

Aviva plc

Cash flow plus growth...Upgraded
Capital Markets Day 2017

Disclaimer

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For a more detailed description of these risks, uncertainties and other factors, please see ‘Other information – Shareholder Information – Risks relating to our business’ in Aviva’s most recent Annual Report. Aviva undertakes no obligation to update the forward looking statements in this presentation or any other forward-looking statements we may make. Forward-looking statements in this presentation are current only as of the date on which such statements are made.

Adam Uszpolewicz

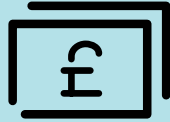
Chief Executive Officer, Poland

2017: strong economic fundamentals



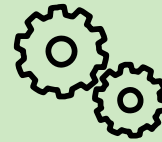
Economy

4.7%
#8 economy in EU*
#1 in CEE



Global wealth Index**

18%
YoY increase,
top result



Unemployment rate

6.8%
Lowest since 1991

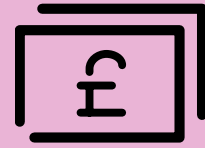
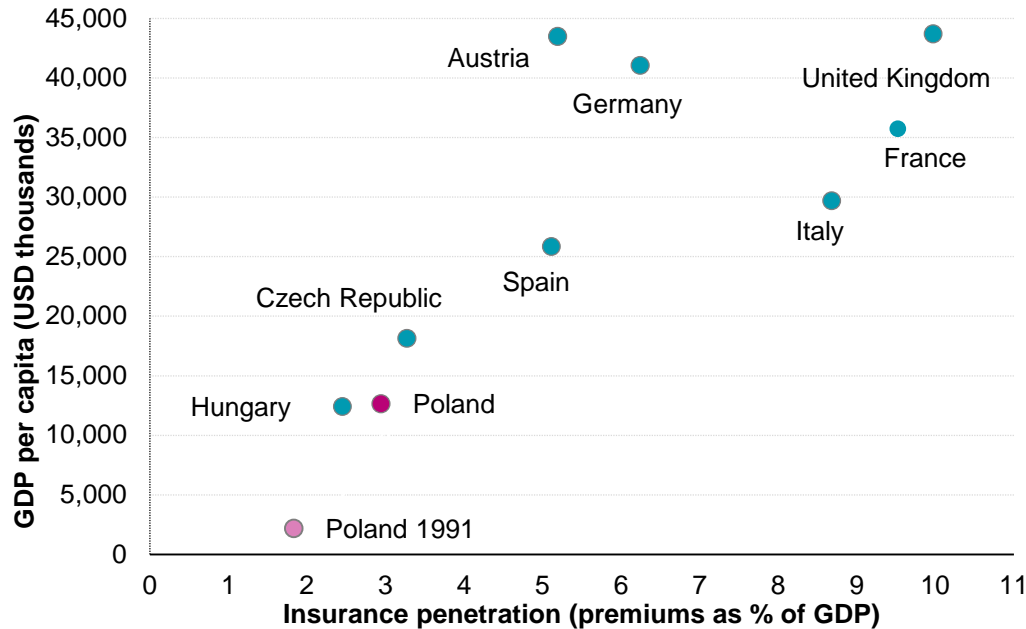


Demographics

38m
#6 in EU*, 25-40
years old dominant

Attractive insurance market

Insurance premium penetration vs GDP per capita

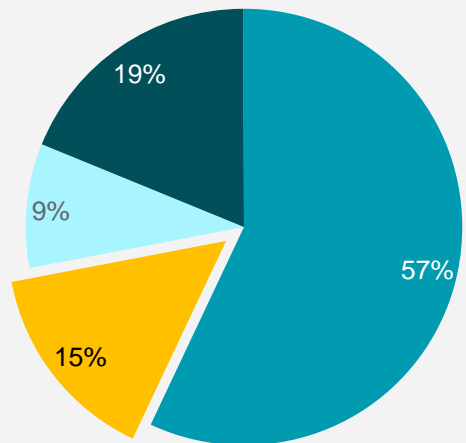


ROE

14%*

Aviva Poland doubled share of market profit

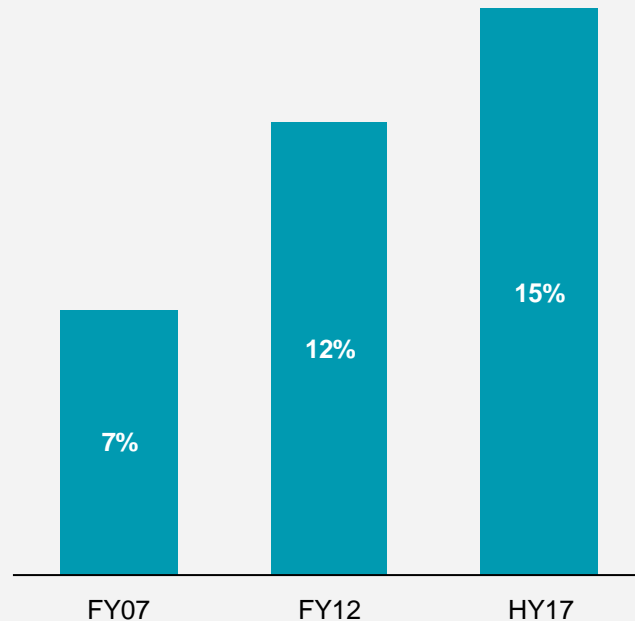
HY17 adjusted net income*



■ PZU ■ Aviva ■ Talanx ■ Other

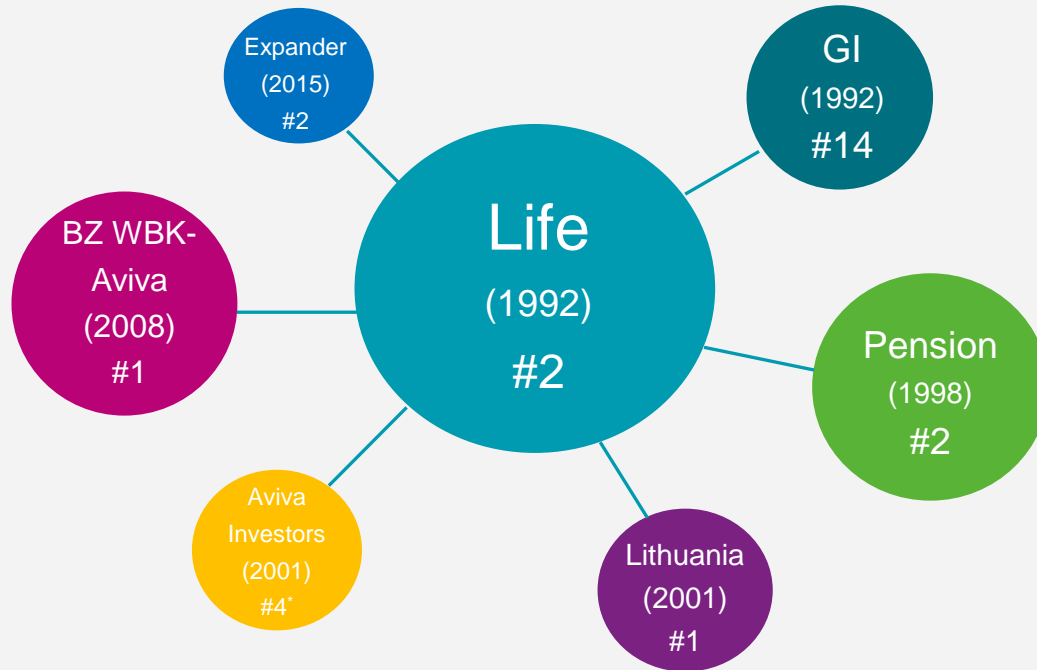
*Other' comprise insurers with less than 3% share

Aviva profit pool market share (Life + GI)



Aviva Poland 25 year track record with strong credentials

Aviva Poland with balanced profit source



Further growth initiatives

Investment platform

Allsurance
(Combined life and P&C)

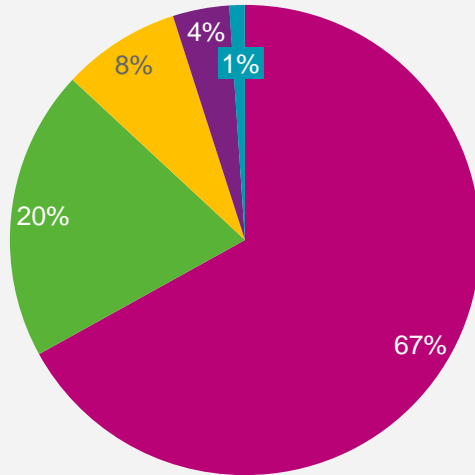
New bancassurance deals

Automatic enrolment

Diversified distribution

Distribution mix

by premium income



Leading position in each channel

Agency

- One of the largest networks on the market
- >2,000 tied agents
- 50 branches all over the country

Bancassurance

- BZ WBK
- #3 largest bank in Poland
 - >700 branches
- ING
- #5 largest bank in Poland
 - c400 branches

Direct

- 105 people in direct salesforce
- 16% share in direct sales on Polish market

Expander

- #2 IFA market player
- 270 agents
- 1,600 partners
- Distributing products of top banks & insurance companies

Aviva Poland becoming a digital leader



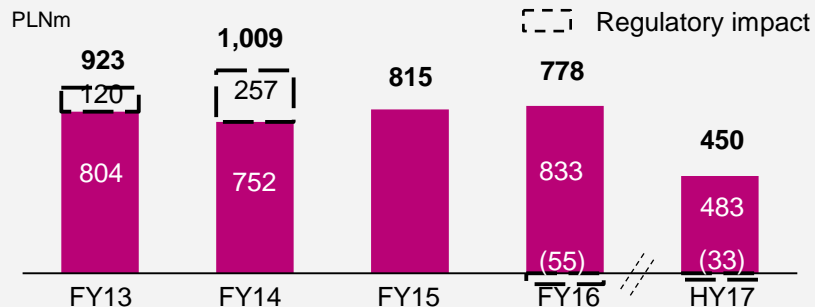
- Simple sales path
- E-proposals & auto underwriting
- Information on transactions and policies
- Client relationship history



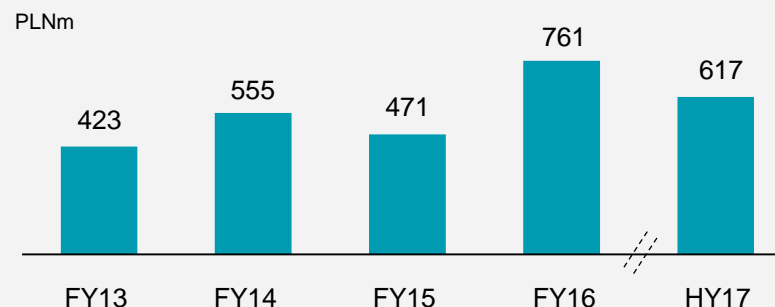
- One portal for all products, first on the market
- Possibility of simple rider upsell
- Self service
- Real time contact

Strong and stable financial performance

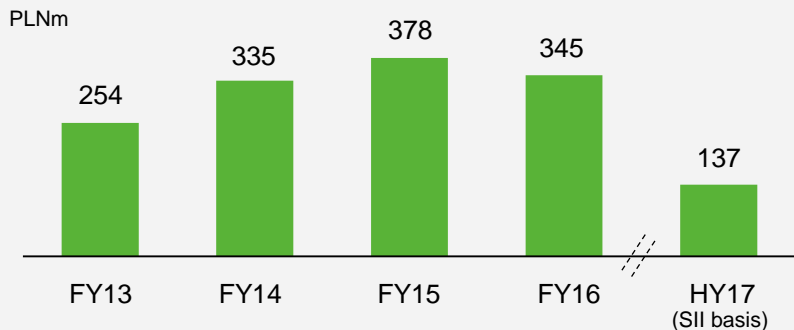
Operating profit



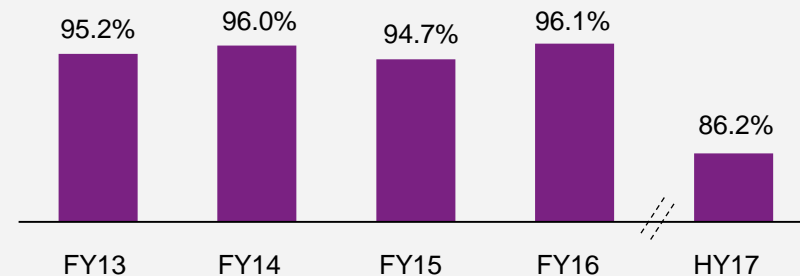
Cash remittances



Life value of new business



GI COR



Patrick Dixneuf

Chief Executive Officer, France

France strengthening its attractiveness



Economy

#2 in Europe
#5 in the world*

AA credit rating**



Macron's pro business agenda

Labor law

Tax overhaul

Big shift in confidence



Digital

86% High internet penetration rate*

66% purchased online within last 12 mths*



Demographics

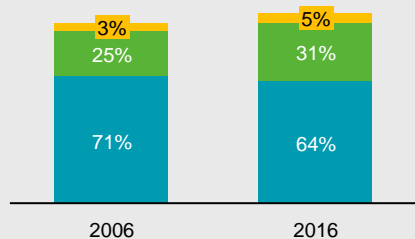
67m Population*

#1 birth rate in Europe*

Insurance market with positive long term drivers

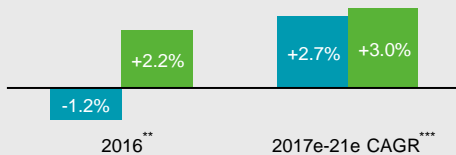
#2 insurance market in Europe*: c€110bn premiums** (FY16)

GI, Health & Protection growing**

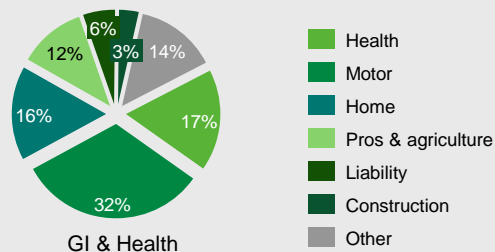
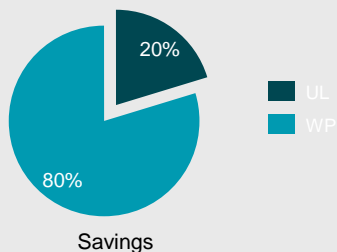


Upgraded growth outlook

Protection
GI & Health
Savings



Large product range**



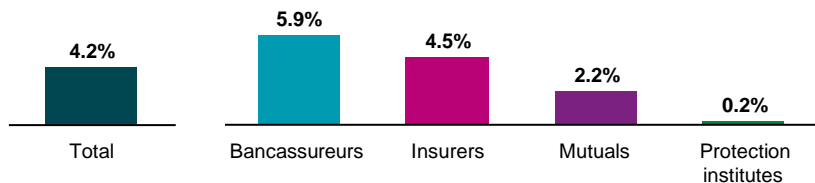
Growth drivers

- + Positive economic outlook
- + High savings rate
- + UL diversification
- + Supplementary pension fund ('FRPS' - potential benefits to local capital)
- + Social spending down
- + Ageing population

Private sector incumbents driving digital transformation

Only bancassureurs & insurers captured market growth in 2015

2014-15 premium growth by insurance providers*



Digital at heart of market transformation

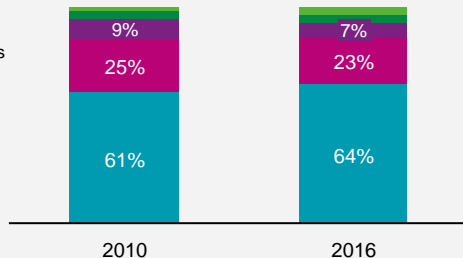
'Hybrid' market: intermediated & digital

Digital: 3% in Life, 2.5% Motor, aggregator-instigated sales <8%**

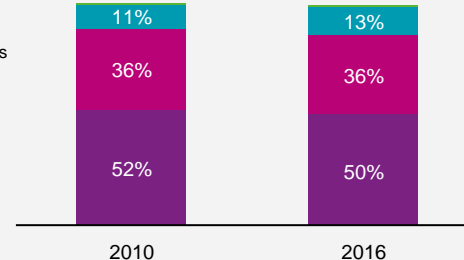
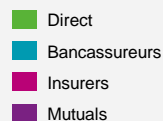
➔ Full digital not taken off but expected to grow

Stable distribution channels with strong positions for insurers in both Life & GI

>85% Savings*** sold via Bancassureurs & Insurers



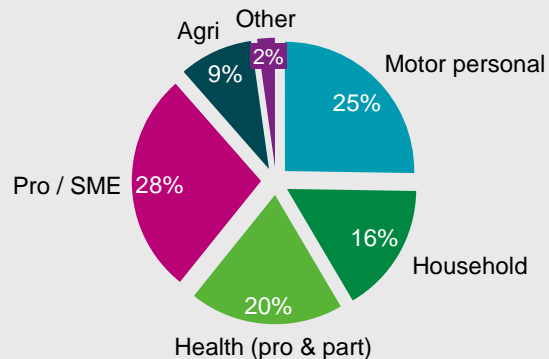
Mutuels & Insurers are preferred channels for GI***



Aviva France: where are we today?

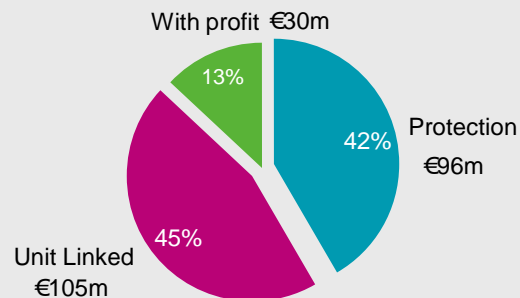
2nd Contributor to Group*

GI & Health (FY16 GWP) : €1.5bn



Life PVNBP (FY16) : €4.7bn**

FY16 VNB: €231m**



P&C premiums
2015-16 growth

+3.6%***

+2.2%***

FY16 GI COR

96.9%

102%****

⇒ outperforming market



Savings premiums
2015-16 growth

+0.2%

(1.2)%***

HY17 UL rate

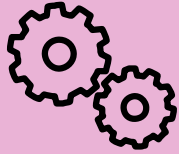
36%

28%***

Afer 20%; Non Afer 63%

⇒ outperforming market

2017-18 Fix & Focus



Capital optimisation

DVA application in progress

French supplementary pension funds (FRPS*)

Asset returns comfortably above average guarantees



Cost Discipline & Technical Excellence

Cost control

Transformation discipline

New funds to boost UL

Capital light products



Culture change

Governance re-design

Space to Lead

Strengthen leadership

More customer focused










Not Everywhere

Antarius

Health Brokerage

Leadership in 5 distribution channels

	 EUROFIL.com	 AVIVA Direct	 EPARGNE ACTUELLE	 AVIVA Agents	 Uff <small>Union Française des Courtiers en Garantie de Prévoyance</small>	Life & GI brokers	 afer	 AVIVA INVESTORS France
	215 k customers	435 k customers	220 k customers	1,215 k customers	190 k customers	465 k customers	Savers' association	Asset Mgt & Real Estate
Rank	#2 nd	#1 st	#1 st	#4 th	#2 nd		#1 st	#7 th €104bn AuM
% IFRS OP	2%	6%	16%	22% <small>10% GI - 9% Afer - 3% Aviva Vie</small>	21%	33%		
Ownership	100%	100%	100%	100%	74%	0%	2/3 of distribution owned by Aviva	






11th largest insurance player / 4th traditional insurer*

Simplified strategy

1 Single Brand

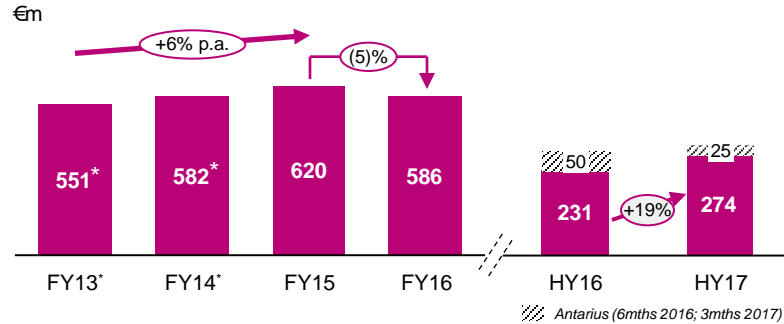
4 Customer Propositions

Strategic repositioning to build long term growth

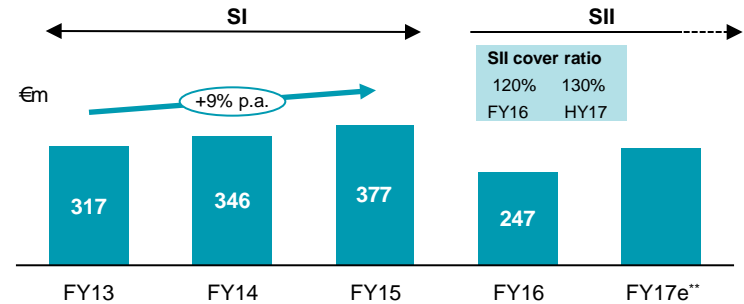
	 <p>For customers looking for simple digital solutions</p>	 <p>For Pros. & individuals looking for advice</p>	 <p>For Mass Affluent looking for top-class service quality</p>	 <p>For Partners valuing Aviva's technical excellence</p>
Existing customers	800,000	1,200,000	300,000	465,000
Priority	Acquire	Transform	Develop	Attract
Rationales	Market Growth of digital solution demand	Resilient agent network in 'hybrid' market	Life insurance at the heart	Space for innovation
	Aviva France Top market existing capabilities	4 th network & only one growing Composite product range	Large customer portfolio & distribution capabilities	Extensive experience with partnerships (i.e. Afer, Antarius)
 Digitalisation across all channels				

A turning point in 2016... & a growth engine to be amped up

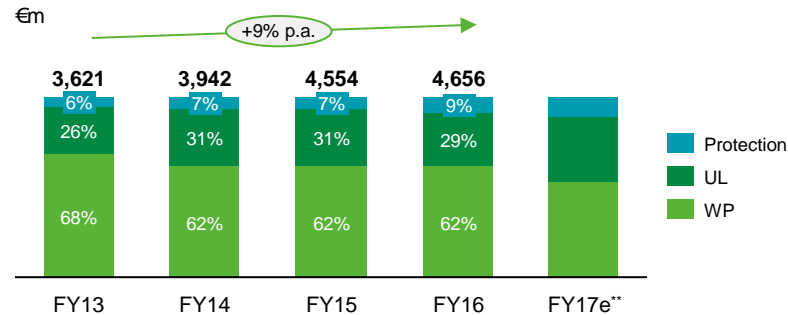
Operating profit



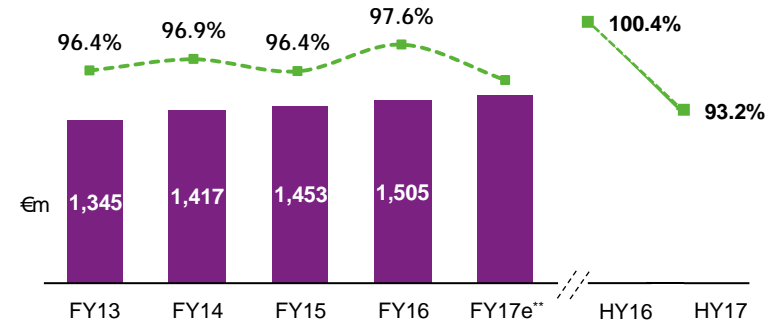
Cash remittances



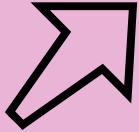
Life – PVNBP (excl. Antarius)



GI COR & GWP



Aviva France at a glance

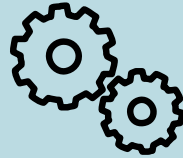


Market with boosted appeal

#2 in Europe

Positive macro outlook

Favourable insurance drivers



#2 contributor to Group

+19% HY17 operating profit

Leadership in 5 distribution channels

Strong TCC capabilities



Transformed strategy

1 brand, 4 propositions

Digitalisation across all channels

Greg Somerville

President and CEO, Canada

Canada: solid economic, political and regulatory environment



Economy

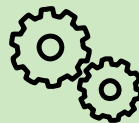
#10 largest economy*

AAA credit rating (S&P)



Political environment

Stable



Regulatory landscape

Prudential - *stable*

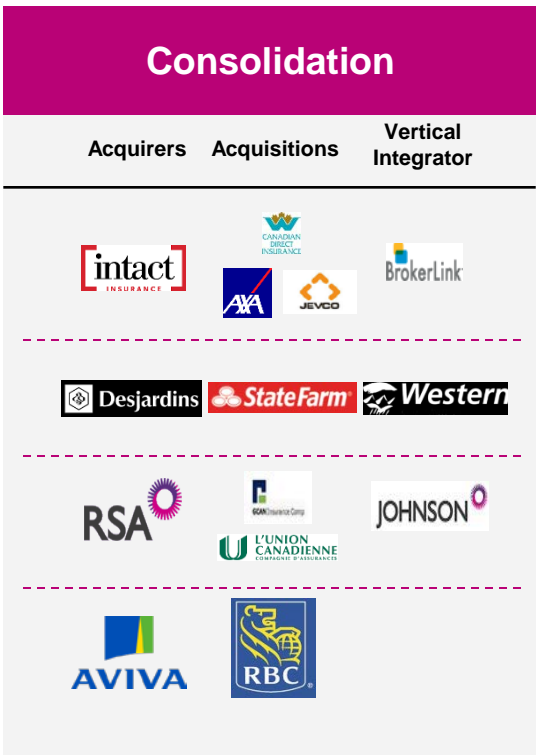
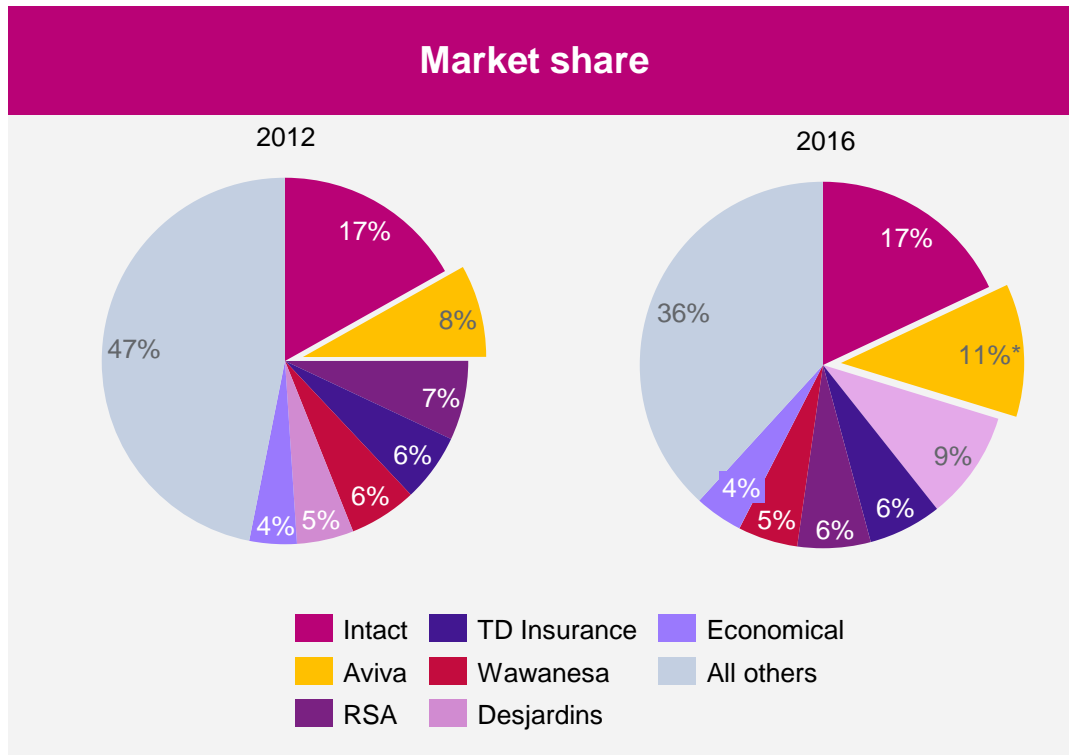
Provincial - *regulated for auto*



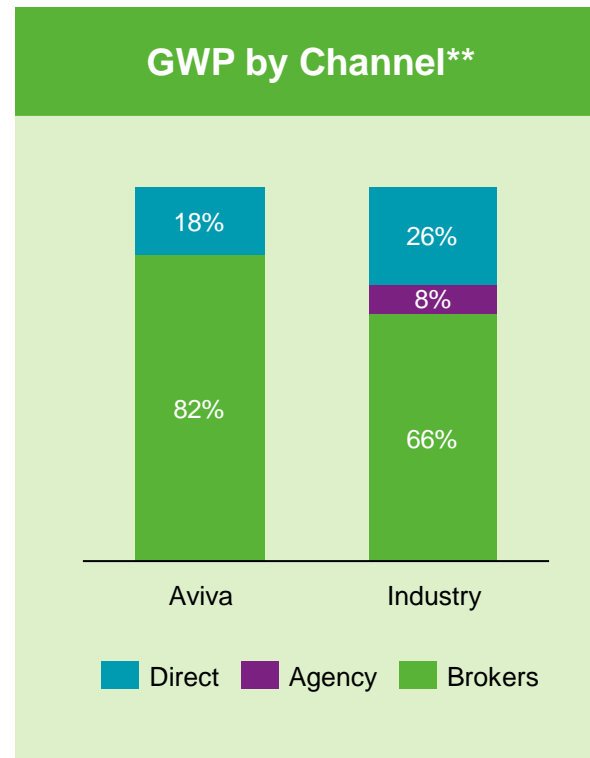
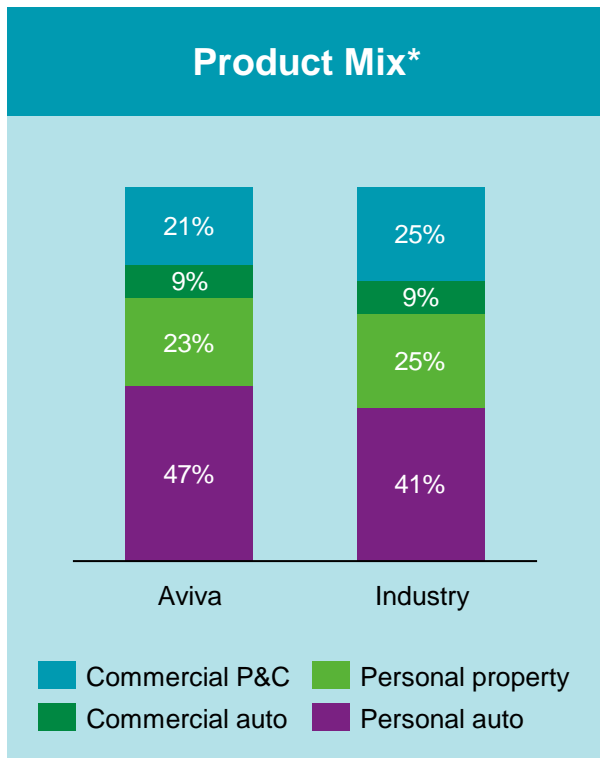
Demographics

36m population

Canadian P&C Industry: ongoing consolidation



National scale, product breadth, diversified distribution



Growth driven by RBC partnership

Successful integration gathering momentum



- Powerful Brand and Network
- Strong Sales Force
- Limited Product Offering



- Product breadth and depth
- IT platform investment
- Global GI/Partnership expertise



Combined scale and capabilities driving efficiencies and profitable growth

Key Initiatives

Digital

Disrupting the Direct Market

- Creating innovative customer journeys to self-serve online
- Transform back-end advisers' system
- Simple, clear online products

Product

Expanding the range

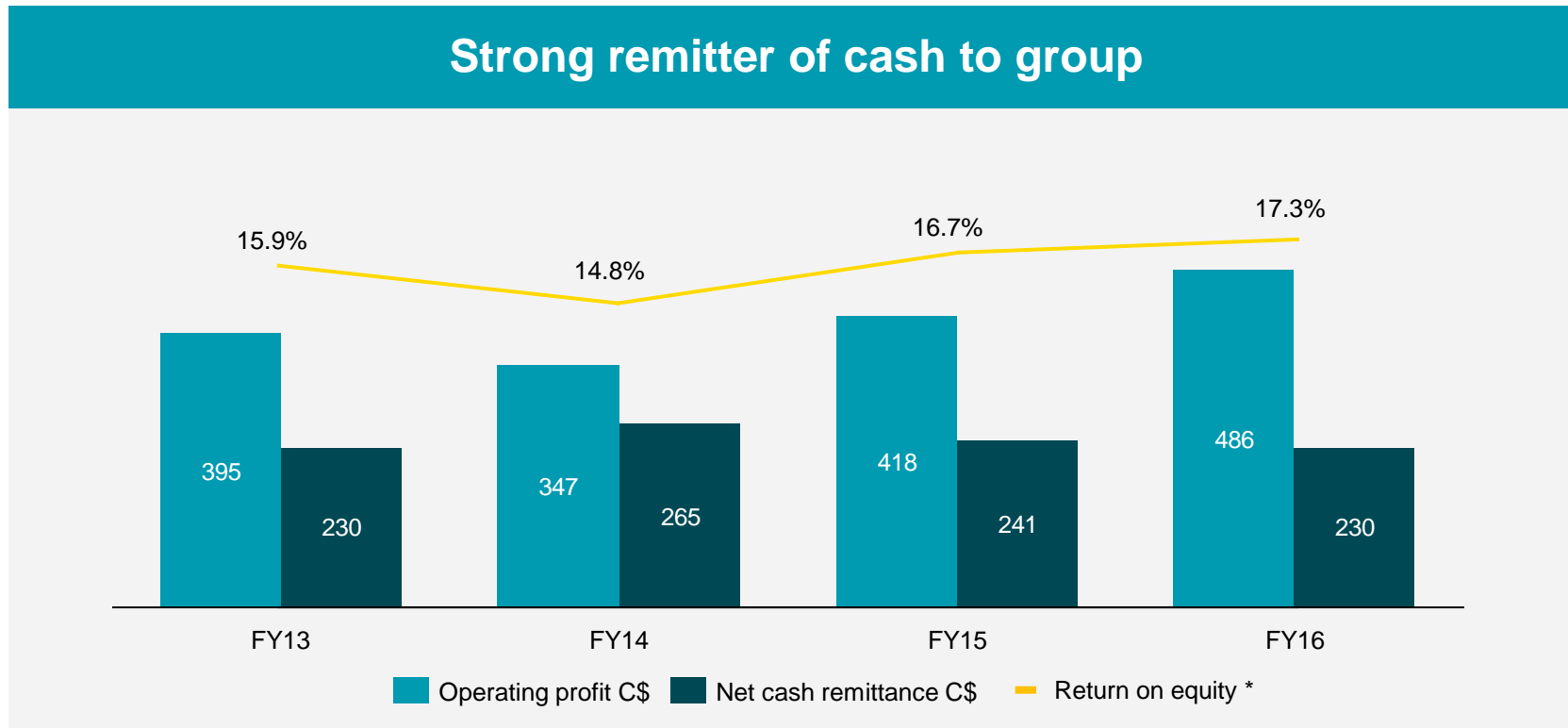
- RBC's product suite more than doubled
- Cross-sell Aviva's HNW products to RBC Wealth Management
- Launch 'Ask it Never'

Customer

Benefiting from best of both

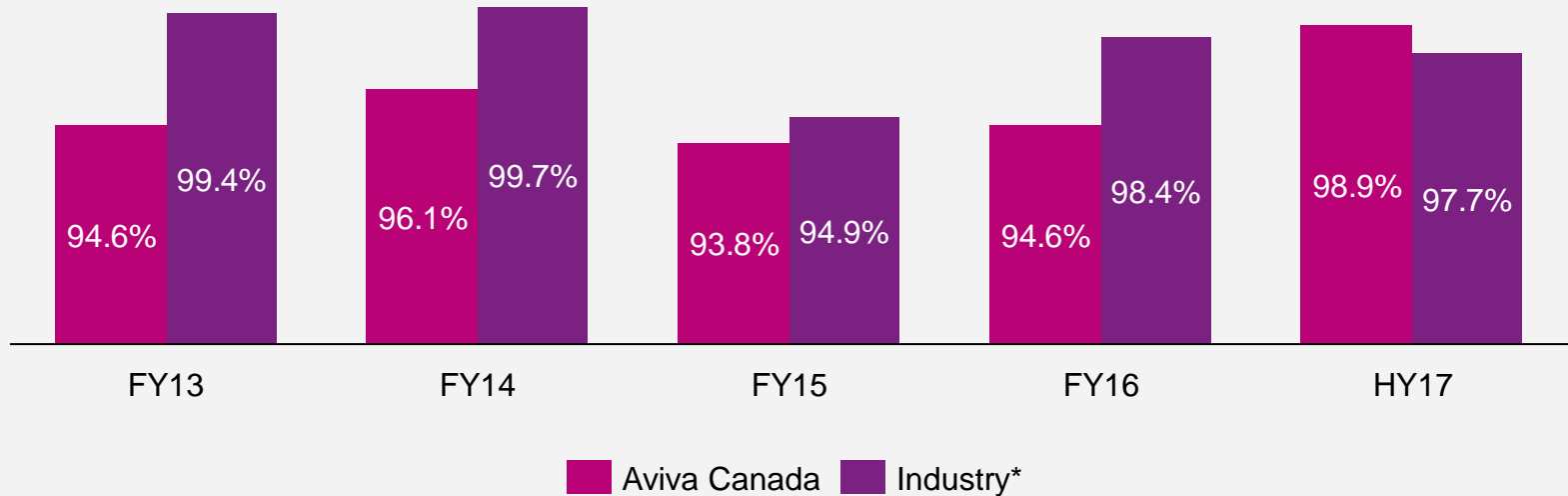
- Leverage RBC's pricing expertise in profitable, high growth markets
- Guidewire and RBC's Direct expertise to create top-class online customer journey

High return on capital, stable cash generator



Consistently outperformed peer group

COR – Aviva vs market



Strong relative performance continued in FY 2016 despite multiple CAT events and increased claims frequency

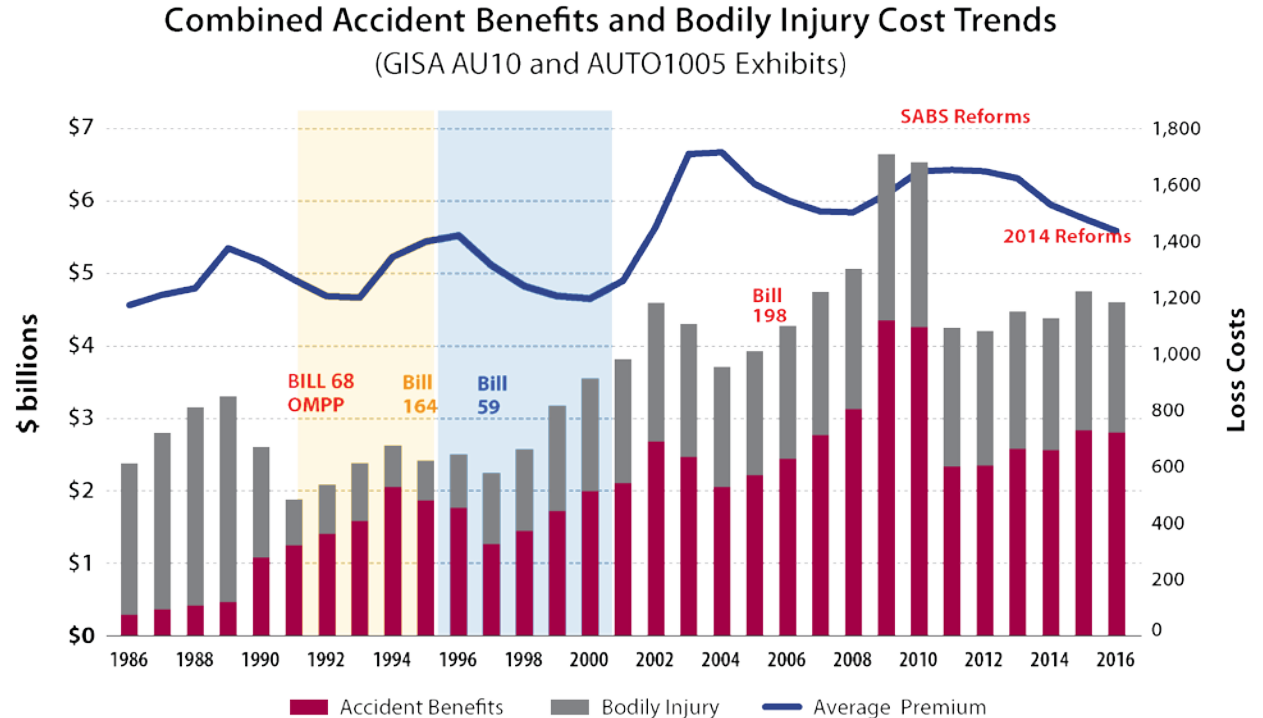
Confidence in improving our performance

Returning to mid-nineties COR

- Higher rate in regulated and unregulated lines
- Reform agenda
- Disciplined underwriting
- Expense efficiency
- Broker segmentation
- Claims cost management

Ontario Auto: strong case for reform

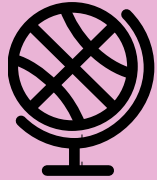
- **Higher premiums:** Ontario Auto premiums 55% higher than Canadian average
- **Rising claims:** Claims costs are increasing while the number of accidents has reduced
- **Calls for reform:** Marshall report published in April 2017



Opportunities to diversify and grow around

		Brokers	RBC	Affinities	D2C	Disruptors
Distribution Strategy		Maintain growth & profitability with preferred brokers	Grow profitably & build Aviva's brand	Leverage partners' scale & brand to acquire customers	Test & learn to develop capabilities	Proactively partner with digital disruptors
Current GWP *		\$4.1bn	\$0.9bn			
Auto		Grow preferred brokers	Leverage brand to grow	Focus on key digital partnerships	Test & learn	Identify partnership opportunities
Home						
Leisure			Sell to existing RBC customers			
Small Commercial		Introduce digital solution	Future growth opportunity			
Large Commercial		Increase risk appetite				
Ind.Health (Life)		Introduce A&H products		Introduce A&H products		
		Existing Market		Growth opportunity		

Aviva Canada: leading franchise, high returns



**Leading
franchise**

2nd largest P&C
insurer

11% market share



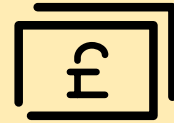
**Delivering
growth**

7%* premiums growth
over 4 years



**Diversified
distribution**

Brokers, RBC/D2C and
affinities



**High
returns**

Mid-teen return on capital