



Aviva Business Standard Sustainability

Business Standard information

Effective date: 1st January 2023

Business Standard objective

The objective of this business standard is to set out the minimum requirements that businesses must comply with to ensure that Aviva remains a trusted, respected, and responsible insurer. This business standard aims to support a positive and supportive approach to Sustainability at a global level, helping Aviva to responsibly manage its impact in the environment and make a real contribution to the communities in which Aviva operates.

Expected business outcomes

1. A positive, consistent, and measurable approach to Sustainability throughout our operations, third party arrangements and our core business activities e.g., Insurance, Asset Ownership, Asset Management, and Investment Activities.
2. Responsible management of our impact on the environment and respect for human rights and modern slavery compliance.
3. Continue to make a difference to the communities where Aviva operates, acting in accordance with our values both at Group and Functional and market level.

Scope

This business standard applies to all Aviva core markets.

It is the responsibility of business CEOs to ensure that their business operates in line with the minimum requirements set out in this business standard. This includes any internally or externally outsourced activities.

Whilst authority may be delegated by the CEO, the CEO remains responsible and will be required to sign an annual declaration that except for identified qualifications/weaknesses, the system of governance and internal controls are effective.

Minimum Requirements

Human rights are respected, as defined by the Universal Declaration of Human Rights and International Human Rights conventions.
An appropriate person in the business must complete human rights due diligence checks across all Aviva markets, at least every two years. The results must be reported back at Group level and locally in markets. Any gaps identified must be addressed.
The requirements of the UK Modern Slavery Act 2015 are complied with.
The Aviva Group must ensure the Modern Slavery statement: <ul style="list-style-type: none">• Is drafted and externally published on an annual basis according to the guidance and timelines set by the Home Office.• Is approved by the Board of Directors of the company (or equivalent management body).• Covers the main areas of importance detailed by the Home Office. This includes but is not limited to organisational structure, policies related to slavery and human trafficking, due diligence, risk assessment, key performance indicators and effectiveness and training.• The statement must also demonstrate continuous progress.
Each business/market must contribute to meeting the requirements of the UK Modern Slavery Act 2015 by: <ul style="list-style-type: none">• Undergoing Human rights and Modern slavery training including training any new joiners in the key functions of Sustainability, Risk Business partners, People Function Resourcing, Procurement and Supplier management staff.• Following the guidance set in The Aviva Third Party Code of Business Behaviour (or country equivalent) and in the Group Human Rights policy.• Taking part in supplier due diligence and risk assessments when required by Group
Aviva's operational environmental impacts are managed in line with the Groups net zero targets.
Each business must set local targets as set out in Business Planning documentation, monitor performance, and ensure mitigating actions are in place to ensure targets are met.
Businesses must contribute to the cost of purchasing carbon credits to offset unavoidable operational carbon emissions on a proportionate basis to the emissions generated.

Businesses must support Aviva's ongoing net zero commitments by setting local targets for performance against the following measures and achieving reductions/increases (as appropriate, by metric) on an annual basis in line with agreed Group climate risk preferences, operating limits and tolerances:

- Carbon foot-printing of shareholder and With-Profits investments (tCO₂e1/\$m sales)
- Equities (tCO₂e/\$m sales)
- Credit (tCO₂e/\$m sales)
- Implied Temperature Rise (ITR) (degree) of shareholders and With-Profits portfolios
- Sustainable and Green Investment as a % of AUM
- Group has established carbon (tCO₂e) reduction targets aligned to a 1.5C pathway using the Science-Based targets methodology (SBTi). These should include but are not be limited to:
 - Operational CO₂ emissions on an annual basis (buildings and travel related) Annual 8% reduction operational (building and travel related emissions) scope 1 and 2 emissions from a 2019 baseline
 - 100% of essential use company car vehicles EVs by end of 2025 (EV100 commitment)
 - 100% of electricity to be from renewable (wind, solar, hydro) by end of 2025 (RE100 commitment)
 - Zero waste to landfill
 - 70% of supply chain signed up to SBTi

We have publicly reported Group-level targets, some of which are mandatory. The targets have been agreed at a Board level.

Business can arrange a briefing on this subject by contacting the Group Sustainability team for guidance on how to set local targets

Appropriate due diligence is carried out and approvals are obtained for all charitable partnership's donations and sponsorships.

A Sustainability Manager or individual with responsibility for Sustainability must approve any prospective charitable partnership, or donation and complete/arrange due diligence as per the guidance provided by Group Financial Crime. Due diligence must also be completed to ensure that: - Appropriate financial crime checks and reputation risk management checks are done.

- Alignment with the overall Sustainability strategy is verified.
- In the case of charitable partnerships, a charitable agreement needs to be drafted which includes clear impact reporting requirements.

¹ CO₂e – Carbon dioxide equivalent

² Science-based targets initiative (SBTi) - <https://sciencebasedtargets.org/wp-content/uploads/2019/03/SBTi-criteria.pdf>

Donations and sponsorships **must:**

- Always be paid directly into a verifiable organisation's account
- NOT be made to individuals, organisations in a relevant sanction list, nationally or internationally or made to organisations with current bribery and corruption or other criminal investigations.
- NOT be made to a High or Very High rated country as defined in the Aviva Jurisdiction Index.
- NOT benefit a political organisation.
- NOT benefit projects that favour or promotes any religious belief or where participants/ beneficiaries are required to belong to a religion.
- NOT be made to projects that do not fit within Aviva's Sustainability Strategy.

Aviva plc reporting on Sustainability responsibility is accurate.

A Head Of or above with responsibility for delivery of the Sustainability agenda (or equivalent) must approve any Sustainability and Climate Change data before it is reported at Group level.

The risks associated with employee volunteering are appropriately managed.

Line managers must ensure that employees volunteering to work with children during working hours have signed up to [Aviva's child safeguarding guidance and code of conduct](#) before completing their volunteering assignment.

Supporting Materials

Further guidance to support compliance with this business standard, as listed below, is available here:

1. [The Aviva Business Ethics Code](#)
2. [The Aviva Human Rights Policy](#)
3. [The Aviva Modern Slavery Statement](#)