

Aviva Direct Ireland Limited

Sustainable Finance Disclosures*



Aviva Direct Ireland Ltd. (“Aviva Direct”) is authorised by the Central Bank of Ireland as an insurance intermediary and is part of the Aviva Ireland Group of companies and the global Aviva Insurance Group (“Aviva”).

As a leading global insurer, Aviva has a responsibility to ensure that how it does business has little, if any, impact on the environment. Aviva is committed to delivering for our communities as well as our customers as we build a sustainable business with environmental, social and governance issues (“ESG”) being a core part of our culture.

What is a sustainability risk?

A sustainability risk is an environmental, social, or governance event or condition that, if it were to occur, could cause a negative and material impact on the value of a product or investment that we recommend to you.

What is a sustainable investment?

A sustainable investment is one where the entities in which we ultimately invest or whose debt securities we purchase follow good governance practices and the precautionary principle of ‘do no significant harm’ is ensured, so that no environmental or the social objective is significantly harmed.

How does Aviva Direct integrate sustainability risks and adverse impacts on sustainability factors in the advice we give you about life, savings, investment and pension products.

As an insurance intermediary the services provided by Aviva Direct include the provision of investment advice as well as arranging life, savings, investment and pension policies. Aviva Direct holds a written agency appointment with Aviva Life & Pensions Ireland DAC, who are part of the Aviva Ireland Group of companies, to provide life, savings, investment and pension products to our customers.

Aviva Life & Pensions Ireland DAC work with a panel of investment managers to provide a range of investment options for their products. Aviva Direct provide advice to our customers in relation to these products and investment options, so our approach to incorporating sustainability risks into our advice processes will be driven by the products and investment funds/options made available to us by Aviva Life & Pensions Ireland DAC.

Aviva Direct consider our customer’s needs and objectives and where appropriate will take into account sustainability risks to any recommendation that we make if we are explicitly asked to do so by an individual customer.



How does Aviva Direct approach the integration of sustainability risks when we give you advice about the products available.

Aviva Direct gives advice on the products and investment options provided by Aviva Life & Pensions Ireland DAC, who believe that focusing on sustainability factors by identifying high quality companies for investment and/or asset managers (including collective investment schemes under their management) that pursue an ESG/sustainable investment agenda is likely to improve the medium to long term risk-adjusted return for its customers/policyholders. When Aviva Direct give you advice we use information from you, the customer and the product provider/fund manager to help you make an informed decision, this includes:

- Information provided to us by you, the customer, in relation to your financial needs and objectives
- Your attitude to investment risk, so the level of risk you are willing to take when choosing investments to reach your savings objectives/goals
- Explaining to you how the funds we may recommend are invested and their features, including how sustainability risks (ESG factors) are considered in the management of those investment funds.

Aviva Direct does not currently take specific account of sustainability risks in its advice process unless we are requested to do so by an individual customer. However, we do have access to a range of investment funds that Aviva Life & Pensions Ireland DAC have categorised in line with the Sustainable Finance Disclosures Regulations called Article 9 (A9), Article 8 (A8), and Article 6 (A6) funds. The extent to which the Sustainability Factors in their Sustainable Investment Policy (“SIP”) are considered varies by category of fund.

What do the three categories of investment mean under the regulations?

Article 9 investments: These investments specifically have sustainable investments as their objective (for example investing in companies whose goal it is to reduce carbon emissions).

Article 8 investments: These investments promote environmental or social characteristics and can integrate sustainability into the investment process in a binding manner.

Article 6 investments: These investments are not promoted as having ESG factors or objectives.

How do Aviva Direct consider principal adverse impacts on sustainability factors in their advice process.

Aviva Direct rely on the processes put in place by Aviva Life & Pensions Ireland DAC to integrate consideration of the principal adverse impacts of investment decisions on sustainability factors into its investment manager due diligence process along with consideration of the relevant financial risks. By principal adverse impacts they mean the impacts of investment decisions that may result in negative effects on sustainability factors. Their intention is to consider the adverse impacts on people, the environment and society that investee companies cause, contribute to, or to which they are directly linked. If these factors are not managed carefully, they believe that they can give rise to reputational risk for the companies we invest in or whose debt securities we purchase and corresponding financial risk for our unit-linked policyholders.

Aviva Direct have an option to consider the principal adverse impacts of investment decisions on sustainability factors in its advice processes. However, Aviva Direct has decided not to consider such impacts separately from those already taken into account by Aviva Life & Pensions DAC. Aviva Direct depend on the information provided and processes established by Aviva Life & Pensions Ireland DAC to monitor and act on any adverse impacts on sustainability factors.

How we integrate sustainability risk into our remuneration policies

Aviva Direct operates a remuneration policy that promotes sound and effective risk management that does not encourage excessive risk-taking. The Remuneration Policy aims to ensure that the remuneration pay-outs are appropriate and that the risk profile, long term objectives and goals of Aviva Direct and the interests of its customers are adequately reflected in them. As such Aviva Direct is satisfied that its existing remuneration arrangements are consistent with the integration of sustainability risk considerations, where these are relevant to the provision of its services as an insurance intermediary.

How can we get more information on what Aviva Life & Pensions Ireland DAC’s approach is to sustainability risk?

You can find more information in relation to both sustainability risks and the principal adverse impacts of investment decisions on sustainability factors on our website at <https://www.aviva.ie/fund-range/responsible-investments/> or in the [Aviva Life & Pensions Ireland DAC - Our Sustainability Policy](#); and [Pre-Contractual Disclosure Required by the Sustainable Finance Disclosure Regulation](#).