically) on pages 11 to 13 and notes (identified numerically) on pages 19 to 27 are an integral part of the financial statements.

Statement of financial position

As at 31 December 2024

		2024	2023
	Note(s)	£m	£m
Assets			
Non current assets			
Investments in subsidiaries	C & 9	121	121
Tax asset	M & 14(a)	—	3
Current assets			
Receivables and other financial assets	H & 11	171	193
Current tax asset	M & 14(a)	4	—
Total assets		296	317
Equity			
Ordinary share capital	12	10	10
Retained earnings	13	204	220
Total equity		214	230
Liabilities			
Non current liabilities			
Payables and other financial liabilities	I & 15	71	72
Current liabilities			
Payables and other financial liabilities	I & 15	11	11
Tax liability	M & 14(a)	—	4
Total liabilities		82	87
Total equity and liabilities		296	317

The financial statements on pages 16 to 27 were approved by the Board of Directors on 18 September 2025 and signed on its behalf by

DocuSigned by:
Neil Harrison
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N Harrison
Director

Registered in England and Wales No. 02180206

The accounting policies (identified alphabetically) on pages 11 to 13 and notes (identified numerically) on pages 19 to 27 are an integral part of the financial statements.

Statement of cash flows

For the year ended 31 December 2024

	Note(s)	2024 £m	2023 £m
Net cash generated from operating activities		—	—
Cash flows from investing activities			
Payment of option premium on acquisition of shares in subsidiary		(9)	(9)
Net cash used in investing activities		(9)	(9)
Cash flows from financing activities			
Acquisition of shares in subsidiary		—	(14)
Funding provided by parent		10	23
Repayment of funding provided by fellow Group companies		(1)	(1)
Net cash generated from financing activities		9	8
Net (decrease) / increase in cash and cash equivalents		—	(1)
Cash and cash equivalents at 1 January		—	1
Cash and cash equivalents at 31 December	K	—	—

The majority of the Company’s operating and investing cash requirements are met by fellow Group companies (see note 18 for further disclosure of transactions on the Company’s behalf by its related parties) and settled through intercompany current accounts. As the direct method of presentation has been adopted for these activities, no further disclosure is required.

The accounting policies (identified alphabetically) on pages 11 to 13 and notes (identified numerically) on pages 19 to 27 are an integral part of the financial statements.

Notes to the financial statements

1. Exchange rates

Assets and liabilities have been translated at the following year end rates:

	2024	2023
Euro	1.21	1.15
US Dollar	1.26	1.27
Indian Rupee	107.44	105.91

2. Net investment income/(loss)

	2024	2023
	£m	£m
Net gains and losses		
From financial instruments mandatorily held at FVTPL	(8)	(10)
Net investment loss	<u>(8)</u>	<u>(10)</u>

3. Details of expenses

	2024	2023
	£m	£m
Finance costs	1	1
Other expenses	3	2
Foreign exchange losses	5	10
Total expenses	<u>9</u>	<u>13</u>

4. Employee information

The Company has no employees (2023: nil). All UK employees engaged in the activities of the Company are employed by subsidiary undertakings of Aviva plc.

5. Directors' remuneration

The directors were all remunerated by Aviva Employment Services Limited, a fellow subsidiary of the ultimate parent Aviva plc, for their services as employees to the Group as a whole. They were not remunerated directly for their services as directors of the Company and the amount of time spent performing their duties is incidental to their roles across the Group. This is consistent with prior years.

6. Auditors' remuneration

The total remuneration payable by the Company, excluding VAT, to its auditors, Ernst & Young LLP, Statutory Auditor (2023: PricewaterhouseCoopers LLP) is as follows:

	2024	2023
	£'000	£'000
Fees payable to Ernst & Young LLP (2023: PricewaterhouseCoopers LLP) for the statutory audit of the Company's financial statements	<u>46</u>	<u>44</u>

The Company is exempt under SI 2008/489 from the obligation to disclose fees in respect of 'Other services' as the Company is a subsidiary of Aviva plc, which prepares consolidated financial statements. Fees paid to the Company's auditors, Ernst & Young LLP (2023: PricewaterhouseCoopers LLP) and its associates for services other than the statutory audit and audit related assurance services of the Company and other Group undertakings are disclosed in the consolidated annual report and financial statements of Aviva plc.

There were no non-audit fees paid to the Company's auditors during the year (2023: £nil). All fees have been borne by Aviva plc.

Notes to the financial statements continued

7. Tax

(a) Tax credit to the income statement

(i) The total tax credit comprises:

	Note	2024 £m	2023 £m
Current tax			
For the period		1	3
Total current tax		1	3
Total tax credited to the income statement		1	3

(ii) The tax credit can be analysed as follows:

		2024 £m	2023 £m
United Kingdom tax		1	3
Total tax credited to the income statement		1	3

(b) Tax credited/(charged) to other comprehensive income

There was no tax credited or charged to other comprehensive income in either 2024 or 2023.

(c) Tax reconciliation

The tax on the Company's (loss) before tax differs from the theoretical amount that would arise using the tax rate in the United Kingdom as follows:

	Note	2024 £m	2023 £m
Total (loss) before tax		(17)	(23)
Tax calculated at standard UK corporation tax rate of 25% (2023: 23.5%)		4	5
Disallowable expenses		(3)	(2)
Total tax credit to income statement	7(a)	1	3

The Company (as part of the Aviva Group) is subject to the reform of the international tax system proposed by The Organisation for Economic Co-operation and Development (OECD) which introduces a global minimum effective rate of corporation tax of 15% and took effect in the current period. No current tax charge is included in respect of these provisions. No amount is recorded in 2023 as the tax had not been introduced in this period.

In accordance with the amendments to IAS 12, endorsed in the UK on 19 July 2023, the Company has applied the exemption and not provided for deferred tax in respect of the global minimum tax reforms.

8. Dividends

No interim or final ordinary dividends on the Company's ordinary shares were declared or paid during 2024 (2023: £nil).

9. Investments in subsidiaries

(a) Movements in the Company's investments in its subsidiaries:

	Note	2024 £m	2023 £m
At 1 January		121	107
Addition	9(b)	—	14
At 31 December		121	121

(b) Material movements

(i) Impairment testing

Investments in subsidiaries are tested for impairment of their carrying value when there is an indicator of impairment. They are tested for impairment by comparing the carrying value of the investment to the recoverable value of that investment. Recoverable value is the higher of value in use and fair value. Value in use is calculated as the discounted value of expected future profits of each investment. Fair value is determined based on quoted valuations, IFRS net assets, Solvency II net assets or IFRS tangible net asset value multiples underpinned by the quoted market valuation of comparable listed entities. There were no indicators of impairment in 2024 or 2023.

Notes to the financial statements continued

9. Investments in subsidiaries continued

(b) Material movements continued

(ii) Additions

On 31st March 2023, the Company acquired an additional £13.6 million of share capital in Aviva Life Insurance Company India Limited ('Aviva India'). The Company continues to hold a 74% shareholding following this transaction.

(c) Principal Subsidiaries

Name of undertaking	% held	Country of incorporation
Aviva Life Insurance Company India Limited	74	India
Aviva Global Services (Management Services) Private Limited	100	Singapore

10. Fair value methodology

(a) Basis for determining fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the 'fair value hierarchy' described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1

Inputs to Level 1 fair values are quoted prices (unadjusted) in active markets for identical assets and liabilities that the Company can access at the measurement date.

Level 2

Inputs to Level 2 fair values are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the instrument. Level 2 inputs include the following:

- Quoted prices for similar assets and liabilities in active markets.
- Quoted prices for identical or similar assets and liabilities in markets that are not active, the prices are not current, or price quotations vary substantially either over time or among market makers, or in which little information is released publicly.
- Inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, implied volatilities, and credit spreads).
- Market-corroborated inputs.

Where the Company uses broker quotes and no information as to the observability of inputs is provided by the broker, the investments are classified as follows:

- Investment is classified as Level 2, where the broker price is validated using internal models with market observable inputs and the values are similar.
- In circumstances where internal models are not used to validate broker prices, or the observability of inputs used by brokers is unavailable, the investment is classified as Level 3.

Level 3

Inputs to Level 3 fair values are unobservable inputs for the asset or liability. Unobservable inputs may have been used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Unobservable inputs reflect the assumptions the Company considers that market participants would use in pricing the asset or liability. Examples are investment properties, certain private equity investments and private placements.

The Company's Level 3 liabilities are measured at fair value and based on quoted market information or observable market data. Where estimates are used, these are based on a combination of independent third-party evidence and internally developed models, calibrated to market observable data where possible. Third-party valuations using significant unobservable inputs validated against Level 2 internally modelled valuations are classified as Level 3, where there is a significant difference between the third-party price and the internally modelled value. Where the difference is insignificant, the instrument would be classified as Level 2.

(b) Changes to valuation techniques

There were no changes in the valuation techniques during the year compared to those described in the 2023 Annual Report and Financial Statements.

(c) Comparison of the carrying amount and fair values of financial instruments

Fair value of the following assets and liabilities approximate to their carrying amounts:

- Receivables
- Cash and cash equivalents
- Payables and other financial liabilities

Notes to the financial statements continued

10. Fair value methodology continued

(d) Fair value hierarchy

		Fair value hierarchy			2024
		Level 1	Level 2	Level 3	Total
	Note	£m	£m	£m	£m
Recurring fair value measurements					
Financial liabilities					
Derivative liabilities	16	—	—	80	80
Total		—	—	80	80

		Fair value hierarchy			2023
		Level 1	Level 2	Level 3	Total
	Note	£m	£m	£m	£m
Recurring fair value measurements					
Financial liabilities					
Derivative liabilities	16	—	—	81	81
Total		—	—	81	81

(e) Transfer between levels of the fair value hierarchy

For financial instruments that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels of the fair value hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of the reporting year.

No material transfers occurred between any of the fair value hierarchy levels.

(f) Further information on Level 3 financial instruments

The derivative liabilities were the only Level 3 assets and liabilities in 2024 and 2023. The derivative liabilities relate to Aviva India (refer to note 16) and have been valued in reference to a third-party valuation of Aviva India and forecast future cash flows. The most significant assumption in relation to the valuation of the liability is the number of future annual option premium payments. A +/- 1 year change in forecast future cash flows would result in an increase/decrease in fair value of approximately +£2 million/- £3 million (2023: +/- £3 million).

11. Receivables and other financial assets

	Note	2024 £m	2023 £m
Amounts due from immediate parent	18(a)(i)	171	193
Total as at 31 December		171	193
Expected to be recovered in less than one year		171	193
Expected to be recovered in more than one year		—	—
Total as at 31 December		171	193

The fair value of receivables and other financial assets are approximate to their carrying amounts. All receivables and other financial assets are held at amortised cost.

12. Ordinary share capital

	2024 £m	2023 £m
Allotted, called up and fully paid share capital		
1,000 (2023: 1,000) ordinary shares of £10,000 each	10	10

Ordinary shares in issue in the Company rank pari passu. All the ordinary shares in issue carry the same right to receive all dividends and other distributions declared, made or paid by the Company.

13. Retained earnings

	Note	2024 £m	2023 £m
At 1 January		220	240
Loss for the year		(16)	(20)
At 31 December		204	220

Notes to the financial statements continued

14. Tax assets and liabilities

(a) Current tax

Tax assets recoverable and liabilities payable in less than 1 year are £4m and £nil (2023: £nil and £4m), respectively.

Tax assets recoverable in more than one year are £nil (2023: £3m).

(b) Deferred tax

The Company had no provided or unprovided deferred tax assets or liabilities at 31 December 2024 (2023: £nil).

15. Payables and other financial liabilities

	Note(s)	2024 £m	2023 £m
Amounts due to fellow Group Companies	18(a)(ii)	2	2
Derivative liabilities	16	80	81
Total as at 31 December		82	83
Expected to be settled within one year		11	11
Expected to be settled in more than one year		71	72
Total as at 31 December		82	83

Payables and other financial liabilities are held at amortised cost, which approximates to fair value, except the derivative liabilities which are held at FVTPL.

16. Derivative financial instruments and hedging

	Note(s)	2024 £m	2023 £m
As at 1 January		81	80
Payments made in the year		(9)	(9)
Fair value movement	2	8	10
As at 31 December		80	81

The Company has recognised a derivative liability under the Aviva India joint venture agreement. No other derivative financial instruments were used by the Company in either 2024 or 2023.

The fair values represent the gross carrying values at the year end for each class of derivative contract held (or issued) by the Company.

The Company has not adopted hedge accounting for its derivative instruments at 31 December 2024 nor 2023.

17. Risk Management

(a) Risk management framework

The Company operates a risk management framework that forms an integral part of the management and Board processes and decision-making framework, aligned to the Group's risk management framework.

The Company's risk management approach is proportionate to its activities as a non-trading intermediate holding company for some of the Aviva plc Group's overseas subsidiaries, associate and joint ventures. At least annually the Company's management review the key risks specific to the Company.

To promote a consistent and rigorous approach to risk management, the Group has set out formal risk management policies and business standards which set out the risk strategy, framework and minimum requirements for the Group's worldwide operations, including the Company.

For the purposes of risk identification and measurement, and aligned to the Company's risk policies, risks are usually grouped by risk type: credit, market, liquidity and operational risk. Risks falling within these types may affect a number of metrics including those relating to statement of financial position strength, liquidity and profit.

The directors recognise the critical importance of having efficient and effective risk management systems in place and acknowledge that they are responsible for the Company's framework of internal control and of reviewing its effectiveness. The framework is designed to manage rather than eliminate the risk of failure to achieve the Company's objectives, and can only provide reasonable assurance against misstatement or loss. The directors of the Company are satisfied that their adherence to this Company framework provides an adequate means of managing risk in the Company.

Further information on the types and management of specific risk types is given in sections (b) to (f) below.

Notes to the financial statements continued

17. Risk Management continued

(b) Credit risk

Credit risk is the risk of financial loss as a result of the default or failure of third parties to meet their payment obligations to the Company, or variations in market values as a result of changes in expectations related to these risks.

The Company's approach to managing credit risk recognises that there is a risk of adverse financial impact resulting from fluctuations in credit quality of counterparties including default, rating transition and credit spread movements. The Company's credit risks arise principally through exposures to internal counterparties.

The Group manages its credit risk at business unit and Group level. All business units' management of credit risk includes implementation of credit risk management processes (including limits frameworks), the operation of specific risk management committees, and detailed reporting and monitoring of exposures against pre-established risk criteria. As at the reporting date, there are no material expected credit losses recognised in relation to loans due from fellow group companies held at amortised cost.

(i) Financial exposures to Group companies

The Company's receivables and financial assets are amounts due from immediate parent company. The credit risk arising from immediate parent company failing to meet all or part of their obligations is considered remote. Due to the nature of the intra-group receivables, and the fact that these are settled, and not traded, the Company is not exposed to the risk of changes to the market value caused by changing perceptions of the creditworthiness of such counterparties.

(ii) Modification of contractual cash flows that have not resulted in derecognition

There have been no significant modifications of contractual cash flows on any of the Company's financial assets during the year.

(iii) Calculation of expected credit losses

Expected credit losses on material receivables and other assets are calculated with reference to the Company's historical experience of losses, along with an analysis of payment terms. Short term financial assets (where all amounts are receivable within twelve months from the reporting date) do not generally attract an expected credit loss charge, unless there is objective evidence that losses are likely to arise.

The Company has no financial assets which are categorised such that lifetime expected credit losses are calculated or which are deemed to be credit impaired at the reporting date. The Company has not purchased or originated any credit-impaired financial assets as at the reporting date.

The Company makes use of the simplified approach when calculating expected credit losses on receivables and other financial assets which don't include a significant financing component, and therefore calculates expected credit losses over the lifetime of the instrument in question. As at the reporting date, no lifetime expected credit losses have been recognised in relation to trade receivables.

Receivables and other financial assets of £171 million (2023: £193 million) are neither past due nor impaired and are comprised of amounts due from parent, amounts due from subsidiaries, external loans receivable and prepayments.

(c) Market risk

Market risk is the risk of adverse financial impact resulting directly or indirectly from fluctuations in interest rates, inflation, and foreign currency exchange rates. Market risk arises due to fluctuations in both the value of liabilities and the value of investments held.

The management of market risk is undertaken at business unit and at Group level. Businesses manage market risks locally using the Group market risk framework and within local regulatory constraints. Group Capital is responsible for monitoring and managing market risk at Group level and has established criteria for matching assets and liabilities to limit the impact of mismatches due to market movements.

The most material type of market risk that the Company is exposed to is from the derivative liability in respect of Aviva India (see note 19).

(d) Liquidity risk

Liquidity risk is the risk of not being able to make payments as they become due because there are insufficient assets in cash form.

The Company seeks to ensure that it maintains sufficient financial resources to meet its obligations as they fall due.

In extreme circumstances the Company would approach the Group for additional short-term borrowing whilst the Company liquidated other assets. Aviva plc maintains significant undrawn committed borrowing facilities of £1,700 million (2023: £1,700 million) from a range of leading international banks to mitigate this risk further.

At 31 December 2024, the Company's current receivables exceeded its current liabilities by £160 million (2023: current receivables exceeded its current liabilities by £182 million).

The following tables show the maturities of the Company's liabilities, and of the financial assets held to meet them. A maturity analysis of the contractual amounts payable for other liabilities and payables and other financial liabilities, is given in notes 14 and 15 respectively.

Notes to the financial statements continued

17. Risk Management continued

(d) Liquidity risk continued

(i) Analysis of maturity of liabilities

The following table shows the Company's financial liabilities analysed by duration:

					2024
	Note	On demand or within 1 year £m	1-5 years £m	5-10 years £m	Total £m
Payables and other financial liabilities	15	11	71	—	82
		11	71	—	82

					2023
	Note	On demand or within 1 year £m	1-5 years £m	5-10 years £m	Total £m
Payables and other financial liabilities	15	11	72	—	83
		11	72	—	83

Payables and other financial liabilities include amounts due to immediate parent and other Group companies of £2 million (2023: £2 million).

(ii) Analysis of maturity of financial assets

The following table provides an analysis, by maturity date of the principal, of the carrying value of financial assets which are available to fund the repayment of liabilities as they crystallise. This table excludes assets held for sale.

					2024
	Note	On demand or within 1 year £m	1-5 years £m	5-10 years £m	Total £m
Receivables and other financial assets	11	171	—	—	171
		171	—	—	171

					2023
	Note	On demand or within 1 year £m	1-5 years £m	5-10 years £m	Total £m
Receivables and other financial assets	11	193	—	—	193
		193	—	—	193

(e) Operational risk

Operational risk is the risk of direct or indirect loss, arising from inadequate or failed internal processes, people and systems, or external events including changes in the regulatory environment.

Given its limited activities, the key operational risks to the Company are inadequate governance and lack of sufficiently robust financial controls. The risks are mitigated by the Board's adoption and implementation of the Company's risk management policies and framework and compliance with the Company's Financial Reporting and Controls Framework.

Notes to the financial statements continued

17. Risk Management continued

(f) Capital management

The Company's capital risk is determined with reference to the requirements of the Company's stakeholders. In managing capital, the Company seeks to maintain sufficient, but not excessive, financial strength to support the requirements of stakeholders. The sources of capital used by the Company are equity and shareholders' funds.

(i) Sensitivity results

Results of sensitivity testing for the Company's business are set out below. For each sensitivity, the impact of a change in a single factor is shown, with other assumptions left unchanged.

Sensitivity factor	Description of sensitivity factor applied					
Foreign exchange rates	The impact of a change in the GBP: Foreign currency exchange rate of $\pm 10\%$, with a positive change representing a strengthening of pound sterling.					

The impact of the above sensitivity factor is shown in the tables below:

	EUR +10%		EUR -10%		USD +10%		USD -10%		INR +10%		INR -10%	
	£m		£m		£m		£m		£m		£m	
Impact on profit before tax	(14)		17		(11)		14		7		(9)	
Impact on shareholders' equity	(10)		13		(8)		10		5		(7)	

	EUR +10%		EUR -10%		USD +10%		USD -10%		INR +10%		INR -10%	
	£m		£m		£m		£m		£m		£m	
Impact on profit before tax	(15)		18		(11)		13		7		(9)	
Impact on shareholders' equity	(12)		14		(9)		11		6		(7)	

Limitations of sensitivity analysis

The sensitivity analyses include the use of hypothetical market movements to demonstrate potential risks that only represent the Company's view of possible near-term market changes that cannot be predicted with any certainty.

18. Related party transactions

The Company has the following transactions with related parties which include parent companies, subsidiaries and fellow Group companies in the normal course of business.

(a) Other transactions

(i) Services provided to related parties

	2024		2023	
	Income earned in year	Receivable at year end	Income earned in the year	Receivable at year end
	£m	£m	£m	£m
Immediate parent	—	171	—	193
	—	171	—	193

The related parties' receivables are not secured and no guarantees were received in respect thereof. The receivables will be settled in accordance with normal credit terms.

(ii) Services provided by related parties

	2024		2023	
	Expenses incurred in year	Payable at year end	Expenses incurred in year	Payable at year end
	£m	£m	£m	£m
Fellow Group companies	3	2	3	2
	3	2	3	2

Notes to the financial statements continued

18. Related party transactions continued

(a) Other transactions continued

Expenses incurred in the year relates to recharges from fellow Group companies.

The related parties’ payables are not secured and no guarantees were given in respect thereof. The payables will be settled in accordance with normal credit terms.

(iii) Audit fees

Audit fees as described in note 6 are borne by the Company’s ultimate parent, Aviva plc.

(iv) Dividends paid

No dividends were paid in 2024 or 2023 to the Company’s parent, Aviva Group Holdings Limited.

(b) Key management compensation

Key management, which comprises the directors of the Company, are not remunerated directly for their services as directors of the Company and the amount of time spent performing their duties is incidental to their role across the Aviva Group. The majority of such costs are borne by Aviva plc and are not recharged to the Company. Refer note 5 for details of directors’ remuneration.

(c) Parent entity

The immediate parent entity is Aviva Group Holdings Limited, a private limited Company incorporated and domiciled in the United Kingdom.

(d) Ultimate controlling entity

The ultimate parent entity and controlling party is Aviva plc, a public limited Group incorporated and domiciled in the United Kingdom. This is the parent undertaking of the smallest and largest Group to consolidate these financial statements. Copies of Aviva plc financial statements are available on application to the Chief Corporate Governance Officer and Group Company Secretary, Aviva plc, 80 Fenchurch Street, London, EC3M 4AE, and on the Aviva plc website at www.aviva.com.

19. Related undertakings

The Company’s Act 2006 requires disclosure of certain information about the Company’s related undertakings which is set out in this note. Related undertakings comprise subsidiaries, joint ventures, associates.

The Company’s related undertakings along with the country of incorporation, the registered address, the class of shares held and the effective percentage of equity owned at 31 December 2024 are listed below.

(a) The direct related undertakings of the Company as at 31 December 2024 are listed below:

Name of undertaking	Registered office	Country of incorporation	Share class	% held
Aviva Global Services (Management Services) Private Limited	1 Harbourfront Avenue, #14-08 Keppel Bay Tower, 098632, Singapore	Singapore	Ordinary Shares	100%
Aviva Life Insurance Company India Limited	2nd floor, Prakash Deep Building, 7 Tolstoy Marg, New Dehli, 110001, India	India	Ordinary Shares	74%

20. Subsequent Events

Aviva Global Services (Management Services) Private Limited was struck off from the company register in Singapore on 29 May 2025. This is a standard process to wind down entities registered in Singapore.

On 18 September 2025, the Board of Directors approved an interim dividend on ordinary shares of £90m for the financial year ending 31 December 2025.