

A young child with dark hair, wearing a yellow and orange striped sweater and red pants, stands in a lush green forest. The child is holding binoculars to their eyes, looking upwards. The forest floor is covered in dense ferns, and tall trees are visible in the background with sunlight filtering through the canopy.

# It takes AVIVA

**Aviva plc**  
Sustainability Report 2022



**It all starts with our customers.**

**This report sets out how we are here today for a better tomorrow for our customers, operating sustainably for our people, shareholders and society.**

**It takes Aviva.**

### **Our reporting suite**

This report forms part of our external annual reporting suite.



#### **Climate-related Financial Disclosure 2022**

Our report in compliance with the Taskforce for Financial-related Climate Disclosure (TCFD).

📄 **Download PDF**



#### **Reporting Criteria 2022**

Sets out the principles, criteria and scope used to report the key sustainability metrics and selected data points subject to external assurance.

📄 **Download PDF**



#### **ESG Datasheet 2022**

All sustainability metrics are included in our data sheet.

📄 **Download Excel**



#### **Annual Report and Accounts 2022**

Our report on our group's strategy, governance and performance in 2022 including our financial statements.

📄 **Download PDF**

**Read more and find our reporting suite in the download centre on our website:**

**> [aviva.com/investors/reports/](https://aviva.com/investors/reports/)**



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We also use a colour coding system, so whenever you see these colours, you know they relate to the following ambitions:

### Stronger Communities

### Climate Action

### Sustainable Business

## About our reporting

This report provides a summary of Aviva's Sustainability Ambition and our Environmental, Social, and Governance (ESG) performance for the year ended 31 December 2022.

Our work contributes to a number of United Nations Sustainable Development Goals (SDGs). We focus our efforts on those where we have the greatest impact. Within this report, we indicate where activity aligns with specific SDGs.

While we are working towards our Net Zero 2040 ambition, we acknowledge that we have relationships with businesses and existing assets that may be associated with significant emissions. Over time our work will include reviewing these arrangements with the aim of aligning them to our Net Zero 2040 ambition.

This report should be read in conjunction with the Cautionary Statements, included within the appendix.

### Find out more:

Our ESG Datasheet is a separate document to be read together with this report.

Our Climate-related Financial Disclosure, in compliance with the Financial Stability Board's Taskforce on Climate-related Financial Disclosures (TCFD), is in a separate accompanying document.

You can also find more details on sustainability at [aviva.com/sustainability](https://www.aviva.com/sustainability)

Explanations of key terms used in this report are available on: [www.aviva.com/glossary](https://www.aviva.com/glossary) and [www.aviva.com/climate-goals-glossary](https://www.aviva.com/climate-goals-glossary)

### Get in touch:

It takes partnership to make meaningful progress on sustainability. We welcome feedback on any aspect of our work.

Please contact us at [crteam@aviva.com](mailto:crteam@aviva.com)

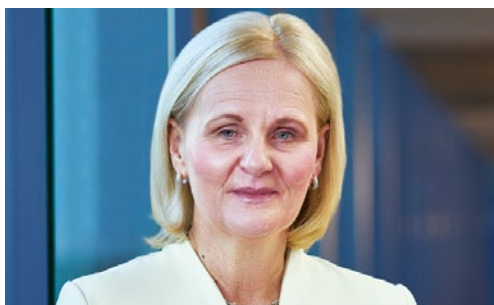
## Assurance approach

Aviva plc appointed PwC to provide independent assurance over certain sustainability metrics, indicated with **AS** for reasonable assurance and **AL** for limited assurance in this report. The assurance engagement was planned and performed in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' and, in respect of the greenhouse gas emissions in accordance with International Standard on Assurance Engagements 3410 'Assurance engagements on greenhouse gas statements' issued by the International Auditing and Assurance Standards Board. The assurance report was issued and is included in the Independent Assurance section of this report. This report includes further details on the scope, respective responsibilities, work performed, limitations and conclusions.

This Report was approved by Aviva plc's Board on 8 March 2023.

## Chief Executive Officer's introduction

**For over three centuries Aviva has played an integral part in the lives of our customers, and the communities where we work. The problems and opportunities facing those communities are, ultimately, ours too.**



**Amanda Blanc**  
Group Chief Executive Officer

Businesses like Aviva have a responsibility to work in partnership with Government, regulators, civil society and beyond, to come up with the solutions our customers and society are depending on. Aviva is committed to living up to that obligation.

Nothing threatens our business more than climate change, so we're taking a leading role in tackling it. We're helping the UK become more climate-ready, offering our customers more smart choices, influencing the companies we invest in, and shaping the response to the twin crises of climate breakdown and biodiversity loss.

We have an ambitious climate transition plan for our journey to Net Zero by 2040, yet no one can achieve Net Zero on their own. We need governments and international institutions to develop their own plans to enable the global transition.

Sustainability is about more than climate of course and Aviva is also focused on building stronger communities. We're helping people deal better with life's financial shocks, and investing in the infrastructure our country and economy needs.

Underpinning it all, we're challenging ourselves to do more to build a workplace – and society – that works for everyone.

I said in last year's report that acting sustainably is a fundamental strategic imperative for Aviva, a necessary condition for the long-term health of our business. I hope in another 300 years, whoever is leading this organisation can look back and say the decisions we're taking today were instrumental in our success.

**Amanda Blanc**  
Group Chief Executive Officer

**“Acting sustainably is a cornerstone of Aviva’s strategy for very good reasons. It matters to our customers, our people and our world. The long-term health of our business depends entirely on a sustainable future to be doing business in. We want to help set the standard.”**

## Our sustainability ambition

We strive to lead the UK financial services sector on climate action, building stronger, more resilient communities and running ourselves as a sustainable business.



### Stronger Communities

We have a goal to make 10 million people more resilient by 2025. Helping the building of financial and climate resilience has never been more relevant at a time of cost of living challenges. Helping our customers, communities and partners be more secure today is a significant part of our sustainability ambition.



### Climate Action

We have an ambitious plan to reduce our climate impact as part of our journey to Net Zero by 2040. We have to tackle the big issues and the climate crisis is one of the greatest threats facing our planet. Working with our people, our customers and our partners, we will bring our influence to bear on tackling climate change.



### Sustainable Business

We act to embed sustainability into every part of our business. This includes how we make decisions, act and communicate.

# At a glance

## Stronger Communities

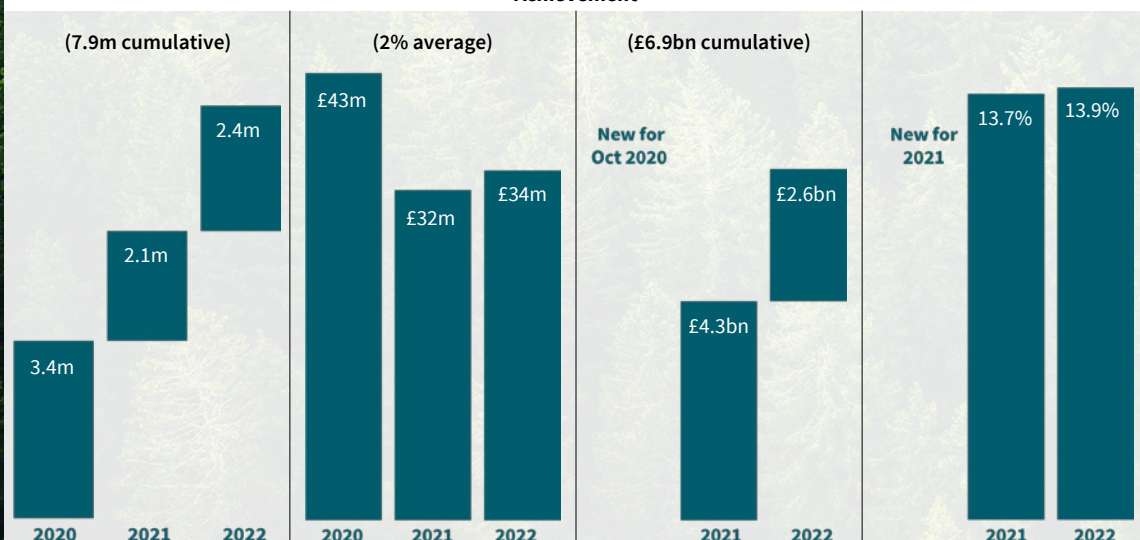
### Key performance indicators

Estimated number of people made more resilient	<sup>AS</sup> Amount of community investment <sup>1</sup>	<sup>AR</sup> Investment in UK infrastructure and real estate	<sup>AL</sup> % of UK adult population saving or retiring with Aviva <sup>2</sup>
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### Goal

10m by 2025 from 2020	2% average operating profit annually invested in the community <sup>1</sup>	£10bn by 2023 from 2020 <sup>5</sup>	>13% saving or retiring
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### Achievement



## Climate Action

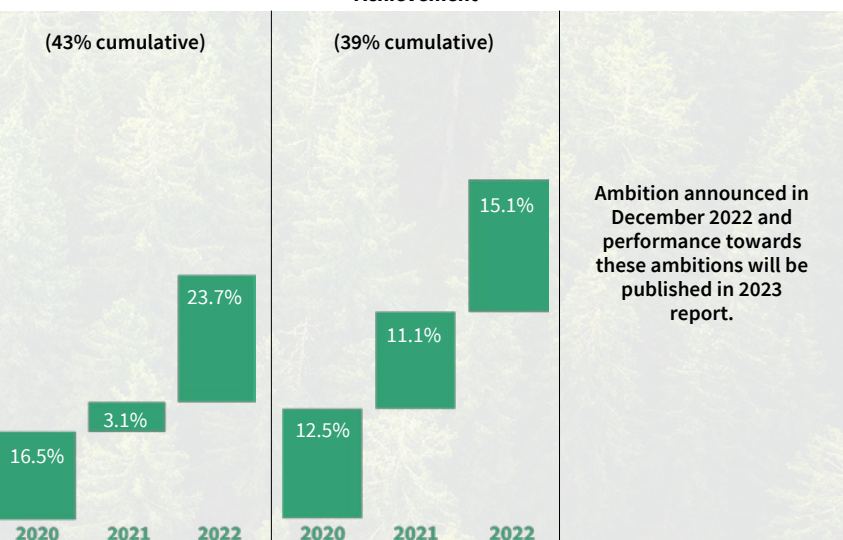
### Key performance indicators

<sup>AL</sup> ~ Operational carbon reduction <sup>3</sup>	*Reduction in the weighted average carbon intensity of our credit and equity investments (shareholder and with-profits portfolio only) <sup>4</sup>	~ % of suppliers by spend covering purchased goods and services that have signed up to science-based targets
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### Goal

90% by 2030 from a 2019 baseline	25% by 2025 and 60% by 2030 from a 2019 baseline	70% by 2025
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### Achievement



\* Denotes a KPI that is targeted within the Long Term Incentive Plan performance goals ~ Denotes a KPI that is part of Aviva's committed science based targets. See here for a complete list: [https://sciencebasedtargets.org/resources/files/Target-language-and-summary\\_Aviva-plc.docx.pdf](https://sciencebasedtargets.org/resources/files/Target-language-and-summary_Aviva-plc.docx.pdf)

1. Percentage of Group Adjusted Operating Profit

2. Based on adult population only (18+ years)

3. % reduction in Scope 1 and 2 own operational CO<sub>2</sub>e against 2019 baseline

4. % reduction in weighted average carbon intensity (tCO<sub>2</sub>e/\$m sales) of Aviva's shareholder and with-profit investment portfolio (equity and credit) and does not extend to policyholder funds. For more detail on our climate goals please see [www.aviva.com/climate-goals](http://www.aviva.com/climate-goals)

5. Based on a three year period announced as starting 15 October 2020. See: <https://www.avivainvestors.com/en-gb/about/company-news/2020/10/aviva-investors-to-invest-into-uk-infrastructure-and-real-estate/>

<sup>AS</sup> indicates that the 2022 data was subject to independent reasonable assurance by PricewaterhouseCoopers LLP ('PwC').

<sup>AL</sup> indicates that the 2022 data was subject to independent limited assurance by PricewaterhouseCoopers LLP ('PwC'). The PwC report which was prepared under ISAE 3000 (Revised) and - where relevant - ISAE 3410 is available in the Independent Assurance section of this document.



## At a glance continued

### Sustainable Business

#### Key performance indicators

<b>AR</b> *% of ethnic diversity in senior leadership roles in the UK <sup>1</sup>	<b>AR</b> *% of women in senior management <sup>2</sup>	<b>AL</b> Number of customers	<b>AL</b> *% of employees who would recommend Aviva as a great place to work <sup>3</sup>
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#### Goal

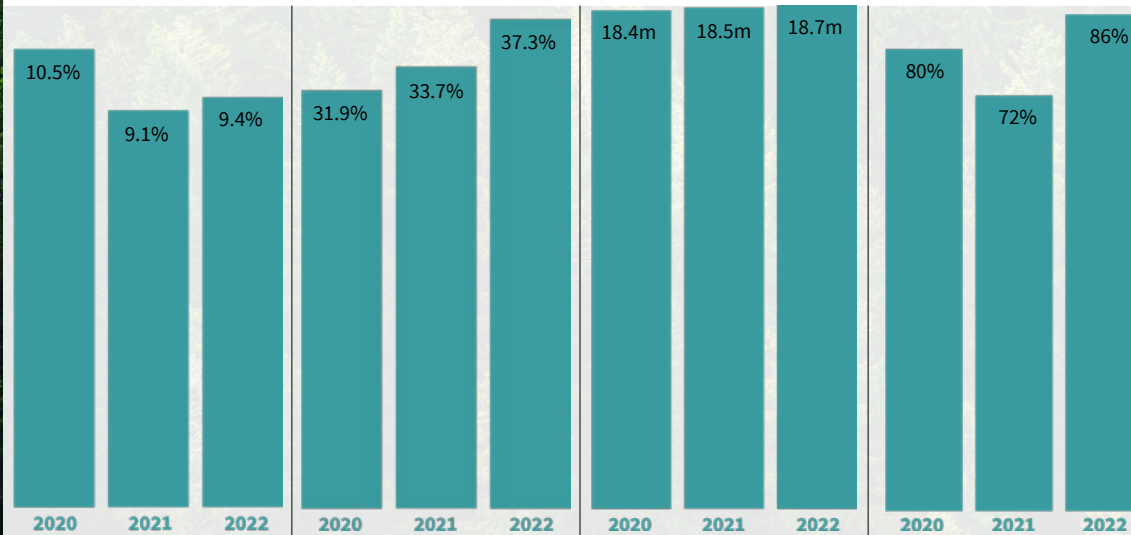
12.5% by 2024

40% by 2024

To live our purpose: to be  
with our customers today,  
for a better tomorrow

73% goal for 2022

#### Achievement



\* Denotes a KPI that is targeted within the Long Term Incentive Plan performance goals

1. Calculated as the percentage of UK colleagues in senior leadership roles who identify their ethnicity as anything other than 'white'

2. Calculated as the percentage of colleagues in senior leadership roles in the UK, Ireland, Canada and Group functions who identify as female

3. Based the percentage employees who responded in the 2022 Voice of Aviva survey favourably to the statement 'I would recommend Aviva to family and friends as a great place to work'

**AS** indicates that the 2022 data was subject to independent reasonable assurance by PricewaterhouseCoopers LLP ('PwC').

**AL** indicates that the 2022 data was subject to independent limited assurance by PricewaterhouseCoopers LLP ('PwC'). The PwC report which was prepared under ISAE 3000 (Revised) and - where relevant - ISAE 3410 is available in the Independent Assurance section of this document.

# Focusing on what matters, our communities, climate and the way we run our business

## Listening is vital as we focus on the most important current and emerging issues for our stakeholders and our business.

### The most important issues for our stakeholders and business

As a business that's been around for over 325 years, we've learnt the importance of listening.

We last conducted an all stakeholder materiality analysis in 2019, with 9,000 people. This informed Aviva's Sustainability Ambition.

We regularly carry out additional research to help us identify the economic, social and environmental topics that matter most to our stakeholders. Our recent research focused specifically on members of the public and what matters most to them - IPSOS researched over 2,000 consumers for us in early 2022<sup>1</sup>.

This helped us focus resources on priorities of financial resilience, climate action and employee well being, and guided our reporting in line with supporting the United Nations Sustainable Development Goals.

In 2023, we will conduct the next all stakeholder materiality analysis.

### United Nations Sustainable Development Goals



Pillar	Priority	Material issue	United Nations Sustainable Development Goals
Stronger Communities	⬆️	Investing for good	9 10 11 13
		Financial resilience	3 8 10 11
	⬆️	Climate resilience	3 10 11 13
	⬆️	Community investment	8 10 11 13
		Employee volunteering	8 10 11 13
Climate Action	⬆️	Understanding the climate impact of investments	13
	⬆️	Carbon reduction / removal	11 12 13
	⬆️	Protecting and restoring biodiversity	14 15
Sustainable Business	⬆️	Employee health and wellbeing	3
	⬆️	Diversity, Equity and Inclusion	5 10 11

#### Key:

- ⬆️ **Significant:** above 25% of people deem most important for a financial services business to focus upon.
- ⬆️ **Major:** 15-25% of people deem most important for a financial services business to focus upon.
- ⬆️ **Moderate:** 10-15% of people deem most important for a financial services business to focus upon.

1. IPSOS omnibus survey, 28th January to 30th January 2022, nationally representative of 2,241 UK adults aged 18-75

# Stronger Communities

**We contribute an average of 2% of our operating profits to community investment, in addition to making asset-management investments that have positive community impact.**

We set ourselves an ambitious goal to make 10 million people more resilient to climate, financial and health shocks between 2020 and 2025.

During 2022, we improved the resilience of an estimated 2.4 million people. Since 2020 we've made an estimated 7.9 million people across the UK, Ireland and Canada more resilient.

In 2022 our people have delivered over 41,610 hours of volunteering.

Building  
community  
resilience

Investing in  
communities

Using our  
skills in our  
communities



# Stronger Communities: Building community resilience

## Aviva is helping communities boost their resilience.

Alignment to UN SDGs

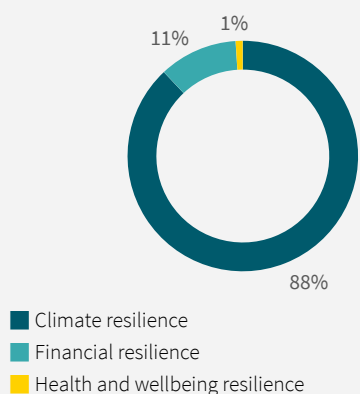


### How do we build resilience through community investment?

We have three key areas where we focus community investment linked to our strategic priorities:

- Financial resilience; helping communities prepare financially for the future and protect against shocks.
- Climate resilience; helping communities protect against the impacts of climate change.
- Health resilience, improving the health and wellbeing of communities.

#### 2022 split of resilience support



The following pages illustrate some of the ways we've focused on building community resilience through 2022.

### Helping with the cost of living

In the UK, 12.9 million people currently have low financial resilience, a figure that has risen sharply, since 2020 (10.7 million)<sup>1</sup>. This means more and more people are in financial difficulty, or could quickly find themselves in difficulty if they suffer a financial shock.

The rising cost of living puts extra strain on our customers, our colleagues and the wider community. That's why in 2022 we announced millions of pounds of financial-resilience funding to support our UK customers, colleagues and communities during 2022.

#### In the UK:

We offered customers the flexibility to reduce their cover and monthly payments, maintained the payment-deferral scheme implemented during Covid and rolled out a new range of affordable motor and home propositions, Quote Me Happy Essentials, so people could save money while maintaining peace of mind. We also offer a renters social housing insurance product.

We pay our people a Real Living Wage. In addition, we gave over 7,500 colleagues earning under a certain amount a one-off payment of up to £1,000 to help with the increased cost of living, this represented over 50% of our UK colleagues. We also provided over 21,000 free children's lunches during school holidays.

As people across the UK struggled to cope with rises in the cost of living, demand for help and advice rose. We forged new partnerships with Citizens Advice and the Money Advice Trust to help address this. We also boosted our funding to £2 million for the Aviva Community Fund causes that support the cost-of-living challenge.

#### In Canada:

We donated \$435,000 to support those most affected by recent economic shifts and to advance diversity and inclusion initiatives. Of the donations, \$200,000 supported Food Banks Canada.

#### In Ireland:

We gave 48% of our Ireland colleagues a one-off payment of €1,000 to help with the increased cost of living.

Our partnership with FoodCloud, to redistribute surplus food to communities in need, saw 35,400kgs of food saved equating to over 100,000 meals redistributed and 113,280kgs of carbon saved. In December 2022, we donated the equivalent of 30 meals for every new home insurance policy.

### Responding to a humanitarian crisis

We've worked with the British Red Cross since 2016. In response to the crisis in Ukraine, we donated £1.2 million to the DEC Ukraine Humanitarian Appeal, including the matching of employee and customer donations, to support the Red Cross Movement in accelerating their response and providing critical care to those who need it most. We also continued to contribute to the Red Cross Disaster Relief Alliance to enable their response to wider global disasters.

### Estimated

# 2.4 million

people Aviva made more resilient in 2022<sup>2</sup>

1. FCA Financial Lives 2022 survey: insights on vulnerability and financial resilience relevant to the rising cost of living

2. Figures are inclusive of Aviva businesses in; UK, Canada and Ireland

# Building financial resilience during a **cost of living** challenge

**We are working with experts who understand the issues our customers and communities face.**

In 2022 we announced new partnerships with two major UK financial support and debt advice charities; **Citizens Advice** and **Money Advice Trust**. Data shows they have been facing unprecedented levels of demand from individuals and businesses. Our work together will increase their capacity. Through Aviva's support:

- Citizens Advice recruited around 50 new advisers to help 250,000 additional people seeking support through phone lines, webchat and in community settings.
- Citizens Advice will also increase their capacity to offer advice through their website by 50% - providing key resources for people before their problems become a crisis.
- The Money Advice Trust can now support an estimated 17,000 more small businesses and self-employed people through their Business Debtline and, an additional team of Business Debtline advisers can take an estimated extra 25,000 advice calls and appointments.

## £9 million

**committed to our partnerships with Citizens Advice and the Money Advice Trust over next two years**



# Stronger Communities: Building climate resilience

## Aviva is working with WWF to support climate resilience in our communities.

Our partnership with World Wide Fund for Nature (WWF), now in its second year, is funding nature-based projects to both reduce flood risk for communities and help habitats thrive.

In the UK, Aviva and WWF work on a source to sea programme with projects in Scotland, Yorkshire, East Anglia and the Midlands.

In Canada, Aviva is the partner of the WWF - Canada's Nature and Climate Grant Program. We funded seven Canadian projects, and in 2021 this resulted in restoring over 160 hectares of wetland, grassland, shoreline, agricultural and brownfield sites, planting 89,000+ trees and shrubs, and making over 100,000 people more resilient to climate change. There were six projects funded in 2022, that will continue into 2023.



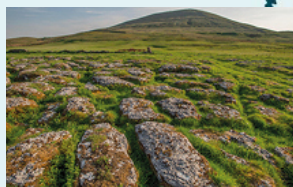
Acting on climate change to build a better tomorrow



### 1. Scotland

The project is helping restore carbon-capturing seagrass meadows and native oyster beds in the Firth of Forth in Scotland.

One aim is to raise local awareness of the benefits of marine restoration, to bring the heritage of coastal communities back to life.



### 2. Yorkshire

The Wild Ingleborough project, led by the Yorkshire Wildlife Trust, aims to restore 1,500 hectares of peatlands, woodlands and over-grazed heath, helping to mitigate climate change and increase the resilience of local communities. The restoration is done with local farmers and landowners support, developing a model for community-led upland restoration that can be applied across the UK.



### 3. Midlands

The River Soar catchment in Leicestershire has been heavily affected by human activity and is vulnerable to flooding. The project funds innovative natural flood-management initiatives that will create multiple benefits for nature, while building greater climate resilience within the wider community.



### 4. East Anglia

The project aims to reduce flooding within a number of East Anglia catchments through natural flood management, building physical and community resilience in this unique, largely agricultural landscape.

Alignment to UN SDGs



# Helping to create a better world to live and retire in

## Delivering a sustainable future will only happen if we take action to create positive change.

In 2022, we helped 14% of the UK adult population save or retire<sup>1</sup>.

UK Life and Ireland Life are responsible for overseeing a significant amount of investment assets. For assets where we have investment decision-making control, we make our sustainability ambitions part of the investment strategy and management.

For the remaining products, where customers have the ultimate discretion as to which investment strategy they select, we recognise that we still play a responsible role in creating the range of funds and default investments available.

Over four million members are enrolled in an Aviva UK workplace pension. By June 2022, we had exceeded our 2022 goal of £10 billion of auto-enrolment assets placed into low carbon equities and climate transition strategies<sup>2</sup>.


The scale of our UK Life retirement business (£58.5 billion of assets under management at the end of 2022), gives us the ability to invest in community infrastructure and real estate, including healthcare, education, transport, housing, water and renewable energy.

## £6.9 billion

amount invested in UK infrastructure and real estate from 2020 baseline

1. Based on UK adult population only (18+ years)

2. See: <https://www.aviva.com/newsroom/news-releases/2022/12/aviva-achieves-validation-of-its-science-based-emission-targets/>



**“I believe investors have a vital role to play in pushing for change on society’s biggest issues, from climate change to diversity; from environmental degradation to human rights. I am proud that Aviva Investors has long been at the forefront of investor action on these issues.”**

**Mark Versey**  
Chief Executive Officer, Aviva Investors



# Stronger Communities: Investing in UK social infrastructure

## Aviva makes some investments in community infrastructure<sup>1</sup>.

Alignment to UN SDGs



### Urban regeneration

Aviva provided a £43.5 million debt facility to Urban Splash, an award-winning regeneration company that creates better places for people to work and live. Urban Splash can now continue its work on regenerating buildings across the UK.



### Helping the high-street survive

Aviva helped fund a new shopping experience in the heart of Stevenage as part of a development of the Queensway North area. This formed a significant part of Stevenage's £1 billion, 20-year regeneration programme.



### Helping develop sustainable education

Aviva provided financing towards building the first school created under the Welsh 21st century schools' programme.

The development of the Mynydd Isa campus in Flintshire is the first of its kind under the Welsh mutual investment model. The campus will provide both primary and secondary education, and is expected to be operational from autumn 2024.

The project aims to create a Net Zero carbon building. Both the construction and operational phases of work will also prioritise benefits and opportunities for the local community, with apprenticeships being provided to a number of young people as part of the programme.



### Enabling better broadband

Aviva provided up to an additional £100 million of funding to Truespeed, to extend the roll-out of the Bath-based provider's ultrafast, gigabit-capable full fibre network. Funding helps extend the provision of digital capabilities across under-served rural and suburban areas as well as small towns in South West England.



### Social housing<sup>2</sup>

Aviva provided £358 million in funding for social housing across the UK. Aviva's investment helps supply thousands of new homes to provide social housing for those in the greatest housing need.

### Additional links:

Discover more about the difference we've made.

Read more about responsible investing:

- > [Aviva Investors investing responsibly](#)
- > [Aviva Investors company news](#)

1. Not all of the capital going into these assets will come from Aviva – there will be external capital and mandates involved as well. Not all investments mentioned here were originated in 2022. See additional links for the press releases made on these and other investments.

2. £333m of this was for UKL, £25m for external mandates



# Stronger Communities: Investing in sustainable UK infrastructure

## Aviva makes some climate-related investments<sup>1</sup>.

Alignment to UN SDGs



### Sustainable student housing

Aviva, on behalf of third party clients, financed £82 million of the University of Bath's student housing. This is helping the university towards reaching Net Zero by 2040.



### Sustainable ports

Aviva, on behalf of third party clients, provided Associated British Ports with £40 million to help the company support economic activity across ABP's ports portfolio including progress towards meeting science-based targets.



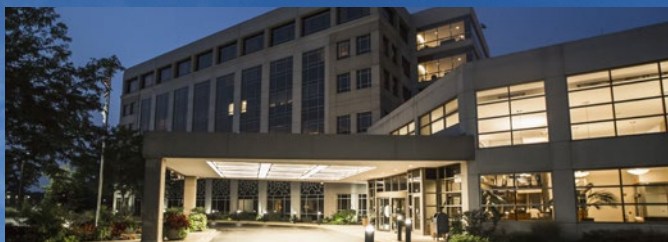
### Helping build the UK's electric-vehicle (EV) infrastructure

Aviva provided £110 million for Connected Kerb to support plans to create 190,000 on-street EV chargers by 2030.



### Renewable energy wind farms

Aviva provided £190 million to finance the offshore transmission system linking the 714MW East Anglia offshore wind farm to the national electricity grid.



### Sustainable healthcare

Aviva agreed a £200 million facility with Primary Health Properties. It includes incentives for them achieving sustainability performance targets at 61 NHS primary-care centres.



### Cleaner rail transport

Aviva provided £150 million in finance towards several rail initiatives across the Midlands and West Country to improve their environmental credentials and their passengers' experience.

### Additional links:

Read more about the infrastructure financed by Aviva:

> [Aviva Investors company news](#)

1. Not all of the capital going into these assets will come from Aviva – there will be external capital and mandates involved as well. Not all investments mentioned here were originated in 2022. See here for the press releases made on these and other investments. <https://www.avivainvestors.com/en-gb/about/company-news/>

## Stronger Communities: Community investment

Aviva helps our people and customers support the charities they care most about in their local community<sup>1</sup>.

### Supporting inspirational local change makers

We invest in communities through the Aviva Community Fund (ACF), which started in Canada in 2009.

In the UK, we have used the ACF platform to donate funds to over 7,800 good causes since 2015.

We support projects that build resilience to financial, climate, health and wellbeing issues across the UK.

In 2022, we made an extra £2 million available to support charities helping people tackle the cost-of-living challenge.

# £12.8 million

Aviva community funding in the UK since 2015

1. Our community investment focuses on our strategic sustainability priorities related to climate, financial and health resilience

#### Additional links:

Read more about the thousands of projects supported by Aviva Community Fund and sign up for the regular newsletter:

> [Aviva Community Fund success](#)

### A sample of some of the projects we're proud to support:



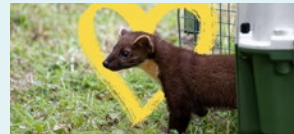
#### 7. Straw Bale Building

Combating climate change by creating a community hub to construct carbon negative buildings.



#### 6. Cool Bugs Wales

Saving Welsh Bugs from extinction by collecting and deep freezing their DNA.



#### 1. Rewilding Scotland

Creating more nature-rich, ecologically restored land.



#### 5. Norfolk Farm Share

Growing sustainable urban food supply.



#### 2. Seeds 2 Trees

Giving people a chance to grow native British trees from seed.



#### 3. Humber Job Hub

Helping disadvantaged people gain well-being support and employment.



#### 4. Nottinghamshire Deaf Society

Increasing teaching resources in British Sign Language.

Alignment to UN SDGs



# Using our skills in our communities

**We encourage our people to take three days' paid volunteering leave every year.**

In 2022, our people delivered 41,610 volunteering hours, contributing their time, talent and passion to a variety of causes and community organisations.

Across our businesses Aviva employees are making a difference in their communities through supporting hundreds of varied volunteering projects. See more by clicking [here](#).

In 2022 Aviva Canada's Climate Day brought together more than 1,200 colleagues involved in planting trees, native plants, potting, mulching and cleaning up local shorelines.

In the UK, 2022 was a challenging winter for food banks like Trussell Trust. The cost-of-living challenge means they handed out an emergency food parcel every 13 seconds. Aviva volunteers supported their efforts and for every hour our people volunteered during the winter, we donated £10 to the Trussell Trust's Emergency Fund Appeal, which totaled £52,480 and 5,248 volunteering hours.

## 41,610

hours volunteered by our people during 2022



## Looking ahead

We will continue to work with our people, customers and partners to build strong and resilient communities.

### Goals

- £10 billion UK infrastructure and real estate investment by 2023<sup>1</sup>;
- >13% (and growing) UK population preparing for retirement and retiring with Aviva;
- 2% of Group adjusted operating profit invested in the community;
- 50,000 hours of volunteering by employees in 2023; and
- Support a total of 10 million people from Aviva community activities from 2020-2025.

1. Based on a three year period announced as starting 15 October 2020. See: <https://www.avivainvestors.com/en-gb/about/company-news/2020/10/aviva-investors-to-invest-into-uk-infrastructure-and-real-estate/>

### Additional links:

> [Building Stronger Communities](#)



**“At WWF we’re in a race to bring our world back to life, working with companies like Aviva who have the will to act on the climate and nature crisis and the power to help transform our world. Our partnership has already had significant impact; successfully calling on the UK Government to introduce mandatory net zero transition plans for financial institutions; developing projects across the UK to restore our landscapes and make communities more climate-resilient; and committing hundreds of hours volunteered by Aviva employees.”**

**Tanya Steele**  
Chief Executive Officer of WWF

# Climate Action

**We set ourselves an ambitious goal to be Net Zero by 2040, ten years ahead of the Paris agreement.**

During 2022, we took actions to reduce our carbon emissions and address biodiversity loss.

We also took steps to improve our customers' understanding of their investments.

Reducing  
carbon  
emissions

Protecting  
and restoring  
biodiversity

Understanding  
the impact of  
investments

# Acting on our Climate Transition Plan to reduce carbon

**Climate change is the defining crisis of our time and it's happening more quickly than many feared.**

In March 2022 we released our first **Climate Transition Plan**, outlining our pathway to achieving Net Zero by 2040. Our Net Zero ambition covers three scopes of emissions:

- Scope 1 covers direct sources e.g. fuels used to power our buildings and company cars;
- Scope 2 is focused on energy generated elsewhere and supplied to our business; and
- Scope 3 focuses on indirect emissions e.g. from our supply chain, business investments, and underwriting and investment portfolios.

Quantifying the impact of climate change is an emerging practice. It is challenging to obtain consistent asset data across our entire portfolio and quantify the impact of carbon emissions from our Scope 3 financial investments. We have made several methodology improvements in 2022 and will continue to enhance our capabilities in line with industry developments and standards.

In December 2022, Aviva became the first international composite insurer to have

carbon-reduction goals validated by the Science Based Targets initiative (SBTi)<sup>1</sup>. Aviva's targets<sup>2</sup> include commitments to:

- Achieve a 90% reduction in absolute Scope 1 and 2 greenhouse gas (GHG) emissions by 2030 compared to 2019 levels;
- Ensure that 70% of suppliers (by spend) will have science-based targets by 2025;
- Ensure that a third of equities, corporate bonds and corporate loans by AUM in Shareholder, With-Profits and Policyholder portfolios have science-based targets by 2025;
- Continue financing only renewable electricity in electricity generation project finance portfolio until 2030; and
- Reduce real estate portfolio greenhouse gas emissions by 57% per square metre by 2030 compared to 2019 levels.

We will update our Climate Transition Plan to include the implementation and progress of our science-based targets and the further baselines and goals we will develop in 2023 in due course.

1. The SBTi Net-Zero Standard defines corporate Net Zero as: (i) Reducing Scope 1, 2 and 3 emissions to zero or to a residual level that is consistent with reaching Net Zero emissions at the global or sector level in eligible 1.5°C-aligned pathways; (ii) Neutralising any residual emissions at the Net Zero target year and any GHG emissions released into the atmosphere thereafter

2. See Science Based Targets that Aviva has committed to here: [https://sciencebasedtargets.org/resources/files/Target-language-and-summary\\_Aviva-plc.docx.pdf](https://sciencebasedtargets.org/resources/files/Target-language-and-summary_Aviva-plc.docx.pdf)

## Climate Action: Carbon reduction in our operations

### At Aviva, we lead by example in reducing the environmental impact of our own operations<sup>1</sup>.

Alignment to UN SDGs



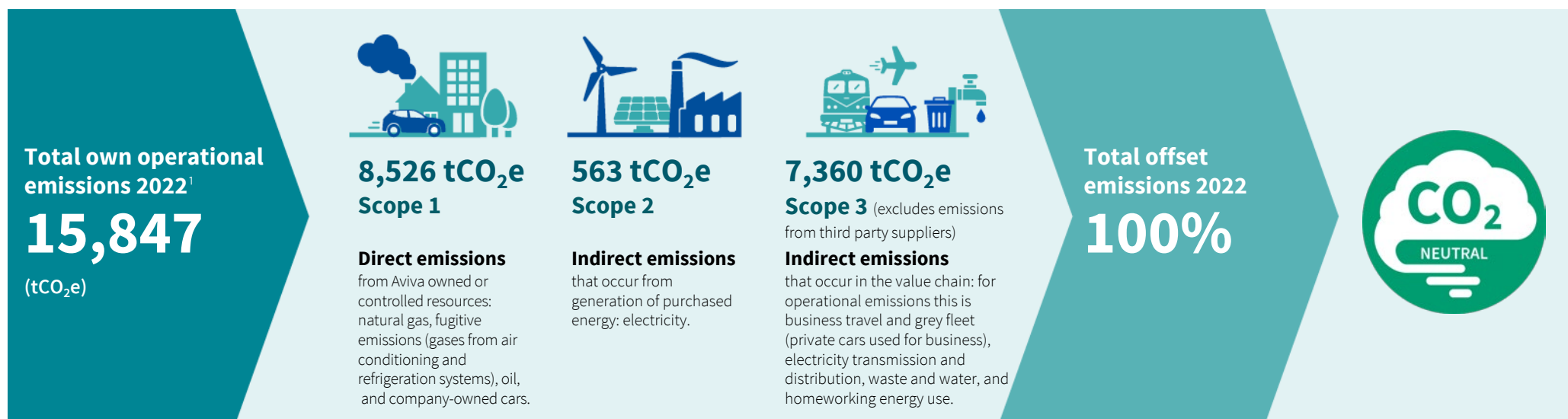
We are making good progress reducing own operational emissions that we directly control and are now focusing on emissions that we don't directly control (supply chain).

#### Reducing what's in our direct control

Against our new Scope 1 & 2 operational emissions reduction goal of 8% per year to reach Net Zero by 2030, we have achieved a 43% decrease from our 2019 baseline.

Since 2006 we calculated our residual operational emissions and 'offset' them by supporting carbon avoidance community projects in developing countries; the first major insurer to make our own operations carbon-neutral<sup>1</sup>. We continue to act on climate.

We also pursue a strategy of working with our partners to reach Net Zero carbon in our supply chain by 2030, requesting them to adopt science-based targets<sup>2</sup>.



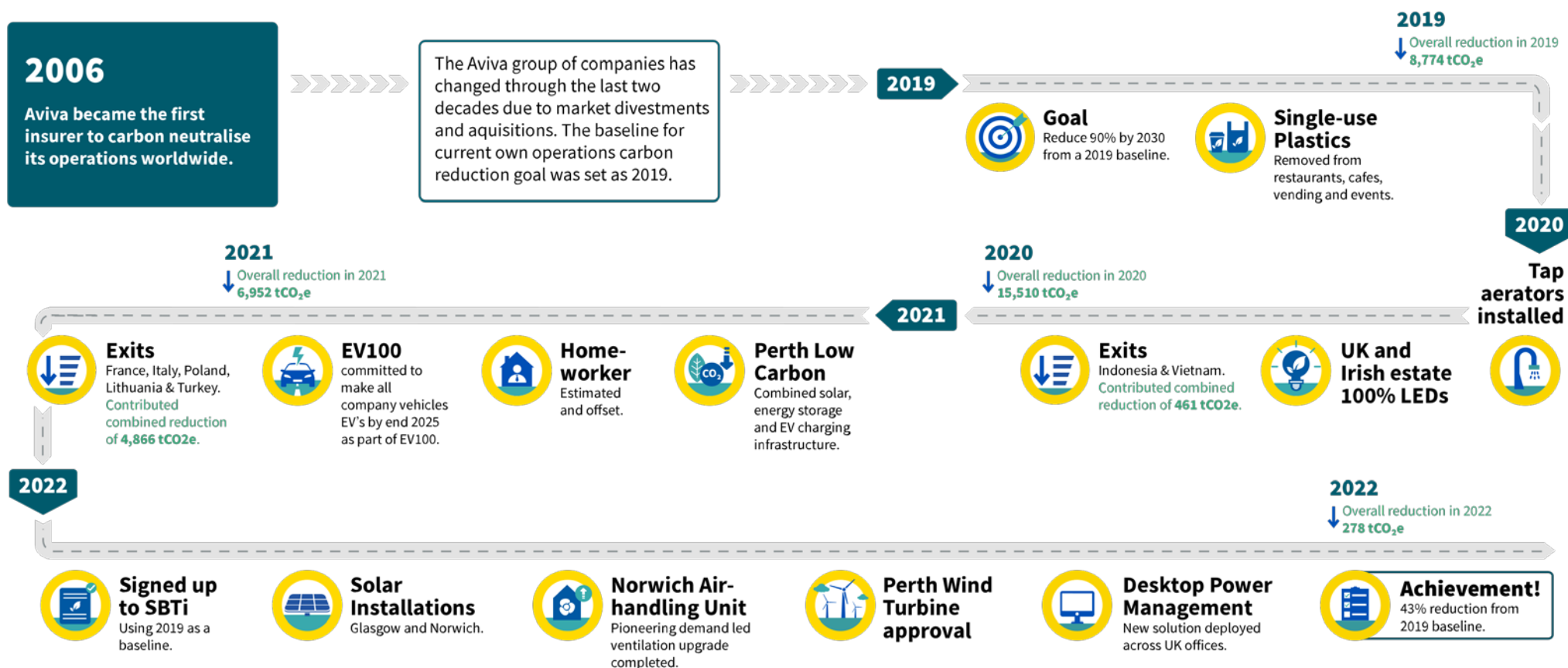
1. Our business investments in China (Aviva CofCo) and Singapore (SingLife) are outside of our control boundary and do not count as our "own operations". These are international investments where we do not have any operational or financial control. As per the GHG Protocol, China and Singapore operations are accounted for under scope 3 category 15 - investments.

2. The SBTi Net-Zero Standard defines corporate Net Zero as: (i) Reducing Scope 1, 2 and 3 emissions to zero or to a residual level that is consistent with reaching Net Zero emissions at the global or sector level in eligible 1.5°C-aligned pathways; (ii) Neutralising any residual emissions at the Net Zero target year and any GHG emissions released into the atmosphere thereafter. (iii) Excludes non-operational emissions related to suppliers, underwriting portfolios and the investments of the company that are estimated to account for 90% of emissions that need reducing vs. offsetting before Aviva can achieve Net Zero.

## Climate Action: Carbon reduction in our operations continued

### Aviva has been reducing emissions from its own operations<sup>1</sup> since 2006.

Alignment to UN SDGs



1. Our business investments in China (Aviva CofCo) and Singapore (SingLife) are outside of our control boundary and do not count as our "own operations". These are international investments where we do not have any operational or financial control. As per the GHG Protocol, China and Singapore operations will now be accounted for under scope 3 category 15 - investments. Note: 2010 goal was location based and 2019 to 2030 goal is market based.

## Climate Action: Carbon reduction across our supply chain

**Aviva obtains all its electricity from renewable sources, three years ahead of plan. Now the mission is to reduce the impact our suppliers have on the environment.**

Alignment to UN SDGs



### 100% renewable electricity

In 2015, we set ourselves the goal of using electricity generated entirely from renewable sources in our own operations by 2025<sup>1</sup>.

In 2022, we achieved our goal and now 'match' all our electricity to renewable sources<sup>2</sup>. Some of this has been through generating our own electricity onsite, or by buying electricity certified as coming from renewable sources such as hydro, solar and wind. Where the building landlord controls the electricity supply, we buy energy certificates to match the amount we've consumed to renewable sources.

**“We are proud to have achieved our goal of using electricity entirely from renewable sources three years early. We continue to ensure our operations become as energy-efficient as possible by prioritising energy conservation.”**

**Stephen Doherty**

Aviva Chief Brand and Corporate Affairs Officer

In 2022, we continued to increase our on-site solar generation with new arrays installed at our offices in Glasgow and Norwich. We are planning further installations across our UK and Ireland offices in 2023. We have also gained approval to install a 77-metre wind turbine at our office in Perth.

### Influencing suppliers

We aim to become Net Zero carbon in our supply chain (Scope 3) and operations by 2030.

We have been focusing our efforts on talking to our key suppliers and aligning them to our Net Zero goals. Our near-term goal is for 70% of our suppliers (by spend) to set science-based targets by 2025.

We have improved our tendering process and strengthened our contracts to ensure suppliers commit to plans to measure and reduce their carbon footprint. We have provided suppliers and employees with guidance and training to improve their knowledge and understanding of sustainable procurement.



### Helping Perth become Europe's first Net Zero small city

We are planning to install a wind turbine at our Perth office. Scheduled to be operational by mid 2024, it will generate up to 58.2 million kWh over 25 years, achieving an annual carbon-emission saving of 386 tonnes. Combined with the existing renewable infrastructure, the turbine will help satisfy all of the site's electricity demand, making the site self-sustainable, while helping Perth in its aim to become Europe's first Net-Zero small city.

Pete Wishart, MP for Perth and North Perthshire, and Shadow Secretary of State for Environment, Food and Rural Affairs

said “Scotland is leading in tackling climate change, with the most ambitious legal framework for emissions reduction in the world. So it is good to see Aviva working to achieve Net Zero operations by 2030 and making their office in Perth an example of how it can be done. The addition of a new turbine will help Aviva to generate all of the electricity they need to run their operation and demonstrate a commitment to green energy, from one of the largest employers in Perth, while also supporting our ambition to be Europe's first Net Zero small city”.

1. Our business investments in China (Aviva CofCo) and Singapore (SingLife) are outside of our control boundary and do not count as our “own operations”. These are international investments where we do not have any operational or financial control. As per the GHG Protocol, China and Singapore operations are accounted for under scope 3 Category 15 - investments. Note: 2010 goal was location based and 2019 to 2030 goal is market based.
2. REGOs/RECs



# Climate Action: Carbon reduction in investments and insurance

Aviva is seeking to reduce the carbon intensity of our investment and insurance portfolio. We don't underestimate the size of the challenge we face to achieve Net Zero by 2040.

Alignment to UN SDGs



## Climate Transition Plan

In March 2022 we set out the next steps in our Net Zero Ambition to support the transition to a low carbon economy, working with the insurance industry to create new methodologies and setting new standards, engaging with our clients to develop and implement their transition plan and supporting decarbonisation through our investments and insurance activities.

To execute on our ambition we have developed our initial Climate Transition Plan. This plan was developed in line with TCFD, Glasgow Financial Alliance for Net Zero (GFANZ), and Institutional Investors Group on Climate Change (IIGCC) principles, and in anticipation of forthcoming UK regulation on Transition Plans and the UK Green Finance Roadmap. The UK Transition Plan Taskforce (TPT) was set up by the UK Government in April 2022 to develop the gold standard for private sector climate transition plans in the UK. The TPT steering group is co-chaired by our Group Chief Executive Officer, Amanda Blanc.

Our plan uses five building blocks to describe how we intend to minimise risks and capture opportunities.

- 1.Strategy and ambition** - detailing commitment, ambition, and scope of Net Zero pledges.
- 2.Methodology** - defining the approach to identify, measure and monitor climate-related ambitions with reference to investments, insurance, and operations.
- 3.Action plans** - providing clarity on the measures needed to achieve defined ambition. This supports engagement with companies invested in, underwritten and in our supply chain.
- 4.Climate Risk Management** - defining the risk appetite and ensuring alignment with the Climate Transition Plan.
- 5.Target Operating Model** - defining roles and responsibilities to ensure the execution of the Climate Transition Plan and create climate cultural awareness throughout the organisation.

We plan to issue an updated Climate Transition plan later in 2023 or 2024 in accordance with the TPT guidance, currently subject to consultation and expected to be finalised in the second half of 2023.

## Investments are the largest source of emissions

For Aviva, the investments we make for customers and shareholders are the largest source of emissions in our carbon value chain. Over 90% of our current emissions are indirect (Scope 3), and rely on us working with others to achieve carbon reduction.

Developing the methods for fully quantifying these requires coordinated action across our industry, but also clear leadership and action by ourselves.

Our senior management Long Term Incentive Plan (LTIP) includes an incentive for reducing the carbon intensity of our credit and equity investments (shareholder and with-profits portfolio only).

## Measuring the carbon intensity of investments

We have set goals to reduce the carbon intensity of our investments by 25% by 2025 and 60% by 2030 (from a 2019 baseline).

By the end of 2022, we had reduced the weighted average carbon intensity of our credit and equity investments (shareholder and with-profits portfolio only) by 39% compared against a 2019 baseline.

For 2022, we have expanded our disclosure from the weighted average carbon intensity (WACI) metric for corporate credit and equity asset classes for shareholder and with-profits portfolios to include policyholder corporate credit and equity portfolios. Absolute emissions (being the Scope 1 and 2 emissions from the investee companies) is now disclosed in addition to the intensity measures.

We are now disclosing an overall absolute and intensity carbon metric for sovereign holdings. For further details of our progress on our Scope 3 carbon emission reduction please see our Climate-related Financial Disclosure.

In 2023 we look to incorporate additional asset classes taking into account the latest methodology available and expand our Scope 3 measurements and goals to include the attributed emissions from our General Insurance Underwriting businesses.

In our **Climate Transition Plan**, we outline how we calculate our portfolio emissions, and have set goals for how we will measure our portfolio transition.

### Additional links:

- > [Climate-related Financial Disclosure](#)
- > [Climate Transition Plan](#)

## Climate Action: Carbon reduction in investments and insurance continued

Alignment to UN SDGs



**“Tackling carbon emissions within our investments and insurance (Scope 3) is the most material area where Aviva will drive and support action. We don’t underestimate the challenge, we embrace it as a vital part of achieving our Net Zero ambition by 2040.”**

**Stephen Doherty**  
Chief Brand and Corporate Affairs Officer

### Science-based targets for our investments

In December 2022 we had a set of investments targets (SBTs) approved by the SBTi. These targets are set at the asset class level for listed equity and debt, corporate loans, direct real estate and electricity generation project finance.

Our SBTs will support the delivery of our wider carbon intensity goals and ambition to be net zero in our investments by 2040.

For further details see our SBTs.

### Driving a transition to a low carbon future

To operationalise our Net Zero goals, we will work with a full set of levers across five main areas:

- Active ownership: using our voice and vote to pressure companies and directors;
- Divesting where necessary and applying portfolio constraints for high carbon emitting sectors and individual names;
- Tilting investments towards cleaner sectors and the best companies within sectors;
- Financing the transition: grasping the opportunity of a low carbon economy; and
- Providing products and services for our customers and tools to interrogate their portfolio.

For further details please see our Climate-related Financial Disclosure.

### Focusing on the biggest emitters

We have relationships with businesses and existing assets that may be associated with significant emissions, and know the economy-wide shift to Net Zero emissions requires a greater and deeper level of engagement between companies and their investors.

As an asset owner, we can influence the global transition to lower-carbon economies through responsible investments.

Our Engagement Escalation programme, which started in 2021, involves engagement with the 30 largest ‘systemically important carbon emitters’ in the world that contribute 30% of global Scope 3 emissions. We will work with them to act on positive climate transition, or we will withdraw our capital. The programme includes a five-step approach to discussions, with progress monitored twice a year over a three year period.

One goal we announced was that by the end of 2022, we will have divested from all companies making more than 5% of their revenue from thermal coal, and companies making more than 10% of their revenue from oil sands or Arctic drilling unless they have signed up to science-based

targets. At the beginning of 2022, we added these companies to the Aviva Investment stoplist and throughout the year we have divested from any holdings we may have had in these companies, achieving our goal.

During 2022, we engaged either individually or collaboratively on climate 345 times and voted on 159 resolutions related to climate issues.

#### Additional links:

- > [Aviva science based targets](#)
- > [Climate-related Financial Disclosure](#)



# Climate Action: Underwriting the renewable revolution

## Aviva supports transition to renewables and a low carbon economy.

Alignment to UN SDGs



### Insuring the transition

As energy systems across the world continue the vital shift towards renewables, solar and wind are expanding to become increasingly significant sources of energy generation.

As the renewable energy industry grows and technology advances, the risk involved in these projects evolves, making the role of insurance - often a prerequisite for project finance - crucial.

We aim to demonstrate leadership in supporting the transition to renewables and, in February 2022, updated our underwriting criteria.

The rationale for Aviva's move away from carbon-intensive industries is outlined in its ESG Baseline Underwriting Statement, which specifies the risks that it will no longer insure, including:

- The construction of coal-fired power stations;
- The construction or operation of thermal coal mines;
- Power generation risks that generate power from coal;
- Any new fossil fuel mining or extraction projects; and
- Offshore oil and gas rigs and platforms.

Our underwriting approach underpins the view that the highest-emission fuels cannot be part of a Net-Zero future. In supporting the transition to a low-carbon, sustainable economy, we continue to provide insurance and risk-management solutions to firms moving away from high-carbon fuels.

Having taken this approach, our renewable portfolio at end of 2022 was more than 200% the size of the fossil-fuel power-generation book we exited, and covers enough renewable energy to displace the equivalent of 31.5 million tonnes of CO<sub>2</sub> annually.

In addition, we are now one of the leading UK battery-storage, onshore wind and solar PV insurers.

#### Additional links:

See our ESG baseline underwriting statement here:

> [Aviva reports and policies](#)



# Protecting and restoring biodiversity

**We are living through climate and biodiversity crises; these are not separate from each other, but are two sides of the same coin.**

There has been a 69% average decline in global wildlife populations since 1970.

**“The staggering rate of decline is a severe warning that the rich biodiversity that sustains all life on our planet is in crisis, putting every species at risk – including us<sup>1</sup>.”**

The UK is in the bottom 10% of countries globally for how much biodiversity is left. The wild isles of the UK are home to some of the most diverse and beautiful species on earth. But human actions are pushing our natural world to the brink<sup>1</sup>.

Protecting and enhancing the planet's precious biodiversity through nature-based solutions is an integral part of Aviva's long-standing commitment to sustainability.

Our biodiversity actions aim to contribute to the Goals of the Post-2020 Global Biodiversity Framework finalised at the 2022 United Nations Biodiversity Conference in Montreal (COP15).

1. Source: WWF 2022 Living Planet Report



## Climate Action: Working with nature to capture carbon

### Aviva have committed £100m to nature-based solutions for climate and biodiversity loss.

Alignment to UN SDGs



#### Funding nature restoration

Nature-based solutions work with nature to remove carbon from the atmosphere by improving habitats and biodiversity.

As part of our 2040 Net Zero announcement in 2021, we announced funding of £100 million to remove carbon from the atmosphere in this way. We are working initially with The Wildlife Trust, the Woodland Trust and The Nature Trust, and other major conservation groups in the UK, Canada and Ireland.

Confirmed projects will reintroduce woodland across 3,000 hectares - removing around 1.4m tonnes of carbon from the atmosphere in their lifetime- equivalent to the emissions created by driving over 4.2 billion miles.

#### Bringing back the UK's lost rainforests

We are re-establishing temperate rainforest across the UK. Native to the British Isles, temperate rainforest once stretched from Cornwall to the west of Scotland. It now covers less than 1% of the UK and is thought to be more threatened than tropical rainforests. Working with the Wildlife Trust, we aim to re-establish this rare and biodiverse habitat by planting native tree species.

The project will also bring biodiversity benefits by creating habitat that can support flora and wildlife.

Planted across 1,880 hectares - the equivalent of over 2,600 football pitches - the restored temperate rainforest will remove an estimated 808,000 tonnes of carbon emissions from the atmosphere over the next 100 years. The carbon removal will begin from 2035, with some projects removing carbon until 2130.

#### Establishing new woodlands

The Woodland Trust afforestation project will also create similar benefits elsewhere in the UK. Afforestation - creating a forest on land not previously forested - projects will be spread across sites spanning 883 hectares and are expected to remove over 330,000 tonnes of residual carbon emissions from the atmosphere.

#### Ensuring local community access

All sites will benefit local communities. Nearly all will be free to enter and have public access to parts, or all, of the site. This will bring benefits for mental health and wellbeing, encourage physical activity, and help communities come together in nature.

#### Protecting and growing nature-based carbon-capture sites

According to a **Central Statistics Office report** of April 2021, Ireland currently has one of the lowest levels of tree cover in Europe, with 11.6% forest cover but under 2% of the country's land under native woodland.

Aviva Ireland is helping afforest Ireland by funding €5 million for The Nature Trust to plant new native woodlands. The donation is the single largest the Nature Trust has received.

Funding will result in the planting of approximately 1.2 million native tree saplings, creating 400 hectares (almost 1,000 acres) of new native woodlands across a number of sites throughout Ireland. Or the equivalent of over 560 Aviva Stadium pitches. The planting season for the new woodlands began in winter 2022 and continues over the coming years.

This initiative will contribute to national afforestation goals, and to Ireland meeting its climate commitments.





# Climate Action: Protecting and restoring biodiversity

## Aviva was the first major insurer to launch a biodiversity policy.

Alignment to UN SDGs



### A broad focus on biodiversity

We were the first UK insurer to commit to the Finance for Biodiversity Pledge. As part of our commitment, we launched a Biodiversity Policy in 2021. The policy outlined a set of principles to guide our biodiversity decisions from 2021 onwards.

In 2022, we published a report to show the progress we made in our first year of our policy. It included the following:

- Carried out an assessment of deforestation risks in our investments and underwriting activities to understand our exposure to commodity-driven deforestation. These results will be used to inform our investor engagement programme with high risk companies on deforestation and inform our decision-making on insurance activities with associated deforestation risk.
- Launched our first biodiversity themed global equity fund to support the transition to a nature positive economy<sup>1</sup>.
- Played a leading role in the Finance for Biodiversity Foundation's delegation at COP15 to represent financial institutions, and make sure they have a defined role to play in reversing biodiversity loss by the end of the decade.

- We strengthened our voting policy by making deforestation a more formal element. We now vote against targeted management resolutions at companies with exposure to deforestation risk when they lack robust policies and targets on reducing deforestation. We voted against 75 companies by August 2022 on this basis.

The WBA's Financial System Benchmark rated Aviva second out of 400 financial services companies globally through the measurement areas of Governance and strategy, Respecting planetary boundaries, and Adhering to societal conventions.

The World Benchmarking Alliance (WBA) said of Aviva:

**“This financial institution is one of the few that is committed to minimising its negative impacts on nature and biodiversity across its financing activities.”**

### ‘Wild Aviva’

Wild Aviva is an employee-led project that aims to promote biodiversity in our offices. It's a platform for people who share a common interest in the natural world.

By the end of 2022, we had undertaken full biodiversity assessments of four offices in the UK, with a further two planned for early 2023. The surveys offer a valuable insight into the habitats and species present on our sites, and their condition. From this, we will be able to determine what management strategies we can implement to improve biodiversity.

Looking ahead, with the help of volunteer colleagues, we will implement initiatives to support and improve these habitats, and to track our progress.

In Canada, we worked with landlords, brokers and suppliers to create native plant gardens across the country. Suited to local conditions, native plants help attract pollinators, restore the wildlife habitat, and build healthy natural landscapes that restore biodiversity.

1. Natural Capital Transition Fund

### Additional links:

Read more in the Biodiversity ‘one year in’ report:

> **Biodiversity Report**

Read more about natural capital transition investing:

> **Aviva Investors Natural Capital Transition Global Equity Strategy**



### Engaging to tackle biodiversity loss

In 2022:

- We mobilised a group of 47 investors to write to 54 manufacturers of hazardous chemicals to ask for a phase out of persistent chemicals, and greater transparency on hazardous chemicals. 3M consequently committed to phasing out these chemicals by 2025.
- We engaged with Meta (formerly known as Facebook) and the company consequently strengthened its policy to review Marketplace listings using the World Database on Protected Areas to prevent the buying and selling of land in ecological conservation area.
- We engaged with Burberry, Britvic and Science in Sport on plastic packaging waste and asked these companies to commit to actions under the Ellen McArthur Foundation's New Plastics Economy Global Commitment.



# Understanding how investments can be a force for good

**Investments can be the secret weapon in the battle against climate change and biodiversity loss.**

Lifestyle changes like eating less meat and driving an electric car are well-known ways to reduce your carbon footprint. What's less known is the potential carbon reduction made when switching your pension and investments to a sustainable fund.

# Climate Action: Award winning investment in innovative education

## Aviva provides materials to help people understand ESG issues and opportunities in pensions, investments and insurance.

Alignment to UN SDGs



### Understanding the impact of investments

We help many people save for retirement through products we make available in the workplace through employers. Aviva's Working Lives Report 2022: The Big Squeeze<sup>1</sup> has found four out of five (80%) employers and 65% of employees think it is important that pension funds are invested responsibly. Yet over half (55%) of employees do not know if their workplace pension fund is invested this way.

We help members of workplace pension schemes take control of their finances. We did this by working with a new partner in 2022 - Bud (an open-banking provider). By giving our members free access to Bud's Money Insights Dashboard they get clear, easy-to-view information about their finances. This will help them make better decisions about their money. Using the dashboard, members can understand the carbon footprint associated with their spending and receive actionable tips on how to reduce it.

We provide an Environmental, Social and Governance (ESG) Profiler tool on our adviser platform. This supports financial advisers when reviewing customers' investments from an ESG perspective. It improves the transparency of funds, enabling customers to

understand if a fund meets their investment appetite and ESG objectives.

It also produces a report based on client ESG preferences, such as the total carbon footprint within a product. This supports advisers in their conversations with clients on ESG, allowing them to show the scale and quantifiable impact of investments - in terms they understand.

In September 2022, we won the Impact Award for "Digital Reporting 2022 - Sustainable Investing Impact Reporting - Europe" in the Third Annual Aite-Novarica Group Digital Wealth Management Impact Awards. The ESG Profiler was described as "an exemplar of how the global sustainable and impact investment reporting model might look. The platform translates disparate data into actionable investment opportunities".

### ESG-focused propositions

Almost two-thirds (61%) of employers think there is room for pension providers to improve their ESG<sup>1</sup> investment options. So, we enhanced our My Future Focus investment solution and it has, as a result, been recognised as the Best Default ESG Strategy 2022<sup>2</sup>.

Our ESG offer includes:

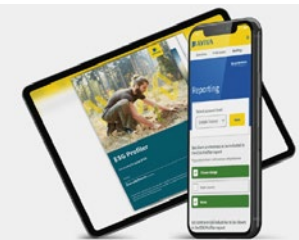
- Investment funds that have specific goals for reducing carbon intensity;
- An **ESG hub** containing articles, guides and a video to inform members about how these factors relate to pensions and responsible investing, and the true power their workplace pension can have; and
- A wide range of **reports** on the most crucial ESG issues of today.

We offer environmentally focused insurance too. We've been insuring electric vehicles for many years now. In 2022, we launched our new **electric-vehicle content hub**. It guides users in choosing the right electric vehicle, battery basics, the cost of insurance, finding charge points, and more.

In 2022, we released our carbon conscious car insurance – **Aviva Zero**, where we contribute toward offsetting our customers carbon footprint. By the end of 2022 we had over c.51,000 customers offsetting millions of miles of carbon emissions.

1. 1,002 private sector or charity employees (full-time and part-time) and 203 private sector employers were interviewed in April 2022 as part of the 2022 Working Lives report which launched June 2022

2. Corporate Adviser Awards | 01 July 2022



### Understanding the ESG aspects of investments

Using the Aviva ESG Profiler, advisers are able to review a client's portfolio for climate change, women in leadership, water security, waste, deforestation, human rights, recycling, corporate governance and air pollution. In addition, there are exclusionary filters for adult entertainment, alcohol, controversial weapons, gambling, tobacco and fossil fuels, to ensure clients avoid investments in these areas according to their wishes.

Al Ward, Head of Aviva Advised Platform, said: "We're encouraged by the increased use of ESG Profiler – up to the end of 2022, around 4,450 unique users have accessed the tool multiple times. That shows a good number of adviser/client conversations now include ESG factors."

## Looking ahead

We will work together with our employees, our suppliers, and the companies we invest in to act on climate change.

### Goals

- Become a Net Zero company by 2040;
- Achieve a 25% reduction in carbon intensity of investments by 2025, and 60% by 2030; and
- Have Net Zero operations and supply chain by 2030.

### Additional links:

> [Aviva climate goals](#)


**“The climate crisis is one of the greatest and most urgent threats facing our planet. We must reduce the risks and seize the opportunities presented by a new kind of economy and we will continue to work with our people, customers and shareholders to deliver on that.”**

**Amanda Blanc**  
Group Chief Executive Officer

# Sustainable Business

**Sustainability and good governance are integral to how we do business.**

Sustainability is one of our strategic priorities, integrated in our leadership decisions and day-to-day business operations. We have a clear and robust governance structure in place and we follow high standards of ethical conduct. We support our people's physical, mental and financial wellbeing and celebrate being a diverse and inclusive organisation. We respect human rights, and as one of the UK's largest companies, the tax we pay helps support a sustainable economy. We look to use our influence to reshape financial services to support a green and fair transition.



Employee health and wellbeing

Diversity, Equity and Inclusion

Human rights and modern slavery

Making a significant tax contribution

Advocating for a better world

Good governance

# Sustainable Business: Employee health and wellbeing

**It's vital that our people are healthy and happy. We support our people with physical, mental and financial wellbeing.**

Alignment to UN SDGs



## Looking after our people

The wellbeing of our people is central to our business success. We offer extensive health and wellbeing benefits and continue to create a culture where everyone feels cared for. In 2022 key deliverables included:

- Refreshing our leader mental health awareness training, mandatory for all people leaders every two years;
- Creating a fertility-awareness hub and leader guidance to support colleagues, including reminding colleagues of paid fertility leave available;
- Developing a pregnancy/baby loss hub and leader guidance, bringing information on paid leave and support together; and
- Building wellbeing content into events such as Mental Health Awareness Week, Carers Week, International Men's Day, Grief Awareness Week and more.

In September 2022, 83% of our employees believed that Aviva values their health and wellbeing (a 15% increase on 2021). We're also the first employer to be awarded Gold standard in the Compassionate Employer scheme, a workplace support programme from Hospice UK that helps support employees facing bereavement, grief and caring responsibilities.

## Fostering a healthy culture

We're removing stigmas, raising awareness, and developing our people leaders around topics such as neurodiversity, menopause, mental health, resilience and more. We do this through training on Aviva University, regular communication campaigns, and sharing of first-person stories from colleagues at all levels in the organisation. This helps create an open culture where people feel safe to share and ask for the support they need.

Roles at Aviva have purpose, with clear accountabilities and generally sustainable workloads so that colleagues can thrive, and work can have a net positive impact on their wellbeing.

To support mental health and resilience specifically, colleagues globally have access to Headspace – a mindfulness tool – and an Employee Assistance Programme for in the moment emotional support and advice.

In September 2022, 83% of colleagues said they felt like they belonged at Aviva, 85% believed it was safe for them to speak up and express their views and opinions without fear of negative consequences and 87% feel comfortable raising difficult issues that concern them.

## Practical help

We encourage colleagues to manage their physical wellbeing, including sleep, hydration, nutrition, posture, and activity. All our colleagues have access to several discounted physical wellbeing solutions to achieve this.

For example, in the UK employees have access to the Aviva Wellbeing App, Aviva Digital GP and through Aviva Digicare+ Workplace a health check, a nutritionist, and a second medical opinion when needed. UK colleagues also have either funded Health Essential cover (Physio and Cancer Essentials) or private medical benefit. Offices across Aviva have various clubs and activities supporting physical wellbeing – anything from dance, running, yoga and spin!

We have also created a wellbeing space in all our offices to be used by employees if needed. Whether someone has dealt with a distressing customer call, received some personal news, or just need some breathing space, these areas provide colleagues with a calm environment to gather their thoughts.

## Supportive policies

Aviva has a broad range of policies which support our wellbeing and inclusion agendas. Examples include equal parental leave, carers leave, and fertility leave. We also promote flexible working, job shares and volunteering.

In September 2022, 86% of colleagues said they had the flexibility they needed to meet their work and personal responsibilities.

To support financial wellbeing, we make sure colleagues are well informed about their reward and benefits and provide access to financial education. In the UK we are a Real Living Wage employer and offer discounts schemes for major retailers as well on Aviva's own products.

For those employees who benefit from specific arrangements to enable them to perform at their best, they can create a workplace adjustment passport to share and agree their needs with their leader. This document, managed and updated by employees, then moves around Aviva with them, so they don't need to keep repeating their needs.

Aviva has networks of wellbeing champions, to deliver specific site-based activities and to encourage their colleagues to consider and take control of their wellbeing.

## Sustainable Business: Diversity, Equity and Inclusion

We celebrate being a diverse and inclusive organisation, so we can contribute to fairer, more equal communities.

Alignment to UN SDGs



Our Executive's long-term incentive plans include two diversity and inclusion measures, in total worth 2.5% of their incentive.

By 2024 we aim to achieve:

- 40% of senior management being women. By end 2022 we had achieved 37.3%<sup>1</sup>; and
- 12.5% of senior management to be ethnically diverse. By end 2022 we had achieved 9.4%<sup>2</sup>.

### Focusing on diversity and inclusion improvements

Being accountable and open are key to progression. Our latest **UK Pay Gap Report** highlights our current performance and sets out what we are doing to improve recruiting, retaining and developing our female and ethnically diverse employees.

Our work has been recognised through numerous 2022 awards, such as being the highest-rated UK insurer on **Stonewall's Workplace Equality Index**, appearing on the **Sunday Times Top 50 Employers for Women** for the fifth consecutive year and coming 15th in the Social Mobility Index.

In 2022, a number of our people were also recognised on the **HERoes, OUTstanding and EMpower** role model lists.

### Focusing on equality and equity

We are signatories of both the **Women in Finance Charter** and **the 30% club**.

During 2022, we made changes in line with the Women in Finance charter audit:

- We now ask candidates their salary expectations, not current salary;
- We have simplified all job adverts, listing a maximum of five requirements;
- We publish more salary bands externally;
- We've extended our Returners Programme; and
- We aim for all short-lists to be balanced.

Since we made these changes, we have seen our share of female applications increase - by 6% for women overall and 9% for leadership roles.

### Focusing on ethnicity

We focus on attracting, promoting and retaining more ethnically diverse employees - across all levels of the business.

We are signatories of the **Race at Work charter**, and have introduced a number of initiatives to support its five focus areas - from enabling career progression to capturing ethnicity data. We are also founding partners of **Change the Race Ratio**, setting goals for our ethnically diverse senior leadership.

Working with the **Diversity Practice**, we developed our own leadership programme for ethnically diverse employees in the UK.

Our work on ethnicity is underpinned by our **Ethnically Diverse Leadership and Reverse Mentoring Programmes**.

In 2022, Inclusive Behaviour was a required learning for all Aviva employees.

### Understanding the data

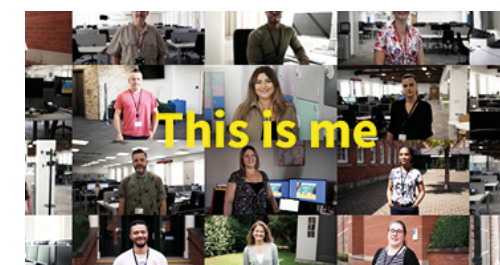
At the end of 2022, 88% of our people had opted to complete their race or ethnicity data.

We now continue to work towards increasing completion rates across all data relating to characteristics, so we can better understand the make-up of our organisation. This, in turn, will enable us to make decisions and plans backed by data.

In the 2022 Voice of Aviva survey:

- 83% of employees responded that 'I feel I belong in Aviva'; and
- 86% of employees would recommend Aviva as a great place to work.

1. Calculated as the percentage of colleagues in senior leadership roles in the UK, Ireland, Canada and Group functions who identify as female  
2. Calculated as the percentage of colleagues in senior leadership roles in the UK who identify their ethnicity as anything other than 'white'



### Strength through diversity

Creating a diverse, inclusive organisation is a fundamental part of living up to our purpose of being with you today, for a better tomorrow.

We are determined to keep challenging ourselves to do more to build a workplace - and society - that works for all.

In 2022 we published our **This is me** video, which celebrates just some of the diversity we represent across our inclusive organisation of over 21,636 employees.

### Additional links:

> **Diversity, Equity and Inclusion**

## Sustainable Business: Diversity, Equity and Inclusion continued



### Aviva Communities supporting inclusive focus

We have six global employee resource groups and call them our Aviva Communities.

They act as a 'conscience' for our organisation, and are each sponsored by a member of the Executive Committee. They challenge the company to think differently, and do more to ensure the inclusion of all at Aviva by:

- Promoting change through building relationships with colleagues, leaders and partners;
- Celebrating the diversity of our people;
- Raising awareness about people's lived experiences and backgrounds;
- Educating the workforce on topics that are less talked about but vital to an individual's identity;
- Appreciating the value of intersectionality and the multi-faceted identities we all hold; and
- Helping make sure our policies are inclusive, everywhere giving our people opportunities to grow outside of their day jobs.

By the end of 2022, the Communities had established partnerships with multiple charities globally.

Our Communities have more than tripled their membership over the last 5 years, resulting in nearly 30% of Aviva global employees being actively engaged in wellbeing, diversity and inclusion.



### Aviva Origins in Canada

In Canada, **Global Indigenous Development Trust** is the charity partner of our Origins community. During 2022, Aviva's support has gone towards two main areas:

**Champions of Change** – a programme that supports indigenous youth and leaders in building the skills, and providing them with the tools, resources and mentors, necessary to transform their communities.

The programme supports youth in developing both a personal and community vision for healthy, thriving and prosperous futures for all.

**Mno Aki Land Trust** - A land-based learning and wellness facility that provides education, training and awareness about climate resilience, health and wellbeing on the land, led by indigenous elders and teachers.

During 2022, fifty leaders took part in the programmes, resulting in them leading change in their communities, indirectly benefiting more than 5,000 people.

In addition, our employees in Canada participated in a cultural exchange where four indigenous leaders spoke about their culture, history and traditional dance.

They were members of the Anishinaabe Nation and Haudenosaunee Nations, two of who were traditional to the lands where Aviva now is.

# Sustainable Business: Human rights and modern slavery

We respect human rights and act to combat modern slavery.

Our Speak Up helpline makes it easy to raise concerns.



Our human rights policy sets out the Group's commitment to respect human rights and identifies the key stakeholders and issues for our business.

We are committed to the United Nations Guiding Principles on Business and Human Rights and to mitigating the risk modern slavery within our operations and supply chain.

In 2021 we conducted a Group-wide human-rights due-diligence assessment. Following this, and in working with external experts, we revised our human-rights and anti-modern-slavery action plan and objectives for 2022 - 2023.

We have reviewed and further expanded our supplier ethical-assessment processes, working with Slave-Free Alliance<sup>1</sup>. We are also continuing to raise awareness internally and with our suppliers, while working with charities and social enterprises that tackle modern slavery and support survivors.

We continue to encourage business action and disclosure on human rights and modern slavery.

Priority areas for next year include:

- Increasing the effectiveness of our supplier-management system to enhance the way we assess labour and human-rights risks in our supply chain, using the Ecovadis platform;
- Working more with recruitment and labour agencies on their modern-slavery-risk management;
- Continuing to integrate human-rights considerations into investment decisions and using our influence as an investor; and
- Continuing to expand and promote our human rights and anti-modern slavery training.

Throughout 2022, Speak Up – our malpractice helpline - has rolled-out the Speak Up and Listen Up campaign, aiming to encourage our people to have open and honest conversations, and providing them with the skills and tools to know how to raise a concern. The helpline makes it easy to report any concerns in confidence, with all reports referred to an independent investigation team. In 2022, 131 cases were reported through Speak Up (2021: 77), with none related to modern slavery.

In addition to paying the Living Wage in the UK, we also support the Living Hours campaign to ensure that workers have sufficient, predictable hours. We encourage other companies to do the same.

1. In future we are going to partner with 'Business for social responsibility'



## Additional links:

See the Aviva Human Rights Policy and Modern Slavery Statement:

- > **Aviva reporting and policies**  
See the ESG summary data sheet for full reporting of all of Aviva's sustainability metrics:
- > **ESG Datasheet**



# Sustainable Business: Making a significant tax contribution

Alignment to UN SDGs



As one of the UK's largest companies, the tax we pay helps support a sustainable economy.

## £3.4 billion of taxes globally in 2022

In 2021/22 we were the 11th largest taxpayer in the UK<sup>1</sup> and we pay significant amounts of tax to governments around the world. As well as paying all taxes due on our profits, we make considerable tax contributions through sales and payroll taxes.

We consider our total tax contribution in two ways. Firstly, the tax paid by Aviva Group, which is a cost to our shareholders. Secondly, we collect and pay amounts to tax authorities on behalf of customers, suppliers and employees.

In 2022, our total UK tax contribution was £2.6 billion. This was made up of £0.6 billion of tax paid and £2.0 billion of tax collected.

1. Based on PwC analysis of the 100 Group Total Tax Contribution Survey, December 2022.

## Our tax policy

Our tax policy is to pay the right amount of tax in the right place at the right time. Making sure that we pay our fair share of taxes is a specific requirement of the Aviva Business Ethics Code.

We don't use tax planning schemes, artificial arrangements or transfer profits to low tax jurisdictions to reduce our tax bill. We do not accept tax incentives which aren't set out in law and generally available to all companies.

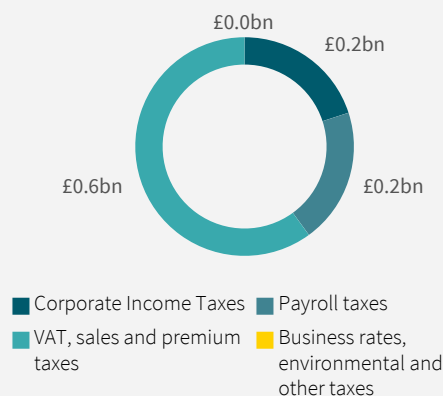
We work openly and constructively with tax authorities to make sure that we pay the right amount of tax in accordance with both the letter and the spirit of all tax law.

### Additional links:

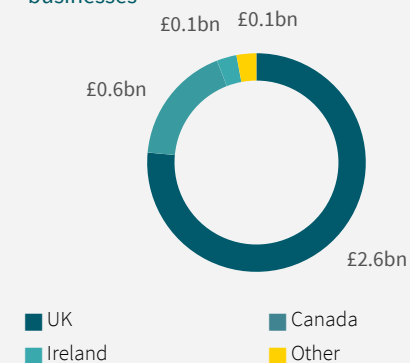
See more about Tax here:

> [Aviva Tax Strategy](#)

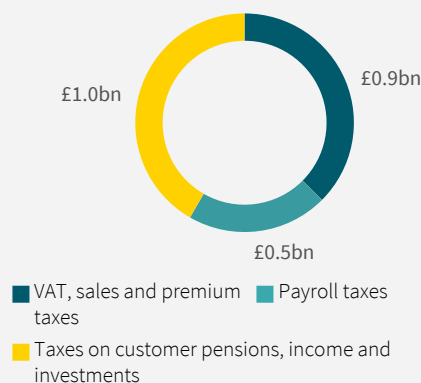
£1.0 billion of tax paid by the Aviva Group



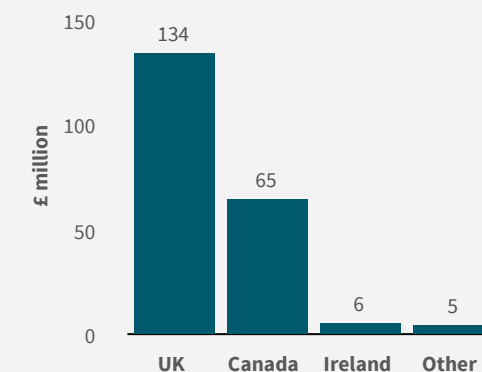
Our largest tax contributions are in our core businesses



£2.4 billion of tax collected on behalf of customers, suppliers and employees



£210 million of corporate income tax paid



## Sustainable Business: Advocating for change

### We are reshaping financial services to support the green and fair transition of economies.



#### Climate-ready campaign

During 2022, we launched a **campaign** aimed at the UK becoming the most climate-ready large economy.

The campaign began by releasing our first **Climate-Ready Index** – a framework to measure how influential countries (G7\* nations + Ireland) are progressing with climate mitigation, resilience and adaptation.

It reveals that in 2022 the UK was third most climate-ready, with Germany taking top spot, closely followed by France.

The Index called on the UK Government and financial institutions to help the UK and the world become more climate-ready by:

- Ensuring countries have binding net-zero ambitions and plans;
- Ensuring regulators incorporate climate risks;
- Building climate resilience and developing national and regional climate-resilience plans;
- Protecting nature and biodiversity; and
- Enhancing international cooperation.

#### Working with businesses and governments

As a business that aims to lead on sustainability, we advocate for systemic change to the financial system, so collectively we can achieve the goals of the Paris Agreement.

We collaborate with our industry through global alliances such as the Net Zero Asset Owner Alliance (NZAOA) and Net Zero Insurance Alliance (NZIA) – both backed by the United Nations – as well as the Net Zero Asset Managers initiative (NZAMi) and the Glasgow Financial Alliance for Net Zero (GFANZ). In addition, throughout 2022, Amanda Blanc (Group CEO) co-chaired the Steering Group of the UK Government's Transition Plan Taskforce, established to support the Government in developing the requirements for Net Zero transition plans – including developing a transition plan template and guidance that can be incorporated into UK regulatory frameworks.

Through these initiatives, we contributed to many of the key financial-sector initiatives launched at and ahead of COP27, including the GFANZ **Framework for Financial Institution Net-Zero Transition Planning and a Call to Action to G20 governments**, and the UK Transition Plan Taskforce **standard for private-sector climate-transition plans**.

Throughout the year, we have conducted joint advocacy on climate change, biodiversity and other issues of shared interest with WWF. See our shared position papers **Unlocking finance for nature: learning from experience in driving climate action, A UK Net Zero Investment Plan for Green Growth, and Aligning the UK Financial System to Net Zero**.

#### COP conferences

During 2022, we attended the climate and biodiversity conferences COP27 and COP15 respectively.

Ahead of COP27, the **Women in Finance Climate Action Group**, led by Amanda Blanc, with GenderSmart and the 2X Collaborative, wrote an **open letter** calling for urgent action to improve gender equality when designing, providing and accessing climate finance.

At COP27, Aviva Investors CEO Mark Versey called for reform of the international financial architecture to put consideration of systemic risks, particularly those stemming from climate change, at the heart of the work of the institutions that regulate and supervise global finance. He called for each institution to produce its own Net Zero transition plan and for the institutions collectively to create and implement a Global Financial Transition Plan for an orderly and just transition to Net-Zero by or before 2050.

These reforms are needed to support the long-term viability of the global financial system, and to ensure we manage and act upon climate risks, while providing finance efficiently to support the goals of the Paris Agreement and Glasgow Climate Pact.

These ideas were highlighted within Aviva Investors' new report released ahead of COP27 '**Act Now: A climate emergency roadmap for the international financial architecture**'.

Aviva also attended COP15 to advocate for an ambitious global agreement that includes the alignment of financial flows with biodiversity goals.

# Sustainable Business: Sustainability governance

**Sustainability is embedded in our leadership decisions and day-to-day business operations. We have a clear and robust governance structure in place.**

Alignment to UN SDGs

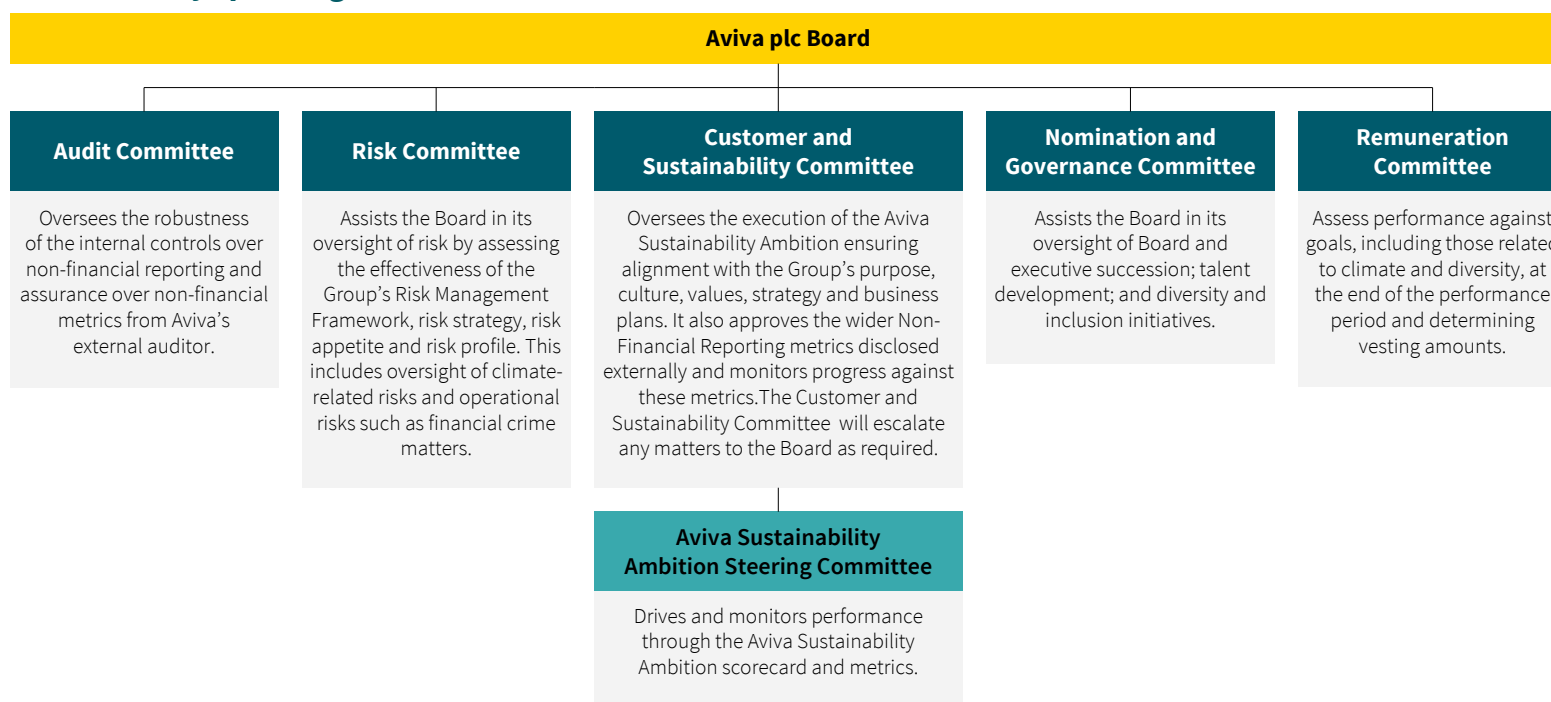


In 2021 we established the executive level Aviva Sustainability Ambition Steering Committee to drive and monitor the delivery of our plan and goals. The Aviva Sustainability Ambition Steering Committee has delegated authority from the Group Executive Committee. The Sustainability function, which reports to the Aviva Executive responsible for sustainability, provides sustainability expertise to enable delivery and coordination of local activity across Aviva's businesses. Crucially, there is clear individual executive accountability for all sustainability KPIs. ESG factors are included in senior executive long term incentive plans.

Our progress and key performance metrics are reviewed regularly and overseen by the Aviva Group's Customer & Sustainability Committee.

Aviva plc is subject to the UK Corporate Governance Code (the Code), which we comply with fully. Where appropriate, specific teams and committees exist to drive action on particular material issues, including climate change, data protection, diversity and inclusion, among others. Governance information required in accordance with TCFD can be found in the Climate-related Financial Disclosure section.

## Sustainability specific governance



**Additional links:**  
> [Climate-related Financial Disclosure](#)

## Sustainable Business: Sustainability governance continued

Alignment to UN SDGs



## We follow high standards of ethical conduct, and behave responsibly and transparently.

### An ethical organisation

The high standards of ethical behaviour we expect are outlined in the Aviva Business Ethics Code, which we updated for 2022 with input from the Institute of Business Ethics. This included adding in a simple decision-making tool to help colleagues with ethical dilemmas.

We require all our people, at every level, to read and sign-up to our Code every year (100% of our employees did so in 2022).

We have a zero-tolerance approach to acts of bribery and corruption. We therefore have a risk-management framework that sets out policies and standards across all businesses. These apply to everyone at Aviva, and it is the responsibility of CEOs (or equivalent) to ensure their business operates in line with them.

The Financial Crime Business Standard, and supporting Minimum Compliance Standards, guide our risk-based financial-crime programmes. These aim to prevent, detect and report financial crime, including any instances of bribery and corruption, while we comply fully with relevant legislation and regulation.

At Group level, the Chief Risk Officer provides the Risk Committee with regular reporting on financial-crime matters. These include our anti-bribery and anti-corruption programmes.

### Good governance

The Customer and Sustainability Committee oversees performance on our Aviva Sustainability Ambition and the policies that underpin it.

Stephen Doherty, Chief Brand and Corporate Affairs Officer, is the Aviva Group Executive Committee member responsible for corporate responsibility and sustainability. The topic has been covered by the committee five times during 2022, as well as three times at the Aviva plc Board.

We have assessed the environmental risks we face as a business. The most significant of these is the potential impact of climate change on our customers' lives and our company's assets. Our overarching Sustainability Business Standard includes how we manage our material operational and main environmental and climate impacts, and our community impacts.

We continue to play our role as a responsible asset owner, engaging with the companies, projects and assets we own on issues such as climate change, human rights and diversity.

We recognise the need to encourage change, not just with the companies we invest in, but in our industry and economy as a whole.

### Working with our suppliers

We work hard to make sure our supply chain is responsible and sustainable. We do this through thorough checks of suppliers before we begin working with them, and ask that they sign our Supplier Code of Behaviour. We continue to engage with them on sustainability issues, to help and encourage our suppliers to act.

We conduct due diligence when recruiting and engaging external partners. At the end of 2022, 100% of our registered suppliers to the UK, Canada, Ireland and India agreed to abide by our Third-Party Business Code of Behaviour (or provided a satisfactory reason why they didn't do so, for example, because they have their own existing code of behaviour).

This code outlines the way we will behave in our dealings with each other, and includes guidance on financial-crime laws and regulations.

### Internal Audit

In 2022 Internal Audit completed two risk-based reviews relating to Aviva's Sustainability Ambition (ASA), focusing on: (1) compliance with the SS3/19 reporting requirements; and (2) the effectiveness of governance and plans to support the execution of ASA initiatives. This provided assurance that there had been significant progress in implementing the requirements of SS3/19 and agreeing business cases for key ASA initiatives. Additionally, Internal Audit consider adherence to ethical standards as part of the completion of its annual programme of audits.

### Independent Assurance

As part of our commitment to transparent reporting on our performance, PwC has provided reasonable and limited assurance over selected sustainability KPIs<sup>2</sup>.

1. See the ESG summary data sheet for full reporting of all of Aviva's sustainability metrics
2. Independent Assurance is provided by PricewaterhouseCoopers LLP Chartered Accountants

### Additional links:

> [Aviva Business Ethics Code](#)

## Looking ahead

We recognise the strength that comes from working as one team, collaborating and winning together for Aviva, and for our customers. We will continue to focus actions to be a force for good.

### Goals

- Embedding high sustainability standards in areas such as responsible investment, human rights and business ethics; regularly refreshing our Human Rights Policy and Modern Slavery statement;
- Achieve goal of 40% women and 12.5% ethnically diverse people in senior management by 2024;
- Continue to increase ethnic diversity in leadership; and
- Helping drive the public debate on sustainability in our sector and beyond.

### Additional links:

Read more about our goals:

> [Embedding sustainability](#)



**“Our investors, customers and people expect action, progress and improvement. And we are going to give it to them.”**

**Amanda Blanc**  
Group Chief Executive Officer





# Independent Assurance



# Independent Reasonable Assurance Report to the Directors of Aviva plc on selected sustainability metrics

The Board of Directors of Aviva plc (“Aviva”) engaged us to perform an assurance engagement in respect of selected sustainability metrics presented in Aviva’s Annual Report and Accounts 2022, Sustainability Report 2022, Climate-related Financial Disclosure 2022 and ESG Datasheet 2022 for the year ended 31 December 2022 (together the “2022 reports”).

Specifically, PwC was engaged to obtain:


- Reasonable assurance over the information identified in Table A below and marked with the symbol ; and
- Limited assurance over the information identified in Table B below and marked with the symbol .

These are set out in the ‘Subject Matter Information and Reporting Criteria’ section below (together, the ‘Subject Matter Information’).


Our assurance conclusions do not extend to information in respect of earlier periods or to any other information included in, or linked from, the Report, including any images, audio files or videos.

## Our conclusions

### Our reasonable assurance opinion

In our opinion, the Subject Matter Information marked with the symbol  in Aviva’s 2022 reports for the year ended 31 December 2022 and set out in Table A below, has been prepared, in all material respects, in accordance with the Reporting Criteria referenced in the ‘Subject Matter Information and Reporting Criteria’ section below.

### Our limited assurance conclusion

Based on the procedures we have performed, as described under the ‘Summary of work performed’ and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information marked with the symbol  in Aviva’s 2022 reports for the year ended 31 December 2022 and set out in Table B below, has not been prepared, in all material respects, in accordance with the Reporting Criteria set out on pages 4 to 45 of the Report and referenced in the ‘Subject Matter Information and Reporting Criteria’ section below.

## Subject Matter Information and Reporting Criteria

The Subject Matter Information needs to be read and understood together with the Reporting Criteria, which Aviva is solely responsible for selecting and applying. The Subject Matter Information and the Reporting Criteria are as set out in Tables A and B in the appendix to this report.

## Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time.

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the underlying subject matter and the methods used for measuring or evaluating it. The precision of different measurement techniques may also vary.

In particular:

- For financed emissions calculations, it is generally acknowledged by most stakeholders globally, including regulators, that there are significant limitations in the availability and quality of GHG emissions data from third parties, resulting in reliance

on estimated or proxy data. These limitations are reflected in the assigned data quality score; and

- Carbon offsets are subject to inherent limitations, including but not limited to the extent of social impact, the risk of double counting, lack of additionality, leakage, permanence, and uncertainties as to whether the expected reductions or removals will occur. This could impact the estimated reduction or removal of CO<sub>2</sub>e assigned to those offsets.

The uncertainties and limitations are laid out in more detail in the Reporting Criteria.

## Responsibilities of Aviva’s directors

The directors of Aviva are responsible for:

- Determining appropriate reporting topics and selecting or establishing suitable criteria for measuring or evaluating the underlying subject matter;
- Ensuring that those criteria are relevant and appropriate to Aviva and the intended users of the 2022 reports;
- The preparation of the Subject Matter Information in accordance with the Reporting Criteria including designing, implementing and maintaining systems, processes and internal controls over the evaluation or measurement of the underlying subject matter to result in the



## Independent Assurance continued

Subject Matter Information, which is free from material misstatement, whether due to fraud or error; and

- Producing the 2022 reports, including underlying information and a statement of directors' responsibility, which provides complete, accurate, balanced reflection of Aviva's performance in this area and discloses, with supporting rationale, matters relevant to the intended users of the 2022 reports.

### Our responsibilities

We are responsible for:

- Planning and performing the engagement to obtain limited or reasonable assurance, as applicable, about whether the Subject Matter Information is free from material misstatement, whether due to fraud or error;
- Forming independent conclusions, based on the evidence we have obtained; and
- Reporting our conclusions to the directors of Aviva.

### Professional standards applied

We performed our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' and, in respect of the greenhouse gas emissions in accordance with International Standard on Assurance Engagements 3410 'Assurance engagements on greenhouse gas

statements', issued by the International Auditing and Assurance Standards Board.

### Our independence and quality control

We have complied with the Institute of Chartered Accountants in England and Wales Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, that are at least as demanding as the applicable provisions of the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards).

We apply International Standard on Quality Management (UK) 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Summary of work performed

We have performed an engagement including both reasonable and limited assurance. Depending on the level of assurance obtained, we are required to plan and perform our work to assess the risk of material misstatement in the Subject Matter Information (reasonable assurance) or to address the areas where we have identified

that a material misstatement of the Subject Matter Information is likely to arise (limited assurance).

Limited assurance can cover a range of assurance from low (i.e. just above assurance that is likely to enhance the intended user's confidence about what has been assured to a degree that is clearly more than inconsequential) to just below reasonable assurance. Because the level of assurance in a limited assurance engagement varies in this way, we give more detail about the procedures performed, so that the intended users can understand the nature, timing and extent of procedures we performed as context for our conclusion. The procedures performed vary in nature and timing from, and are less in extent than, those performed for reasonable assurance. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

In performing our assurance procedures, which were based on our professional judgement, we performed the following:

- Considered the suitability in the circumstances of Aviva's use of the Reporting Criteria as the basis for preparing the Subject Matter Information;
- Obtained an understanding of Aviva's control environment, processes and systems relevant to the preparation of the

Subject Matter Information including, as part of our reasonable assurance procedures only, evaluating the design of the controls relevant to the engagement, and, determining whether they have been implemented as described;

- Evaluated the appropriateness of measurement and evaluation methods, reporting policies used and estimates made by Aviva, noting that our limited assurance procedures did not involve testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Aviva's estimates; and
- Performed substantive testing on a selective basis of the Subject Matter information. As explained above the procedures performed to obtain limited assurance varied in nature and timing from, and were less in extent than, those performed to obtain reasonable assurance.

Testing was performed at Aviva corporate head office level, with some testing undertaken in Canada, and involved agreeing data points to or from source information to check that the underlying subject matter had been appropriately evaluated or measured, recorded, collated and reported;

- Evaluated the disclosures in, and overall presentation of the Subject Matter Information.



## Independent Assurance continued

In addition, our assurance procedures specifically did not include the following:

- With regard to input data provided by third parties, we have not performed testing of sovereign climate risk data sourced from Notre Dame Global Adaptation Initiative (ND-GAIN). We have performed testing of actual emission intensity factors provided by MSCI, but have not performed testing of estimated emission intensity factors;
- With regard to carbon offsets, we have performed testing that offsets have been purchased and (where relevant) retired with reference to supporting documentation. We have not performed testing of the quality or validity of the underlying carbon offset; and
- With regard to market-based emissions, we did not obtain evidence to support the purchase and retirement of Renewable Energy Guarantees of Origin (REGO) certificates.

### Other information

The other information comprises all of the information in the 2022 reports other than the Subject Matter Information and our assurance report. The directors are responsible for the other information. As explained above, our assurance conclusions do not extend to the other information and, accordingly, we do not express any form of assurance thereon. In connection with our assurance of the Subject Matter Information, our responsibility is to read the other information and, in doing so, consider

whether the other information is materially inconsistent with the Subject Matter Information or our knowledge obtained during the assurance engagement, or otherwise appears to contain a material misstatement of fact. If we identify an apparent material inconsistency or material misstatement of fact, we are required to perform procedures to conclude whether there is a material misstatement of the Subject Matter Information or a material misstatement of the other information, and to take appropriate actions in the circumstances.

### Use of our report

Our report, including our conclusions, has been prepared solely for the directors of Aviva in accordance with the agreement between us dated 20 September 2022 (the “agreement”). To the fullest extent permitted by law, we do not accept or assume responsibility or liability to anyone other than the Board of Directors and Aviva for our work or our report, except where terms are expressly agreed between us in writing.

### PricewaterhouseCoopers LLP Chartered Accountants

#### London

8 March 2023



## Independent Assurance continued

### Appendix - metrics subject to assurance

The Reporting Criteria are as published on the Aviva website [here](#)<sup>1</sup>.

In tables with this appendix, the following acronyms are used

ARA - Annual Report and Accounts 2022

CRFD - Climate-related Financial Disclosure report 2022

SR - Sustainability Report 2022

Datasheet - ESG Datasheet 2022

**Table A: Subject Matter Information subject to reasonable assurance**

Subject Matter Information	Reported unit	Reported value	Location of reporting
<b>Operational emissions</b>			
Operational carbon emissions - Scope 1, 2 and 3 (market-based)	Tonnes CO <sub>2</sub> e	13,958	ARA - Our CRFD; CRFD - Note 4 - Operational carbon emissions; Datasheet - Climate action
Operational carbon emissions - Scope 1, 2 and 3 (location-based)	Tonnes CO <sub>2</sub> e	21,232	ARA - Our CRFD; CRFD - Note 4 - Operational carbon emissions; Datasheet - Climate action
Carbon offsets for which credits have been purchased and retired during the year	Tonnes CO <sub>2</sub> e	13,958	ARA - Our CRFD; CRFD - Note 4 - Operational carbon emissions; Datasheet - Climate action
<b>Intensity ratios</b>			
Scope 1 and 2 - location-based emissions (tCO <sub>2</sub> e)/ £m GWP	tonnes/£	0.86	ARA - Our CRFD; CRFD - Note 4 - Operational carbon emissions; Datasheet - Climate action
Total location-based emissions (tCO <sub>2</sub> e)/ £m GWP	tonnes/£	1.12	ARA - Our CRFD; CRFD - Note 4 - Operational carbon emissions; Datasheet - Climate action
Total location-based emissions (tCO <sub>2</sub> e)/ employee	tonnes/headcount	0.9	ARA - Our CRFD; CRFD - Note 4 - Operational carbon emissions; Datasheet - Climate action
Scope 1 and 2 - market-based emissions (tCO <sub>2</sub> e)/ £m GWP	tonnes/£	0.48	ARA - Our CRFD; CRFD - Note 4 - Operational carbon emissions; Datasheet - Climate action
Total market-based emissions (tCO <sub>2</sub> e)/ £m GWP	tonnes/£	0.74	ARA - Our CRFD; CRFD - Note 4 - Operational carbon emissions; Datasheet - Climate action
Total market-based emissions (tCO <sub>2</sub> e)/ employee	tonnes/headcount	0.59	ARA - Our CRFD; CRFD - Note 4 - Operational carbon emissions; Datasheet - Climate action

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## Independent Assurance

## Independent Assurance continued

Table A: Subject Matter Information subject to reasonable assurance

Subject Matter Information	Reported unit	Reported value	Location of reporting
<b>Energy consumption</b>			
Energy consumption (total energy used)	MWh	71,770	ARA - Our CRFD; CRFD - Note 4 - Operational carbon emissions; Datasheet - Climate action
Electricity used from renewable sources	%	100%	CRFD - Our 2022 climate highlights and looking ahead; Datasheet - Climate action
<b>Climate-related financial disclosures</b>			
Financed Emission – intensity ratios – Credit & Equities (shareholder assets only)	tonnes/\$m	96	ARA - Annual report on remuneration; CRFD - Note 5 - Financed emissions
<b>Estimated financed emissions - Data quality score, carbon intensity and economic carbon intensity for the following asset classes:</b>			
Credit & Equities (shareholder and policyholder assets)	Score	2.2	CRFD - Note 5 - Financed emissions
Credit & Equities (shareholder and policyholder assets)	tCO <sub>2</sub> e/\$m revenue (WACI)	120	CRFD - Note 5 - Financed emissions; Datasheet - Climate action
Credit & Equities (shareholder and policyholder assets)	tCO <sub>2</sub> e/\$m proportional share (market value)	58	CRFD - Note 5 - Financed emissions; Datasheet - Climate action
Credit & Equities (shareholder and policyholder assets)	Absolute financed greenhouse gas emissions (tCO <sub>2</sub> e)m	7.0	CRFD - Note 5 - Financed emissions
Sovereign intensity and data quality score	tCO <sub>2</sub> e/\$m PPP-adjusted GDP	188	CRFD - Note 6 - Monitoring sovereign holdings
Sovereign absolute emissions	tCO <sub>2</sub> e (millions)	7.6	CRFD - Note 6 - Monitoring sovereign holdings
Sovereign intensity and data quality score	Score	0	CRFD - Note 6 - Monitoring sovereign holdings
Weighted average carbon intensity (tCO <sub>2</sub> e/\$m revenue) of credit and equities in Aviva's shareholder and with-profit funds for UK, Ireland and Canada	tCO <sub>2</sub> e/\$m revenue (WACI)	96	CRFD - Note 5 - Financed emissions; Sustainability Report - At a glance; ARA - Annual Report on remuneration
<b>Sovereign holdings exposure to climate-related risks (ND-GAIN)</b>			
UK - ND-Gain Country index score	ND-Gain Score	69	CRFD - Note 6 - Monitoring sovereign holdings
United States - ND-Gain Country index score	ND-Gain Score	66	CRFD - Note 6 - Monitoring sovereign holdings
China - ND-Gain Country index score	ND-Gain Score	58	CRFD - Note 6 - Monitoring sovereign holdings
Germany - ND-Gain Country index score	ND-Gain Score	70	CRFD - Note 6 - Monitoring sovereign holdings
Japan - ND-Gain Country index score	ND-Gain Score	66	CRFD - Note 6 - Monitoring sovereign holdings



## Independent Assurance

## Independent Assurance continued

Table A: Subject Matter Information subject to reasonable assurance

Subject Matter Information	Reported unit	Reported value	Location of reporting
Canada - ND-Gain Country index score	ND-Gain Score	68	CRFD - Note 6 - Monitoring sovereign holdings
Investment in sustainable assets	£bn	8.2	CRFD - Note 7 - Investment in sustainable assets
<b>Actual weather-related losses versus expected losses</b>			
UK & Ireland General Insurance	%	12%	CRFD - Note 8 - Weather-related losses; Datasheet - Climate action
Canada	%	(35)%	CRFD - Note 8 - Weather-related losses; Datasheet - Climate action
<b>Community investment</b>			
Amount invested in UK infrastructure and real estate	£bn	6.9	ARA - Our strategy, Key performance indicators, Our business review Aviva Investors; Sustainability Report - At a glance; Datasheet - Stronger communities
Amount of community investment – including value of skills	£m	33.7	ARA - Our sustainability ambition; Datasheet - Stronger communities
<b>Business ethics</b>			
% of employees who confirm that they have read, understood and accepted the business ethics code	%	100%	ARA - Our sustainability ambition; Datasheet - Sustainable business
<b>Employees</b>			
Number of employees	FTE	24,364	ARA - Our people, Notes to consolidated financial statements (Note 9 Employee information)
Average number of employees in core markets	headcount	21,517	ARA - Our people
<b>Diversity, equity &amp; inclusion</b>			
% women in senior leadership roles in UK, Ireland Canada	%	37.3%	ARA - Our strategy, Our people, Key Performance Indicators; Sustainability Report - At a glance; Datasheet - Sustainable business
% completion of internal diversity data	%	88.0%	Datasheet - Sustainable business
% women on Aviva Executive Committee	%	42.0%	ARA - Nomination and governance; Datasheet - Sustainable business
% of ethnically diverse employees in senior leadership roles in the UK	%	9.4%	ARA - Key Performance Indicators; Sustainability Report - At a glance; Datasheet - Sustainable business
Aviva plc board diversity: Gender (% female)	%	41.7%	ARA - Governance at a glance, nomination and governance Datasheet - Sustainable business
Aviva plc board diversity: ethnicity (%)	%	8.3%	ARA - Governance at a glance; Datasheet - Sustainable business
% of female employees at Aviva	%	51.8%	ARA - Our people; Datasheet - Sustainable business
<b>Mean/median gender pay &amp; bonus gap (UK)</b>			
Mean Gender Pay Gap (UK)	%	24.3%	Datasheet - Sustainable business
Median Gender Pay Gap (UK)	%	25.1%	Datasheet - Sustainable business



## Independent Assurance continued

**Table A: Subject Matter Information subject to reasonable assurance**

Subject Matter Information	Reported unit	Reported value	Location of reporting
Mean Gender Bonus Gap (UK)	%	50.9%	Datasheet - Sustainable business
Median Gender Bonus Gap (UK)	%	33.7%	Datasheet - Sustainable business



## Independent Assurance

## Independent Assurance continued

Table B: Subject Matter Information subject to limited assurance

Subject Matter Information	Reported unit	Reported value	Location of reporting
<b>Operational emissions</b>			
% reduction in absolute scope 1 and 2 emissions from 2019 base year	%	43%	ARA - Our sustainability ambition; CRFD - Our 2022 climate highlights and looking ahead
<b>Community investment</b>			
% of group adjusted operating profit invested in communities (average per year 2020-2022)	%	2%	ARA - Chair's statement; Sustainability Report - At a glance; Datasheet - Stronger communities
<b>Product coverage</b>			
% of UK population saving or retiring with Aviva	%	14%	ARA - Our business review UK & Ireland life, Key Performance Indicators; Sustainability Report - At a glance
<b>Customers</b>			
Number of customers	Million	18.7	ARA - Our strategy, Key Performance Indicators, Our stakeholders; Sustainability Report - At a glance; Datasheet - Sustainable business
Number of customer complaints per 1000 policies in force (UK) Life/GI/Health	Number per 1000 policies in force	2.32	Datasheet - Sustainable business
% of complaints resolved in 8 weeks (UK) Life/GI/Health	%	92%	Datasheet - Sustainable business
Transactional Net Promoter Score (TNPS)	point	40.5	ARA - Our strategy, Key Performance Indicators, Annual Report on remuneration
% of employees rate Aviva favourably on engagement index	%	86%	ARA - Our business model, Key Performance Indicators, Annual report on remuneration; Sustainability Report - At a glance; Datasheet - Sustainable business
% score for the statement "I can see a clear link between my work and Aviva's strategy"	%	82%	Datasheet - Sustainable business
% score for the statement "I have a clear understanding of Aviva's strategy"	%	83%	Datasheet - Sustainable business
% employees believe Aviva is a good corporate citizen	%	88%	Datasheet - Sustainable business
% score for the statement "I trust what the Executive Team say"	%	73%	Datasheet - Sustainable business

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# Appendix



## Cautionary Statements

### Climate-related cautionary statement

#### Climate metrics

The climate metrics, projections, forecasts and other forward-looking statements used in this document should be treated with special caution, in particular as they are more uncertain than, for example, historical financial information, and given the wider uncertainty around the evolution and impact of climate change.

Climate metrics include:

- Estimates of historical emissions and historical climate change; and
- Forward-looking climate metrics, such as ambitions, targets, climate scenarios and climate projections and forecasts.

Our understanding of climate change and its impact continue to evolve. Accordingly, both historical and forward-looking climate metrics are inherently uncertain and, therefore, less decision-useful than metrics based on historical financial statements. Below we provide a non-exhaustive list of some of the challenges associated with using climate metrics in more detail.

#### 1. Methodologies for estimating and calculating GHG emissions or emissions intensities and other climate-metrics vary widely

There is a lack of standardisation and comparability with many diverging frameworks and methodologies for calculating climate metrics.

In particular:

- Some methodologies use company-specific historical emissions data while others result in estimation of emissions based on sectoral or geographical data or averages. Of those that incorporate emissions ambitions and targets, there are different criteria for the types of ambitions and targets that can and cannot be used.
- Methodologies vary in their use of Scope 1, Scope 2, and/or Scope 3 GHG emissions. Some use only Scope 1 data, while others use Scope 1 and 2, and yet others take Scope 1, 2, and 3 GHG emissions into account.
- Certain methodologies take cumulative historical GHG emissions into account while others incorporate point-in-time assessments of emissions intensity.

There is a risk that climate metrics may result in over or under estimations.

#### 2. Climate metrics are complex and require making extensive judgements and assumptions

Climate metrics and data are based on underlying assumptions made about climate change policies, technologies and other matters that are uncertain or not yet known. Any material change in these variables may cause the assumptions, and therefore, the climate metrics and data based on those assumptions, to be incorrect.

In particular:

- Temperature scenarios generally include a set of assumptions that incorporate existing or planned global or regional policies, or business-as-usual sociodemographic projection, and projections for technological progress (including negative emissions and sequestration technologies), none of which may happen as contemplated.
- Some assumptions attempt to compensate for existing data gaps, such as past emissions trends or comparable and reliable company specific ambitions and targets. These assumptions may prove to be incorrect and not accurately represent the actual data.

Design issues specific to financed emissions raise challenges, particularly around allocating emissions to the wide range of invested assets and financed activities. Financed emissions from owning one percent of a company might include one percent of that company's emissions; a portfolio can rapidly double count if aggregate financed emissions include each underlying company's own Scope 3 upstream and downstream emissions. The calculation becomes significantly more complex with other activities, such as when a financial institution serves as a counterparty or is one of multiple underwriters of a financing.

There is a risk that the judgement exercised, or the estimates or assumptions used, may subsequently turn out to be incorrect.

#### 3. There is a lack of accurate, verifiable, reliable, consistent and comparable climate-related data

Climate-related risks and opportunities and their potential impacts and related metrics depend on access to accurate, verifiable, reliable, consistent and comparable climate-related data. The insurance industry, like other sectors, is grappling with data availability and quality.

In particular:

- Climate-related data may not be generally available from counterparties or customers or, if available, it is generally variable in terms of quality and, therefore, may not be accurate, verifiable, reliable, consistent or comparable.
- Companies may rely on aggregated information based on high-level sector data developed by third parties that may be prepared in an inconsistent way using different methodologies, interpretations or assumptions.
- Data is less readily available for some invested asset types and there may also be data gaps, particularly for private companies, that are filled using "proxy" or other data, such as sectoral average, again developed in different ways.
- There is no-single, global, cross-sector data provider that adequately and consistently covers the needed scope for data to analyse emissions and assess physical and transactional risks across operations and investment portfolios.



## Cautionary Statements continued

- While regulators and standard-setters mandate additional disclosure of verified climate-related data by companies across sectors, there are potential gaps between needed and available data.
- The availability of climate, industrial classification, energy use and efficiency data, including information used as a proxy for that data (e.g. EPC rating) depends on a variety of public, private and civic sector sources. Historically, climate data was largely environmental and weather data was produced by government agencies. However, the challenge is finding the relevant sources, if they exist, and then validating, cleaning and standardising the data in an accessible form or format.

Further development of reporting standards, scientific understanding of climate change and global and regional laws could materially impact the metrics, ambitions and targets contained within this report and may mean that subsequent reports do not allow a reader to compare metrics, ambitions and targets on a like for like basis. Certain disclosures are likely to be amended, updated, recalculated and restated in future reports.

There are many uncertainties, assumptions, judgements, opinions, estimates, forecasts and non-historic data surrounding the climate metrics, data, models and scenarios used to create them; and the measurement technologies, analytical methodologies and services that support them remain in an early stage.

Accordingly, the quality and interoperability of these models, technologies and methodologies is also at a relatively early stage. Significant data gaps in sectors, sub-sectors and across invested asset classes are impeding not only climate risk management, but also the development of mitigation and adoption of strategies, as well as aspects of operations and credit risk and investment analysis that depend on data-informed processes.

In summary, the information in this report is subject to significant uncertainties and risks which may result in the group being unable to achieve the current plans, expectations, estimates, ambitions, targets or projections. Some of the information in this document has been or may have been obtained from public and other sources and Aviva has not independently verified it. Aviva makes no representation or warranty regarding its completeness, accuracy, fitness for a particular purpose or non-infringement of such information.

### Other forward-looking statements

This document should be read in conjunction with the other documents distributed by Aviva through The Regulatory News Service (RNS). This document contains, and we may make, other verbal or written 'forward-looking statements' with respect to certain of Aviva's plans and current goals and expectations relating to its future financial condition, performance, results, strategic initiatives and objectives.

Forward-looking statements include, without limitation, projections, estimates, commitments, plans, approaches, ambitions and targets (including, without limitation, ESG commitments, ambitions, goals and targets). Statements containing the words 'believes', 'intends', 'expects', 'projects', 'plans', 'will', 'seeks', 'aims', 'may', 'could', 'outlook', 'objective', 'predict', 'likely', 'target', 'goal', 'guidance', 'trends', 'future', 'estimates', 'potential' and 'anticipates', and words of similar meaning, are forward-looking. By their nature, all forward-looking statements involve risk and uncertainty. Accordingly, there are or will be important factors that could cause actual results to differ materially from those indicated in these statements.

Factors that could cause actual results to differ materially from those described in these statements include (but are not limited to):

- regulatory measures addressing climate change and broader sustainability-related issues; and
- the development of standards and interpretations, including evolving requirements and practices in ESG reporting; and the ability of the Group, together with governments and other stakeholders to measure, manage, and mitigate the impacts of climate change and broader sustainability-related issues effectively.

A detailed description of other relevant factors is contained within Aviva's most recent annual report available on its website at <http://aviva.com/reports>.

Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements. Forward-looking statements in this report are current only as of the date on which such statements are made and we do not undertake to update our forward-looking statements except as required by applicable law and do not provide any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements will actually occur.

The information in this document is unaudited, except for those metrics indicted with an **AR** or **AL** symbol, indicating reasonable assurance or limited assurance, respectively. This report has been prepared for, and only for, the members of the Company, as a body, and no other persons. The Company, its directors, employees, agents or advisers do not accept or assume responsibility to any other person to whom this document is shown or into whose hands it may come, and any such responsibility or liability is expressly disclaimed. Aviva plc is a company registered in England No. 2468686.

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## Note on materiality

In general, assessing materiality requires thoughtful consideration not only of any applicable materiality guidance, but also of our purpose in assessing materiality and in communicating to our stakeholders.

Our public disclosures, including our sustainability report, include a range of topics that we believe are relevant to our businesses and that are of interest to consumers and other stakeholders. For the purposes of complying with our annual and half-yearly disclosure obligations in the United Kingdom we apply materiality based on the applicable rules and regulations governing public reporting in the United Kingdom. However, in our sustainability report, we have adapted our approach to materiality based on both the subject matter and purpose of the disclosures. In particular, our approach to these disclosures may sometimes have regard to broader understandings of materiality based on certain external frameworks and reporting guidelines that take into consideration a wider range of factors relevant to sustainability, including the views of our key stakeholders.

This report uses longer time frames to assess potential impacts than those time frames customarily used in certain of our other disclosures, including our annual and interim financial reports submitted to the London Stock Exchange ("LSE") in the United Kingdom. This approach to materiality means that this report, and many of our sustainability reporting disclosures, including with respect to climate-related risks and opportunities includes certain information that we have not included in our LSE filings for which we use a different approach to materiality.

Our approach to materiality in this report also means that statements made in this report and in our other disclosures use a greater number and level of assumptions and estimates than many of our LSE filings. These assumptions and estimates are subject to change, and, when coupled with the longer time frames used, make any assessment of materiality inherently uncertain. For this reason we do not set quantitative thresholds against which to apply our materiality assessment.

Instead we take a holistic view and apply a qualitative assessment to determine the information that is important in communicating our Sustainability and Climate Strategic ambitions to stakeholders. In addition, our climate risk capabilities and Net Zero transition strategy and plan remain under development, and the data underlying these and market practice in relation to such disclosures will evolve over time. As a result, we expect that certain disclosures made in this report are likely to be amended, updated, recalculated and restated in the future..



## Memberships, partnerships and accreditations

We work extensively with partner organisations and as part of wider groups across our material sustainability issues to seek change on the largest scale possible.

### Stronger Communities



Aviva and WWF have partnered to act now on climate change and help build resilient communities where people and nature thrive together.



Enables regulated firms to better support their customers who struggle with numbers so that they can make more informed choices.



Working together to help build stronger, safer communities – equipping people to prepare and be ready for whatever lies ahead.



Aviva, Citizens Advice and Money Advice Trust have partnered to increase the financial resilience of people across the UK. It will deliver advice and support to people and SMEs so that they can look forward with confidence.

### Climate Action



Calls on world leaders to reverse nature loss and commit to making a positive contribution to biodiversity.



Global initiative bringing together the world's most influential businesses driving the transition to 100% renewable electricity.



Aims to accelerate the fossil-fuel phase out of coal-fired power stations, except the very few which have carbon capture and storage.



Representing a growing global network of leading insurance industry organisations, ClimateWise helps to align its members' expertise to directly support society as it responds to the risks and opportunities of climate change.

### Sustainable Business



Provides a global roadmap to develop and expand innovative risk management and insurance solutions.



The United Nations-supported international network of investors working together to implement its six aspirational principles.



A non-binding United Nations pact to encourage businesses and firms worldwide to adopt sustainable and socially responsible policies, and to report on their implementation.



Established to promote high standards of business behaviour based on ethical values.



Gives accreditation to businesses that promote and implement ethical practices.



Aims to help people make informed decisions about which brands are best for the planet, animals and people world-wide.



Applies the principles that public affairs practitioners should be open and transparent in their dealings with government and have no financial relationship.



Combines the SASB Alliance and Integrated Reporting Business Network to develop best practices related to sustainability standards and reporting.

### ESG Ratings

MSCI<sup>1</sup>

AA

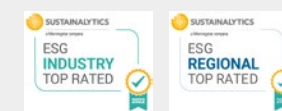
CDP<sup>3</sup>

A-

Sustainalytics<sup>2</sup>

11.4

(low risk)



ISS<sup>3</sup>

C+

Prime

S&P Global<sup>3</sup>

81

(/100)

Full details of our ESG ratings, as well as our wider memberships, is available [here](#)

1. As of year-end 2022, Aviva received a rating of AA. The use by Aviva of any msci esg research llc or its affiliates ("msci") data, and the use of msci logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Aviva plc by msci. Msci services and data are the property of msci or its information providers, and are provided 'as-is' and without warranty. Msci names and logos are trademarks or service marks of msci.
2. As of year-end 2022, Aviva received an ESG risk rating of 11.4. Copyright ©2022 sustainalytics. All rights reserved. This report contains information developed by sustainalytics ([www.Sustainalytics.Com](https://www.Sustainalytics.Com)). Such information and data are proprietary of sustainalytics and/or its third party suppliers (third party data) and are provided for informational purposes only. They do not constitute an endorsement of any product or project, nor an investment advice and are not warranted to be complete, timely, accurate or suitable for a particular purpose. Their use is subject to conditions available at <https://www.Sustainalytics.Com/legal-disclaimers>.
3. As of year-end 2022

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