

Our support to the **Sustainable Development Goals**





Foreword

Aviva is one of the world's largest insurance and asset management companies, serving 33 million customers across 16 countries. We are there to help people protect what's important to them, save for the future and manage the risks of everyday life.

Our business has always depended on taking a long-term view and the Sustainable Development Goals (SDGs) provide the vision to guide us towards the future our planet needs. I am therefore delighted to introduce this report setting out how Aviva's work aligns with the SDGs.

We contribute to the SDGs by offering products that help people defy uncertainty and live their lives to the full. We are using innovative technology to improve lives by helping people drive safer, save smarter and be healthier.

As an investor, we believe in active ownership and engagement. We were one of the first asset managers to include corporate responsibility disclosure and performance in our voting. We integrate ESG consideration into our investment decisions and we prioritise engagement as part of our investment process.

As an international company, we are committed to running our business responsibly and using our influence to encourage others to do the same. This includes respecting human rights, managing supply chains responsibly, practising good governance and giving back to the communities where we live and work with Aviva's Community Fund.

We also play an active part in moving towards a more sustainable and transparent global financial system. In 2015, our CEO Mark Wilson addressed the 70th UN General Assembly on the role of businesses in achieving the Global Goals, and on the particular role private finance can play in closing the SDG funding gap. Our report *Delivering the sustainable financial system the world needs¹* set out proposals to rank companies on their sustainability performance and help people take investment decisions that stack up for the long-term.

We believe that acting sustainably is not only the right thing to do, it is also the responsible thing to do. As our CEO Mark Wilson has said, "If business isn't sustainable then society is at risk. And if society isn't sustainable then business is at risk. Getting this right is really enlightened self-interest."

I hope that this report shows the strong contribution that business can make to the SDGs, and acts as a benchmark for future action.

Kirsty Cooper
Office of the Chairman, Group General Counsel
and Company Secretary



“If business isn’t sustainable then society is at risk. And if society isn’t sustainable then business is at risk.”



Introduction

As our CEO Mark Wilson has said, “**if business isn’t sustainable then society is at risk. And if society isn’t sustainable then business is at risk.**” So we believe that acting sustainably is not only the right thing to do, it is also clearly in the company’s, and our customers’, long-term interest.

Across all SDGs, one of our priorities has been the financing of the Agenda 2030. We have been and remain an active voice in the debate to move towards a more sustainable and transparent global financial system at the UK, EU and at the international level.





We have been actively working to change the incentives and rules so that capital markets become more long term, and support the SDGs. This has included:

- **World Benchmarking Alliance.** Everyone should have access to information on companies’ contribution to the SDGs, which would enable investors, civil society, governments and individuals to exert their influence to improve corporate sustainability performance. To that end, we are working to create a set of publicly available, corporate sustainability league tables, ranking companies on their sustainability performance.
- **Financial literacy.** We also want people to have the relevant information and awareness to understand how capital markets currently work, and how, by choosing how their money is invested, they can create a more sustainable future.
- **Standard.** We are currently discussing with the UK

government the benefits of a responsible investment standard, to the same extent that there are Fairtrade standards in the retail sector. A standard would help fund managers demonstrate their credentials as responsible investors.

- **Fiduciary duty.** We are engaging with the OECD and recommend it strengthens the current G20-OECD High-level Principles of Long-term Investment Financing by Institutional Investors, by establishing a convention, which would define a common interpretation of fiduciary duty focused on the long term.

Snapshot on some of our products/initiatives for the 17 SDGs

 1 NO POVERTY	Our community investment totals £11.9 million and helps 792,000 people.
 2 ZERO HUNGER	Aviva Investors (AI) engages on antimicrobial resistance, sustainable protein and banning of neonicotinoids.
 3 GOOD HEALTH AND WELL-BEING	We support start-ups in social care (i.e. tackling mental health with VR technology).
 4 QUALITY EDUCATION	Our Aviva Scholarship Programme offers discounted tuition fee to UK universities.
 5 GENDER EQUALITY	We are a founding member of the 30% Club Investor Committee and we vote against UK companies with an all male board.
 6 CLEAN WATER AND SANITATION	We support clean water provision through the purchase of carbon credits (420,000 lives improved since 2011).
 7 AFFORDABLE AND CLEAN ENERGY	We are one of the largest investors in residential solar in the UK.
 8 DECENT WORK AND ECONOMIC GROWTH	We are a UK Living Wage Employer.
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	We've built "Digital Garages" in our UK, Toronto, Hong Kong and Singapore offices to foster innovation.
 10 REDUCED INEQUALITIES	Andy Briggs, CEO of Aviva UK Life, in his role as the Government's Business Champion for Older Workers, has called on employers across the UK to increase the number of people they employ aged 50-69 by 12% within the next five years.
 11 SUSTAINABLE CITIES AND COMMUNITIES	We have a three-year partnership with British Red Cross to help communities respond to disasters.
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	We help drivers with "Aviva Drive" and have a special scheme for younger drivers.
 13 CLIMATE ACTION	Our target is to reduce our CO2 emissions by 50% by 2020 and 70% by 2030. We have an Aviva Strategic Response to Climate Change.
 14 LIFE BELOW WATER	AI has built an investor coalition to engage on sustainable fisheries.
 15 LIFE ON LAND	AI has raised concerns to companies over land-grabbing and palm oil production.
 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	We are one of the founding partners of the Corporate Human Rights Benchmarks
 17 PARTNERSHIPS FOR THE GOALS	We are members of the EU High Level Expert Group on Sustainable Finance; the FSB's TCFD; Climate Wise, Principles for Responsible Investment; Principle of Sustainable Insurance , UNEP-FI Positive Impact, etc.



End poverty in all its forms everywhere

Products

- For almost 20 years, Aviva has worked closely with Aon Limited and other insurance brokers, local authorities and registered social landlords in the UK to provide tenants with accessible, affordable home contents insurance. The cover is paid mainly with rent, on a weekly basis, with a zero excess feature and in many cases without the need for a bank account. We are keen supporters of financial inclusion and financial capability to provide those most at risk with a means to prepare for a financial shock. In the past we have worked with the Association of British Insurers and the Financial Inclusion Taskforce and support the Financial Inclusion Commission research into broadening the awareness and importance of access to home insurance.
- In India, due to its vast branch network, Aviva is able to serve financially-excluded and rural customers quickly and at low cost. In 2016-17 alone, Aviva covered over 34,530 people through its micro-insurance products.
- Aviva UK's Life insurance policies offer the option for the beneficiaries to draw down money prior to probate to pay for funeral expenses.

Actions

- We are a UK Living Wage Employer – everyone who works in a UK Aviva office location, whether employed directly or sub-contracted, earns at least the UK Living Wage. We also support the campaign to get other employers on board, and engage with UK companies we invest in on the subject of the Living Wage.
- In 2017, our community investment totalled £11.9m and our community programmes helped 792,000 people. 2,400 local community projects were supported through our corporate responsibility programmes in 2017. Inspired by our values to “never rest”, we aim to help 5,000 local community projects by 2020.
- Aviva employees are encouraged to help make a difference. In total £1.2m was raised from employee/customer donations. Our employees also spent 48,000 hours volunteering in 2017. With “Pennies for Good”, employees can round down their monthly salary to the nearest £ and give the pennies to Cancer Research UK.
- We've published a report on “Protecting our Families” in March 2017, which highlights the large number of families which are unprotected against a financial shock should they suffer an unexpected loss of income due to ill health or the death of a parent. The report also gives a range of recommendations to families, insurers and the government.
- Our approach to carbon offsetting has directly improved the lives of over 1 million people since 2012 through health, sanitation, women's empowerment, and livelihoods. We've been using carbon verified emission reduction (VERs) credits to make our operations carbon neutral since 2006, many of which are Gold Standard VERs. In 2012 we began to measure the co-benefits of such projects. The Gold Standard has now gone further and put a monetary value on the co-benefits produced from the activity or technology. Over 10 years of carbon offsetting, Aviva has purchased nearly 170,000 VERs in respect of cook-stoves alone. If the value to the SDGs is calculated through the Gold Standard methodology in respect of these offsets it would come to US\$25.67m.

“In 2017, our community investment totalled £11.9m and our community programmes helped 792,000 people”



End poverty in all its forms everywhere

Policy actions

- Aviva has been calling for more sustainable capital markets and changes to the financial system that will unlock investment needed to achieve the Global Goals. By making private finance support the SDGs, we can move from “billions to trillions” of funding as coined by the World Bank:
 - We have been advocating for a standard on sustainable finance, and for the creation of corporate sustainability benchmarks that would rank companies depending on their contribution to the SDGs.
 - We are calling for globally consistent listing rules via IOSCO.
 - We are engaging with the OECD and recommend it strengthens the current G20-OECD High-level Principles of Long-term Investment Financing by Institutional Investors, by establishing a convention, which defines a common interpretation of fiduciary duty focused on the long-term, and that explicitly includes climate risk.
 - Aviva was one of the founders of the Sustainable Stock Exchanges Initiative.
- Aviva is supporting research by the UK Financial Inclusion Commission to create accessible and affordable contents insurance provision for all.

“I’m proud to work for a company that is doing so much to further the SDGs. I believe our sustainable finance agenda will build on the billions of overseas development assistance with trillions of sustainable development capital.”

Steve Waygood,
Chief Responsible Investment Officer





End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Actions

- Through our support of irrigation projects and improvement of crop yields for Indian smallholder farmers as part of our carbon offsetting programme we have improved the lives of approximately 620,000 people.
- La Fabrique – the French Aviva Community Fund – supported several projects of farmers to promote sustainable agriculture, or improved nutrition for the elderly.

Policy actions

• Sustainable fisheries

- On World Oceans Day 2016 AI, Sustainable Fisheries Partnership and the United Nations Principle of Responsible Investment launched a report designed to guide investor engagement with seafood companies. This built on our seminar on sustainable seafood hosted with UKSIF in 2015. Alongside this we have convened a PRI backed group of investors to engage with a selection of companies on the same which was launched at The Economist South-East Asia and Pacific Regional Fisheries Summit in Jakarta.
- In April 2017, we hosted an oversubscribed TED style teach-in for the investment community in conjunction with RI.com on all the various tools and initiatives available to investors and companies with a subsequent debriefing document to the buy side, sell side, company and NGO attendees distributed on World Oceans Day 2017.

• Antimicrobial resistance

- AI convened and chaired the first ever investor conference on antibiotic resistance with the UK Government's Antimicrobial Resistance Review team. We also launched our report, Superbugs and Super-risks: A Guide for Investors during World Antibiotics Awareness Week.
- AI is a founding signatory to the FAIRR coalition of 54 institutional investors to jointly encourage companies to disclose how they are addressing the issue of overuse of antibiotics through their supply chains.
- We meet individually with the companies we invest in, mainly in the pharma, food retailer and producers sectors to discuss their strategy on antibiotic resistance. Following extensive engagement several companies have committed to phase out antibiotic use, the largest being YUM Brands

• Bees & Neonicotinoids

- We have been engaging with the agrichemical companies who produce neonicotinoids to ask them to commit to ceasing production. We try to gauge the sophistication of an investee company's awareness and action on the topic by asking how their supply chain, both upstream and downstream, stand to be affected by a loss of pollinators, whether studies have been commissioned to quantify this impact and what contingency measures and scenarios have been discussed around this issue.
- We contributed a chapter to the book "The Business of Bees" on the impact of a global decline in pollinators on the average investment portfolio. Alongside this, we then spoke at a UKSIF event, know as Beeconomics and a PRI Webinar on the same topic.

“From the farm to pharma, from livestock to life sciences, complacency in the administration of our invaluable antibiotics has led to dangerously high levels of antimicrobial resistance that risks wiping \$100 trillion off potential global output by 2050.”

Abigail Herron, Head of Responsible Investment Engagement





Ensure healthy lives and promote well-being for all at all ages

Products

- Aviva's health insurance continues to extend coverage and innovate to improve customer outcomes. For example, it partners with cancer care charities to reduce pay-out timescales and improve support. Aviva publishes health and lifestyle research and guidance via its website and content marketing directed to its customers and communities who could benefit (e.g. Aviva Health Library provides the latest health and wellbeing news and views, from day to day lifestyle tips to feature health articles). Aviva also shares data it has on the incidence of specific health issues (e.g. prostate cancer) to inform and support NGO and public health campaigns.
- India is the cardiovascular disease capital of the world – someone has a heart issue every four minutes. That's why, in India, we've put heart at the centre of our business with the new Aviva Heart Care product for couples. Aviva Heart Care is India's only cover dedicated to the heart that protects the policy holder and their spouse. It covers 19 heart conditions from mild to severe. It is a dedicated heart care plan that fills a health security gap that exists in India today.
- Through Wellbeing@Aviva we offer our employees a range of products, advice and support to stay healthy, such as free health checks and Health Essentials (Physio Essentials and Cancer Essentials) to provide more support. We help our employees blend the demands of work and home through initiatives like our new maternity policy in Asia, maternity coaching in AI, and time off for parents when their children start school.
- Aviva is trialling additional cover for household insurance in respect of provision of support customer mental health following a significant loss event such as a flood.
- Aviva provides Critical Illness cover that also extends to automatically cover the children of policyholders.
- Aviva has launched a new app to help employees of corporate customers track and improve their overall health and wellbeing and better manage specific conditions and fitness priorities. The app is available to Aviva's large corporate customers at no extra cost, and has already launched to Aviva's 16,000 UK employees as part of a wider health and

wellbeing programme. The app will be rolled out more widely to Aviva customers over time. The Aviva Wellbeing app extends the insurer's health propositions beyond health insurance, offering customers an opportunity to access free, personalised health information and data to make informed decisions about their health and wellbeing. Customers will be able to identify and target their health and wellbeing priorities, such as sleeping better, lowering stress levels, losing weight or simply being more active.

Actions

- AI has been involved from the outset with the Access to Medicine Index (ATMI) and leads collective engagement with many of companies ranked. We work closely with ATMI, including hosting their launch events and drafting of the 2016 investor statement to which investors with total asset under management of £3 trillion signed.
- Aviva has divested from tobacco manufacturers as we believe that current tobacco trends and sustainable development cannot co-exist.
- Aviva, together with accelerator and incubator Founders Factory, is supporting the growth of five high potential early stage startups in social care. One of the start ups, Psious helps patients tackle their mental health problems with virtual reality technology. We have also invested in a medical diagnostics company developing a breathalyser that can detect diseases at a very early stage.
- Aviva has signed an employer pledge with Time to Change, the growing social movement run by charities Mind and Rethink Mental Illness which supports people to open up to mental health problems. By signing, Aviva is committing to help lead the way in which employers can create an open and supportive culture within the workplace on mental health.
- The Aviva Community Fund in the UK provided £25,000 of funding to the North West Blood Bikes. This will help them provide transportation of urgent lifesaving medical supplies between hospitals out of hours. It will buy two new motor bikes to help refresh their fleet of ten, which over the course of a year cover hundreds of thousands of miles.





Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Actions

- Through the Aviva Scholarship Programme, starting this September, customers and their children in China, Hong Kong, Indonesia, Singapore, Taiwan and Vietnam can apply for this scholarship where we've teamed up with 11 of the best universities in the UK to offer discounted tuition fees to successful scholarship applicants.
- In Taiwan, First Aviva Life (FAL) promotes national child safety educational programmes, through children's camps and painting competitions.
- Grow, Aviva's new online learning and career portal, provides the tools and resources Aviva employees need to do their jobs, develop their career and fulfil their potential. It features details of secondments and job opportunities across the world, essential learning and skills pathways for our people in underwriting and claims. We have had almost 11,000 hits since its launch in September 2016.
- As the title sponsor of Premiership Rugby, Aviva has created a "Tackling Numbers" programme, an innovative and engaging programme for 7-9 year olds, which uses rugby to make learning about numbers exciting and rewarding. Delivered by the 12 Premiership Rugby clubs, the programme has resulted in a total of 1,357 teachers downloading the Aviva Tackling Numbers lesson plans and reaching an impressive 26,610 children in the process.
- Aviva Community Fund has helped build a better campus life. Asbury Methodist Primary School was the only school in its district of Hong Kong to not have access to a tuck shop which can sell healthy and nutritious snacks for its pupils. They applied for the Aviva Community Fund and have been awarded HK\$100,000 to set up a tuck shop to help students build a better campus life. It will not only help improve the children's nutrition, but also provide a focal point for the social life of the school. In addition, as the children will run the shop themselves, they will build money management and business skills that will help them to succeed in later life.
- Aviva is taking part in the World's Largest Lesson in 2017 creating a pioneering programme of Aviva graduates designing and delivering a lesson on the SDGs to school children and encouraging other employees to also deliver a lesson with a target of reaching 10,000 children over 2017-18.
- Aviva India has partnered with Arpana Trust and the Katha Foundation providing funding of £72,000 for school fees for underprivileged children and mixed ability classes, and classroom computers in Delhi and Guragon.

Policy actions

- Aviva's five-year-global programme "Street to School" recognised that education is insurance for a brighter future. The programme focused on street children and saw us partner with NGOs and governments across 17 countries to help over one million children. Street to School models have now been adopted as public policy (e.g. in Indonesia where we supported birth registration to give access to public services such as education) and we supported the OHCHR and the UN Committee on the Rights of the Child to publish reports and now a "general comment" attached to the Convention on the Rights of the Child regarding the rights of street connected children, including the right to education.
- **Understanding sustainability:**
 - Aviva's Chief Marketing Officer, Amanda Mackenzie led "Project Everyone" to raise awareness on the SDGs.
 - We're advocating that governments make financial literacy a core component of the school curriculum. This should go beyond basic money management and bank accounts, and include an understanding of how capital markets work and the impact they have upon people's lives and shape the world around us. We've developed a short video, [available on our website](#), to explain in simple terms how capital markets work.

“We're advocating that governments make financial literacy a core component of the school curriculum.”



Achieve gender equality and empower all women and girls

Actions

- Aviva was the first FTSE 100 Company to pledge to ensure at least 30% of its executive committee always consists of women in order to improve the flow of female talent. Currently four out of 11 executive board members are female. AI is a founder member of the 30% Club Investor Committee.
- The Women in Finance Charter is a joint commitment by HM Treasury and signatory firms to work together to build a more balanced and fair finance industry. Firms that sign up to this Charter are pledging to be the best businesses in the sector. Our initial targets as a charter signatory are:
 - For women to make up 30% of our Group Executive team (consistent with our 30% Club commitment above); and
 - To establish the Women in Leadership programme as a key initiative for developing a pipeline of leaders at Aviva who are women.

- Our UK gender pay gap report sets out details of our gender pay gap and what we're doing to address it. Our gender pay gap shows we need to focus on eliminating barriers for our people to fulfill their potential. We need to do more to create opportunities for women to progress to bigger and broader roles.

Policy actions

- AI is in the vanguard of investors who include gender and diversity in their voting policy. We abstain or vote against the re-election of the chairman of the nomination committee at a FTSE350 with an all-male board and/or no disclosure on how they intend improving their gender and diversity representation at board level. We also raise gender and diversity in our engagements with companies: we were heavily involved in Glencore's appointment of its first women director and recently championed Halfords for its ground breaking initiatives and senior management composition.
- We are strong supporters of the Women on Boards initiative, previously headed by Lord Davies, and are often name-checked in their reports as best practice.





Ensure availability and sustainable management of water and sanitation for all

Actions

- Aviva supports clean water provision through the purchase of carbon credits from the Lifestraw and borehole projects – 420,000 lives improved since 2011.
- Aviva's Graham Brogden is currently chairing the Department for Environmental Food & Rural Affairs Property Flood Resilience Action Plan Group, which is developing a Code of Practice to demonstrate appropriate standards, certification schemes and skills are available in the resilience industry to provide reassurance that work has been done correctly and to high standards.



420,000 lives improved since 2011.



Ensure access to affordable, reliable, sustainable and modern energy for all

Actions

- Aviva is targeting a £500m annual investment in low-carbon infrastructure for the next five years. It will also target “carbon returns” alongside financial returns on its investment and it is setting an associated carbon savings target for this investment of 100,000 tonnes of CO₂ annually.
- Aviva is one of the largest investors in residential solar in the UK. It has invested in portfolios of 24,000 domestic solar installations across England and Wales with 75MW generating capacity. This approach provides free renewable electricity to the homeowner.
- AI has funded the construction of a 10MW renewable power plant which converts waste wood into electricity. It is expected to be operational by the end of 2017. The project has a number of benefits to the community, namely the

supply of renewable electricity for households and local businesses. Once completed, it will meet the energy needs of approximately 23,600 households. It has also created around 100 jobs in the construction phase, and once fully-operational there will be up to 20 full-time staff at the site.

Policy actions

- Through insurer and investor calls to the G20 we seek to advocate for the removal of fossil fuel subsidies, which distort the true price of carbon and remove the ability of funding to be focused on funding sustainable development.




Aviva is targeting a £500m annual investment in low-carbon infrastructure



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Actions

- As an insurer, we're there for our 33 million customers; protecting what's important to them and helping them defy uncertainty and save for the future. We have a multitude of products to support people, with everyday challenges that affect them and their communities. We paid £34.6bn in benefits and claims to our customers in 2017.
- We are a UK Living Wage Employer – everyone who works in a UK Aviva office location, whether employed directly or sub-contracted, earns at least the UK Living Wage. We also support the campaign to get other employers on board, and engage with UK companies we invest in on the subject of the Living Wage.
- One of the winning La Fabrique Aviva projects was My Job Glasses, a startup that matches students with professionals in business to help them better understand the demands and opportunities in different careers. It's a great way to tackle a real problem; 50% of students say they don't know what job they really want to do when they start out in working life, 54% of students never met any professional before starting their career, and around 50% of permanent contracts are broken before the end of the first year. The website has so far allowed over 10,000 students to meet hundreds of professionals from more than 150 companies.
- Aviva France received the reward "Best practices in creating jobs" and the reward of the best institutional lender by Crowdlending.fr.



“Aviva is proud to be an accredited UK Living Wage employer. We firmly believe that paying the real Living Wage is good for our people, good for our business and good for society.”

Stuart Wright,
Property & Facilities Director



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Actions

- As a 300-year-old company, we want to foster innovation and one of our mottos is “digital first”. We have opened a “Digital Garage” in our London, Toronto, Hong Kong and Singapore offices to develop digital solutions to our customers and harness big data analytics.
- In February 2016 we launched a global three-year partnership with the British Red Cross to help communities around the world prepare for, and respond to, disasters. As part of this partnership we are sharing our skills and expertise to find opportunities for innovation. We’re also giving our people the chance to volunteer, and to donate funds during large scale emergencies, which Aviva will then match.
- Aviva worked with the Carbon Trust to develop a platform “empower yourself” – a virtual office environment which allows employees to learn more about Aviva’s environmental impacts and looks at ways to help reduce those.
- The Global Real Estate Sustainability Benchmark (GRESB) assessed the sustainability credentials of over 700 property companies and direct equity funds, representing 61,000 assets and USD 2.3 trillion in value. In 2017, of the 18 funds AI submitted including seven new ones, seven were awarded the “Green Star” and were in the top half or better of their respective peer groups. We use this analysis to better understand the sustainability impact and risks associated with key real estate funds for both direct and indirect real estate investments.
- The Corn Exchange in Manchester is a Grade II listed building that was converted to restaurants in 2015. Following the conversion, energy consumption was much higher than expected. After initial investigations, it was agreed that the Collaborative Asset Performance Programme (CAPP) from Carbon Credentials would be the right next step. Through an in-depth analysis of the building management system and identification of core landlord loads, the CAPP was able to confirm the main energy consuming plant and identify areas of energy waste. Immediate changes resulted in a significant reduction in the runtimes for chillers and air handling units. Between February to May 2017, measured landlord energy consumption was 42% lower than the previous year and the minimum quantified forecast saving for the year is £91,000. Due to the success of the programme, the CAPP was presented back to the managing agents at AI’s RPI Quarterly Forum and shared as best practice to be adopted more widely.



Reduce inequality within and among countries

Actions

- We have experienced first-hand the value creation aspects of paying the Living Wage. Attrition rates decreased, higher calibre individuals were attracted to roles and longer-term training was rolled out as opposed to core basic task training for what was at the time an ever-changing workforce. In April 2016, Stuart Wright, Property and Facilities Director at Aviva plc, was appointed Chair of The Living Wage Foundation Advisory Council.

Policy actions

- Andy Briggs, CEO of Aviva UK Life, in his role as the Government's Business Champion for Older Workers, has called on employers across the UK to increase the number of people they employ aged 50-69 by 12% within the next five years. In collaboration with the Business in the Community (BITC) Age at Work Leadership Team, of which he is Chair, he has asked employers to work together to create employment opportunities for a million more older workers by 2022.

“The false dichotomy between doing good and making money is redundant. The businesses that will win in the future know they have a higher social purpose in the world – they understand that the SDGs create a great future to live in and do business in.”

**David Schofield,
Group Head of Corporate Responsibility**





Make cities and human settlements inclusive, safe, resilient and sustainable

Products

- In 2015 Aviva Canada was the first to market in the provision of an Overland Water Coverage Option for home insurance, to provide water damage coverage for certain categories of claims not previously covered by the Canadian Insurance industry.
- Aviva is part of the Flood Re scheme introduced in 2016 and providing affordable insurance cover to customers with properties most exposed to flooding in the UK. Since the Flood Re was launched 16,000 Aviva customer policies have been ceded to Flood Re. On average, we've seen savings of around £500 for new customers, with one customer saving over £1,000 on their premium and with a much lower excess.

Actions

- In 2016, we hosted an online “mapathon” as part of our three-year global partnership with the Red Cross for International Day for Disaster. This “digital first” form of volunteering means we can all use our computer or device and the “Missing Maps” programme to help map some of the world’s most vulnerable communities, who otherwise could not be easily reached by aid organisations in times of crisis.
- In February 2016 we launched a three-year global partnership with the British Red Cross to help communities around the world prepare for and respond to disasters. We support the British Red Cross emergency app, which monitors severe weather and other emergencies, and provides real-time alerts and practical advice to help minimise the impacts on our customers and communities.

Policy actions

- Aviva signed the UN Principles for Sustainable Development “United for Disaster Resilience” statement in 2015.
- Protecting World Heritage Sites:
 - AI, together with Investec Asset Management and the WWF, collaborated on a report, which provides new evidence of the threat to natural World Heritage Sites from extractive mining. The research indicates that nearly 31% of natural World Heritage Sites are currently subject to some form of extractive activity.
 - We launched a collaborative investor engagement project on the PRI Clearinghouse to engage with extractive companies, and call for “no go” commitments on World Heritage Sites. This will be a focus of engagement in 2016 – safeguarding precious natural heritage and long-term portfolio value.
 - In 2014, SOCO International, a UK-listed resources company, committed not to drill in the Virunga National Park in the Democratic Republic of Congo (DRC) following concerted engagement by Aviva and a number of other investors and stakeholders.



In 2016, we hosted an online “mapathon” as part of our three-year global partnership with the Red Cross for International Day for Disaster.

Ensure sustainable consumption and production patterns

Products

- The “Aviva Drive” smartphone app rates driver behaviour and provides discounts to safer, more fuel efficient drivers, increasing access to insurance and encouraging responsible driving.
- We help younger drivers become safer when they use our innovative new General Accident (GA) branded telematics product. The new GA proposition is aimed at rewarding good, safe young drivers, aged 17-25, by offering reduced premiums. As part of this policy, drivers agree to have a device fitted to their car that monitors their driving. This tracks their speed, how they brake, how they corner, and the type of road and time of day they travel. They are able to see where they need to improve to get the best premium. We give customers an up-front discount and then their driving behaviours are monitored over the year.
- In 2016, responding to the growing use of ride-sharing services and the need to protect both passengers and drivers, and recognising the environmental reduction of such behaviour changes, we now offer coverage for drivers that carry paying passengers in their own vehicles.
- In 2014, Aviva Canada launched a policy endorsement available to all household insurance which, on reinstatement upgrades the damaged items from new for old to the most energy efficient through Green Assure – customers can do their part for the environment by replacing damaged items with eco-friendly replacements (for example, bamboo/cork flooring and energy star appliances), replacing a broken double-glazed window with a tripled-glazed argon-gas-filled unit, improving insulation and therefore reducing future household emissions.
- In Poland we funded 300 external air quality sensors which were added to the national network in places selected by local communities. We’re also offering discounts for in-home air quality sensors and purifiers to life and health insurance customers. By helping people monitor the air quality where they live, they can take action to protect themselves, their families, and their communities.
- In respect of the waste from its own business operations, Aviva has a UK zero to landfill target by the end of 2015, and zero to landfill on a group wide basis by 2020.
- Aviva Ventures, Aviva plc’s venture capital arm, invested in Roost, a US-based home telematics start-up. Roost has created a number of home telematics solutions including Roost Smart Battery, the Roost Smart Water Leak and Freeze Detector solutions. Their patented, connected platform of data sensors makes installation simple and affordable for customers.
- We integrate ESG considerations in our investments decisions. We believe that for responsible investment considerations to have a positive and meaningful impact on investment decisions, they must be fully embedded within the fundamental investment process. AI has established a Responsible Investment Officer Network (RIO) of over 20 investment and business specialists representing various asset classes and offices across the organisation. Members of the RIO network work collaboratively with a team of eight responsible investment specialists and together are responsible for developing and implementing bespoke ESG integration strategies for each asset class and region. We leverage the expertise of the team, bespoke research commissioned from brokers and research organisations, and additional information from less conventional sources such as NGOs and civil society to build up a rich picture of how the ESG issues impact businesses
- Divestment:
 - Tobacco: Aviva decided to divest from tobacco in June 2017, selling about £1bn worth of shares it holds in tobacco companies.
 - Coal: We have identified two companies for divestment on the basis of further planned investment in coal capacity. Eight further companies are being reviewed on the basis of non-responsiveness.

Actions

- Aviva has rolled out a new claims-management process so that all property claims are dealt with in a more sustainable way, with no change of policy wording or new policy. By working collaboratively with its three main claims damage management suppliers, dramatic improvements have been made in carpet restoration, waste recycling, and claims settlement times.
- We signed the Montreal Pledge to measure the carbon footprint of our investment funds. We signed the Friends of Fossil Fuel Subsidy Reform Communiqué in November 2015.
- We are seeking to ensure that people everywhere have the relevant information and awareness for sustainable development through our thought leadership talking about how capital markets currently work and how they can provide a more sustainable future.



Take urgent action to combat climate change and its impacts

Actions

- We were the first insurance company to declare Climate Neutrality through the UNFCCC's Climate Neutral Now campaign. We are one of the winners in the UNFCCC 2017 Momentum for Change Lighthouse Activities.
- Building on a 53% reduction since 2010, our long-term target is to reduce our CO2 emissions by 50% by 2020 and 70% by 2030. We've also committed to purchase 100% electricity from renewable sources by 2025.
- Maintaining our record as the first carbon neutral insurer since 2006, our approach to carbon offsetting has directly improved the lives of over 1 million people since 2012.
- In July 2015, Aviva released its Carbon Strategy that includes commitments to:
 - Continue to explore ways to integrate carbon risk, alongside other material ESG issues, and actively seek to collaborate to publish new research and insights;
 - Target a £500m annual investment in low-carbon infrastructure for the next five years – also targeting “carbon returns” alongside financial returns on its investment and setting an associated carbon savings target for this investment of 100,000 tonnes of CO2 annually;
 - Support strong policy action on climate change – supporting policymakers in negotiating a credible long-term greenhouse gas reduction goal at the UN Framework Convention on Climate Change negotiations in Paris in December 2015 and beyond that at a national and regional level;
 - Active stewardship on climate risk – actively engage with companies to achieve climate-resilient business strategies, and
 - Divesting where necessary where it considers insufficient progress is being made.

Policy actions

- In 2012, Aviva founded the Corporate Sustainability Reporting Coalition with a call to action at Rio+20 Conference.
- We were invited to join the Financial Stability Board Taskforce on climate-related financial disclosures and European Commission's High Level Expert Group on Sustainable Finance.

“The aspiration and ambition of the SDGs speaks to Margaret Mead’s quote – *You can no longer save your family, tribe or nation. You can only save the whole world.* I believe our work in seeking to transform how capital markets work through developing standards, clarifying regulations, building capabilities and understanding aligned to the SDGs will provide firm building blocks to meet this goal.”

Zelda Bentham,
Group Head of Sustainability

Conserve and sustainably use the oceans, seas and marine resources for sustainable development

Policy actions

- Sustainable fisheries
 - On World Oceans Day 2016 AI, Sustainable Fisheries Partnership and the United Nations Principle of Responsible Investment launched a report designed to guide investor engagement with seafood companies. This built on our seminar on sustainable seafood hosted with UKSIF in 2015. Alongside this we have convened a PRI backed group of investors to engage with a selection of companies on the same which was launched at The Economist South-East Asia and Pacific Regional Fisheries Summit in Jakarta.
 - In April we hosted an oversubscribed TED style teach-in for the investment community in conjunction with RI.com on all the various tools and initiatives available to investors and companies with a subsequent debriefing document to the buy side, sell side, company and NGO attendees distributed on World Oceans Day 2017.





Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Actions

- Aviva bees by Aviva volunteers – It would cost UK farmers £1.8bn a year to pollinate their crops without bees. But bees are under threat and without them so is our food and economy. Since 1900, the UK has lost 20 species of bee, and a further 35 are considered under threat of extinction. Known causes of bees' decline include things that affect us too – changes in land use, habitat loss, building projects, disease, pesticides, farming practices, pollution, invasive non-native plant and animal species, and climate change. Throughout the summer of 2017 we set up hives and bee colonies at four pilot sites: Perth, Bristol, Dorking and Norwich Broadlands. These have been deemed as the best locations to currently have bees (due to location, local plant-life, reduced hazards etc.) with our CR champion receiving training and equipment to manage them self-sufficiently as volunteers. These are currently trials, and if they go well we'll be looking to roll out the project to other UK offices during 2018.

Policy actions

- We contributed a chapter to the book “The Business of Bees” on the impact of a global decline in pollinators on the average investment portfolio. Alongside this we spoke at a UKSIF event, know as Beeconomics and a PRI Webinar on the same. Recently we created a dossier for MEPs around the EC's vote on the use of neonicotinoids. We continue to engage companies as wide ranging as Bayer and Britvic on their strategic response to this topic.

- Palm oil
 - AI has met with Wilmar to raise concerns including, but not limited to, land-grabbing, Free Prior Informed Consent, biodiversity, challenges in implementation of their two year old commitments, activities in Africa, the grievance procedure, transparency and content of their dashboard and lobbying of governments.
 - We've been communicating on the importance of voluntary disclosure and our support for the Sustainable Palm Oil Transparency Toolkit (SPOTT) developed by the Zoological Society of London.
 - We attended the investor tour to visit plantations in Indonesia and Singapore in 2016 where we met government officials, the peat restoration agency, the Ambassador of Norway, engaged with eight Indonesian palm oil companies in their own premises, visited plantations, mills, RSPO smallholders and a national park run by WWF. Our Head of Responsible Investment Engagement, Abigail Herron, is an advisor to the ZSL, London Zoo's SPOTT project on palm oil, timber, pulp and paper. This is a benchmark that ranks companies on their sustainability performance. Last year published the AI Insight piece on “Palm Oil, The Burning Issue”.
 - AI's work was mentioned in the Extractives and Protected Areas session at the IUCN World Conservation Congress for our efforts on palm oil. We sit on the ZSL, London Zoo Palm Oil technical advisory group and the PRI Group including leading engagements on four of the target companies.

Throughout the summer of 2017 we set up hives and bee colonies at four pilot sites: Perth, Bristol, Dorking and Norwich Broadlands.



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Actions

- Promoting good practice on Business and Human Rights – we have had a human rights policy for over ten years, and have just launched a refreshed company policy based on the UN Guiding Principles on Business and Human Rights.

Policy actions

- AI is a founding signatory of the Principles for responsible Investment and signed the UK Stewardship Code.
- We are one of the partners in the Corporate Human

Rights Benchmark for business, now being used to rank top 500 globally listed companies on human rights, process and performance.

- Aviva and the NGO Plan have partnered with the Indonesian Government to improve legislation and provision of birth registration for street children in Indonesia. Accurate personal data is key to insurance provision but basic legal identity, founded on birth registration, is also vital to accessing education, healthcare and justice.





Strengthen the means of implementation and revitalise the global partnership for sustainable development

- **Working with others.** Aviva played a key role in the creation of the Sustainable Stock Exchanges Initiative, the Corporate Human Rights Benchmark and the World Benchmarking Alliance. We are a member of the EU High Level Group on Sustainable Finance and the FSB Task Force for Climate Financial Disclosure. We've engaged extensively in multi-stakeholder initiatives. Examples include:

- Carbon Disclosure Project
- ClimateWise
- Insurance Advisory Council
- Principles for Responsible Investment
- Principle of Sustainable Insurance
- Sustainable Stock Exchanges Initiative
- UNEP FI
- UN Global Compact
- Insurance Development Forum

Policy actions

- Local Communities – Overall (including work on community resilience and development, sharing our skills through volunteering and the Aviva Community Fund) we will improve the lives of over two million people in our communities by 2020.
- We continuously provide an industry perspective to government and other investors, via AI's work.





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