Aviva's Communication on Progress to the UNGC-2018

Company profile and context of operations:

https://www.aviva.com/content/dam/aviva-corporate/documents/investors/pdfs/reports/2018/aviva-plc-strategic-report-2018.pdf

Implementing the Ten Principles into Strategies & Operations

Criterion 1: The COP describes mainstreaming into corporate functions and business units

 Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human resources, legal, etc.) ensuring no function conflicts with company's sustainability commitments and objectives http://www.aviva.com/corporate-responsibility/our-approach/

https://www.aviva.com/responsible-sustainable-business/our-sustainable-business-strategy/

 Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary http://www.aviva.com/corporate-responsibility/our-approach/

https://www.aviva.com/social-purpose/policies/

Criterion 2: The COP describes value chain implementation

- Communicate policies and expectations to suppliers and other relevant business partners https://www.aviva.com/social-purpose/policies/ (See: Business Ethics Code, Supplier Code of behaviour; Procurement and Outsourcing Business Standard).
- Undertake awareness-raising, training and other types of capacity building with suppliers, investors and other business partners http://www.aviva.com/responsible-sustainable-business/responsible-investment/

https://www.aviva.com/social-purpose/sustainable-finance/

http://www.aviva.com/corporate-responsibility/our-approach/stakeholder-engagement/

https://www.aviva.com/content/dam/avivacorporate/documents/socialpurpose/pdfs/aviva-modern-day-slavery-statement-2018.pdf

Robust Human Rights Management Policies & Procedures

Criterion 3: The COP describes robust *commitments, strategies or policies* in the area of human rights

Commitment to comply with all applicable laws and respect internationally recognized human rights, wherever the company operates (e.g., the Universal Declaration of Human Rights, Guiding Principles on Human Rights)
 https://www.aviva.com/content/dam/aviva-corporate/documents/investors/pdfs/reports/2018/aviva-plc-strategic-report-2018.pdf (Page 35).

https://www.aviva.com/social-purpose/policies/ (See Human rights policy).

- Integrated or stand-alone statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company https://www.aviva.com/social-purpose/policies/ (See Human rights policy).
- Statement of policy stipulating human rights expectations of personnel, business partners and other parties directly linked to operations, products or services
 https://www.aviva.com/social-purpose/policies/ (See Human rights policy; Cluster munitions policy; Corporate responsibility business standard; People standard).
- Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties https://www.aviva.com/social-purpose/policies/ (See Human rights policy; Cluster munitions policy; Corporate responsibility business standard; People standard).

Criterion 4: The COP describes effective *management systems* to integrate the human rights principles

 Process to ensure that internationally recognized human rights are respected https://www.aviva.com/social-purpose/policies/ (See Human rights policy; CR business standard page 3).

https://www.aviva.com/content/dam/aviva-corporate/documents/investors/pdfs/reports/2018/corporate-responsibility-summary-2018.pdf (Pages 32 and 35).

Operational-level grievance mechanisms for those potentially impacted by the company's activities

https://www.aviva.com/social-purpose/policies/ (See Business ethics code pages 5 and 6 for details on Speak Up, our reporting channel; Human rights policy-grievance mechanisms section).

As well as Speak Up, our independent malpractice reporting service, we provide employees with free access to Your Call. This is a totally confidential personal support service, available 24 hours a day, every day of the year. It helps employees tackle a range of issues from work-related matters, to personal life issues.

As stated in our Human rights policy, customers or the public can contact Aviva with queries about our CR Programme (which includes our approach to Human Rights) at cr.team@aviva.com.

 Allocation of responsibilities and accountability for addressing human rights impacts https://www.aviva.com/about-us/governance-committee/ (See terms of reference for further details).

Criterion 5: The COP describes effective monitoring and evaluation mechanisms of human rights integration

 System to monitor the effectiveness of human rights policies and implementation with quantitative and qualitative metrics, including in the supply chain https://www.aviva.com/content/dam/avivacorporate/documents/investors/pdfs/reports/2018/aviva-plc-strategic-report-2018.pdf (Speak Up, is our whistleblowing channel also for human rights issues. Page 35). https://www.aviva.com/content/dam/avivacorporate/documents/investors/pdfs/reports/2018/environmental-social-and-governancedata-2018-and-assurance-statement.pdf (Pages 3 and 4).

Robust Labour Management Policies & Procedures

Criterion 6: The COP describes robust *commitments, strategies or policies* in the area of labour

- Reference to principles of relevant international labour standards (ILO Conventions) and other normative international instruments in company policies https://www.aviva.com/social-purpose/policies/ (See Human rights policy and Supplier code of behaviour).

https://www.aviva.com/newsroom/news-releases/2017/11/Aviva-announces-equal-paid-parental-leave/

https://www.aviva.co.uk/business/business-perspectives/featured-articles-hub/equal-parental-leave/

- Written company policy to obey national labour law, respect principles of the relevant international labour standards in company operations worldwide and engage in dialogue with representative organization of the workers (international, sectoral, national). https://www.aviva.com/social-purpose/policies/ (See page 6 of the CR business standard requirement to comply with all local legislation).
- Inclusion of reference to relevant international labour standards in contracts with suppliers and other relevant business partners
 https://www.aviva.com/content/dam/aviva-corporate/documents/socialpurpose/pdfs/aviva-modern-day-slavery-statement-2018.pdf (Page 7).
- Participation and leadership by employers' organizations (international and national levels) to jointly address challenges related to labour standards in the countries of operation, possibly in a tripartite approach (business trade union government). https://www.aviva.com/content/dam/aviva-corporate/documents/socialpurpose/pdfs/aviva-modern-day-slavery-statement-2018.pdf (Pages 11 and 15).

Criterion 7: The COP describes effective *management systems* to integrate the labour principles

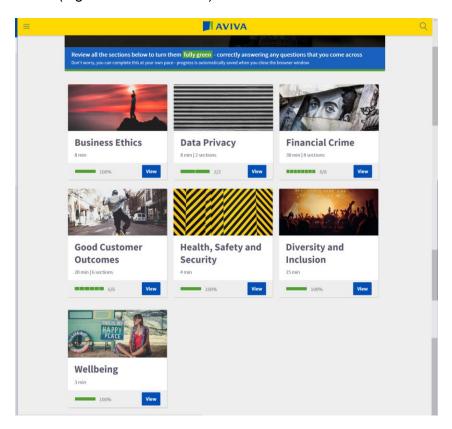
 Allocation of responsibilities and accountability within the organization https://www.aviva.com/about-us/governance-committee/ (See terms of reference for further details).

https://www.aviva.com/content/dam/aviva-corporate/documents/investors/pdfs/reports/2018/aviva-plc-strategic-report-2018.pdf (Page 34).

 Internal awareness-raising and training on the labour principles for management and employees

https://www.aviva.com/content/dam/avivacorporate/documents/socialpurpose/pdfs/aviva-modern-day-slavery-statement-2018.pdf (Page 14).

We also cover labour rights and principles through different channel including: essential learning (see screenshot); articles published in our intranet; events organised by our internal networks (e.g. Women's network).



 Engagement with suppliers to address labour-related challenges https://www.youtube.com/watch?v=mOZi8WXwRQc
 https://www.livingwage.org.uk/news/aviva-extends-living-wage-commitment

https://www.aviva.com/content/dam/avivacorporate/documents/socialpurpose/pdfs/aviva-modern-day-slavery-statement-2018.pdf

 Grievance mechanisms, communication channels and other procedures (e.g., whistleblower mechanisms) available for workers to report concerns, make suggestions or seek advice, designed and operated in agreement with the representative organization of workers

https://www.aviva.com/social-purpose/policies/ (See Business ethics code pages 5 and 6 for details on Speak Up, our reporting channel; Human rights policy-grievance mechanisms section). As well as Speak Up, our independent malpractice reporting service, we provide employees with free access to Your Call. This is a totally confidential personal support service, available 24 hours a day, every day of the year. It helps employees tackle a range of issues from work-related matters, to personal life issues.

Customers or the public can also contact Aviva with queries about our CR Programme (which includes our approach to Human Rights and labour rights) at cr.team@aviva.com.

Criterion 8: The COP describes effective monitoring and evaluation mechanisms of labour principles integration

 System to track and measure performance based on standardized performance metrics http://careers.aviva.co.uk/routes-aviva/experienced/procurement

https://www.aviva.com/content/dam/avivacorporate/documents/investors/pdfs/reports/2018/environmental-social-and-governancedata-2018-and-assurance-statement.pdf (Page 9-Supplier KPIs).

Robust Environmental Management Policies & Procedures

Criterion 9: The COP describes robust *commitments, strategies or policies* in the area of environmental stewardship

 Reference to relevant international conventions and other international instruments (e.g. Rio Declaration on Environment and Development)

https://www.aviva.com/content/dam/aviva-

<u>corporate/documents/socialpurpose/pdfs/climate-related-financial-disclosure-2018-report.pdf</u>

https://www.aviva.com/social-purpose/environment/

https://www.aviva.com/social-purpose/climate-related-financial-disclosure/

Reflection on the relevance of environmental stewardship for the company https://www.aviva.com/content/dam/aviva-corporate/documents/investors/pdfs/reports/2018/aviva-plc-strategic-report-2018.pdf (Page 36).

https://www.aviva.com/content/dam/aviva-corporate/documents/investors/pdfs/reports/2018/aviva-plc-strategic-report-2018.pdf

https://www.aviva.com/content/dam/aviva-

corporate/documents/socialpurpose/pdfs/policies-

 $\frac{responses/Aviva\ Investors\ Stewardship\ and\ Responsible\ Investment\ Policy\ 2017.pd}{\underline{f}\ (Page\ 4)}.$

https://www.aviva.com/social-purpose/thought-leadership/climate-change--value-at-risk-to-investment-and-avivas-strategic/

 Written company policy on environmental stewardship http://www.aviva.com/responsible-sustainable-business/climate-risks-and-environmental-impacts/

https://www.aviva.com/content/dam/avivacorporate/documents/socialpurpose/pdfs/policiesresponses/Aviva Investors Stewardship and Responsible Investment Policy 2017.pd f (Page 4). https://www.aviva.com/content/dam/avivacorporate/documents/investors/pdfs/reports/2018/environmental-social-andgovernance-data-2018-and-assurance-statement.pdf

Criterion 10: The COP describes effective *management systems* to integrate the environmental principles

- Environmental risk and impact assessments
 https://www.aviva.com/content/dam/aviva-corporate/documents/socialpurpose/pdfs/climate-related-financial-disclosure-2018-report.pdf
- Assessments of lifecycle impact of products, ensuring environmentally sound management policies
 http://www.aviva.com/responsible-sustainable-business/climate-risks-and-environmental-impacts/operations/
- Allocation of responsibilities and accountability within the organization https://www.aviva.com/content/dam/aviva-corporate/documents/socialpurpose/pdfs/climate-related-financial-disclosure-2018-report.pdf

Criterion 11: The COP describes effective *monitoring and evaluation mechanisms* for environmental stewardship

 System to track and measure performance based on standardized performance metrics <u>https://www.aviva.com/content/dam/aviva-corporate/documents/socialpurpose/pdfs/climate-related-financial-disclosure-2018-report.pdf</u>

https://www.aviva.com/content/dam/aviva-corporate/documents/socialpurpose/pdfs/2018-aviva-climate-change-stocktake.PDF

 Leadership review of monitoring and improvement results https://www.aviva.com/content/dam/aviva-corporate/documents/socialpurpose/pdfs/climate-related-financial-disclosure-2018-report.pdf

https://www.aviva.com/content/dam/aviva-corporate/documents/socialpurpose/pdfs/2018-aviva-climate-change-stocktake.PDF

Robust Anti-Corruption Management Policies & Procedures

Criterion 12: The COP describes robust *commitments, strategies or policies* in the area of anti-corruption

 Publicly stated formal policy of zero-tolerance of corruption https://www.aviva.com/content/dam/aviva-corporate/documents/investors/pdfs/reports/2018/aviva-plc-strategic-report-2018.pdf (Page 34). https://www.aviva.com/social-purpose/policies/ (Business ethics code).

- Commitment to comply with all relevant anti-corruption laws, including the implementation
 of procedures to know the law and monitor changes
 https://www.aviva.com/social-purpose/policies/ (Business ethics code).
- Policy on anti-corruption regarding business partners
- Detailed policies for high-risk areas of corruption Our internal standards and procedures cover various areas of financial crime including bribery and corruption, money laundering, fraud and violations of applicable sanctions laws. Each Aviva market are required to designate specific persons responsible for financial crime prevention. Markets must undertake financial crime risk assessments, implement systems and controls to prevent, detect and report, consistent with applicable laws and regulations.

Our standards and procedures also provide for monitoring of transactions, financial crime training, reporting suspicious activity, and management information to be collated and provided to management. We have a robust set of 'know your customer controls' which apply not only to our potential customer, suppliers, employees but also potential business partners.

Political and charitable contributions are addressed in the Business Ethics Code, Legal guidelines on political donations and expenditures, and the CR and Environment Business Standard.

All Aviva businesses are required to understand the scope of local legal and regulatory requirements, allocate clear responsibilities for compliance and monitor this compliance on an ongoing basis.

Criterion 13: The COP describes effective *management systems* to integrate the anti-corruption principle

- Support by the organization's leadership for anti-corruption https://www.aviva.com/social-purpose/policies/ (See Business ethics code. Message from the Chairman). https://www.aviva.com/content/dam/aviva-corporate/documents/investors/pdfs/reports/2018/aviva-plc-strategic-report-2018.pdf (Page 34).
- Human Resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees
 All Aviva employees are required to complete essential learning at least once a year. Training includes modules on financial crime (which includes bribery and corruption) and business ethics.



- Management responsibility and accountability for implementation of the anti-corruption commitment or policy
 https://www.aviva.com/content/dam/aviva-corporate/documents/investors/pdfs/reports/2018/aviva-plc-strategic-report-2018.pdf
 (Page 34).
- Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice
 https://www.aviva.com/social-purpose/policies/

 (See Internal Controls Standard, Business Ethics Code, and Prevention of bribery and corruption statement).

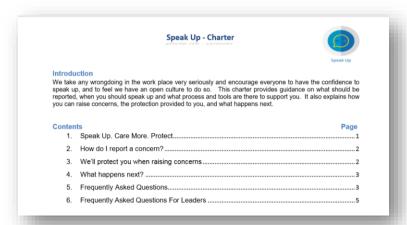
As well as Speak Up, our independent malpractice reporting service, we provide employees with free access to Your Call. This is a confidential personal support service, available 24 hours a day, every day of the year. It helps employees tackle a range of issues from work-related matters, to personal life issues.

Criterion 14: The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption

- Due diligence procedures
 https://www.aviva.com/content/dam/aviva-corporate/documents/investors/pdfs/reports/2018/aviva-plc-strategic-report-2018.pdf

 (Page 35).
- Process to deal with incidents
 https://www.aviva.com/social-purpose/policies/
 (See Internal Controls Standard and Business Ethics Code).

Our Speak Up charter, available internally, expands on the information available in our Business Ethics Code. It provides further details on what should be reported, as well as explaining the reporting process, what happens after someone reports a concern, etc. See below screenshot of the Charter, as taken from our intranet.



Taking Action in Support of Broader UN Goals and Issues

Criterion 15: The COP describes core business contributions to UN goals and issues

Align core business strategy with one or more relevant UN goals/issues
 https://www.aviva.com/responsible-sustainable-business/our-stories/supporting-the-un-global-goals-for-sustainable-development/

Develop relevant products and services or design business models that contribute to UN goals/issues

http://www.aviva.com/responsible-sustainable-business/climate-risks-and-environmental-impacts/products-and-services/

https://www.aviva.com/responsible-sustainable-business/responsible-investment/

Other emerging best practice:

Supporting the creation of benchmarks for corporates in human rights and SDGs performance

The World Benchmarking Alliance. https://www.worldbenchmarkingalliance.org/
Working in partnership with other organisations, Aviva is supporting the development of a global benchmark on businesses sustainability performance, with a focus on the Sustainable Development Goals. The purpose of such benchmark is to provide stakeholders with information they can use to inform investment and other economic decisions, increase transparency and facilitate trust between sectors, help track and compare corporate sustainability performance, also identify strategic gaps and market opportunities, and ultimately catalyse action and accelerate SDG delivery.

The Corporate Human Rights Benchmark (CHRB). https://www.corporatebenchmark.org/ Aviva is a founder member and a major contributor. The CHRB is a first of its kind project that assesses and ranks listed companies on their human rights performance. It aims to drive better corporate human rights performance by harnessing the competitive nature of the market through public benchmarking of corporations and is chaired by Steve Waygood, chief responsible investment officer at Aviva Investors.

Criterion 16: The COP describes strategic social investments and philanthropy

 Pursue social investments and philanthropic contributions that tie in with the core competencies or operating context of the company as an integrated part of its sustainability strategy

https://www.aviva.com/social-purpose/communities/

https://www.aviva.com/social-purpose/our-stories/aviva-community-fund/

https://www.aviva.com/content/dam/aviva-

 $\underline{corporate/documents/investors/pdfs/reports/2018/corporate-responsibility-summary-\underline{2018.pdf}}$

 Coordinate efforts with other organizations and initiatives to amplify—and not negate or unnecessarily duplicate—the efforts of other contributors

http://www.aviva.com/corporate-responsibility/our-approach/stakeholder-engagement/https://www.aviva.com/social-purpose/our-commitments/

http://www.aviva.com/responsible-sustainable-business/our-stories/supporting-the-un-global-goals-for-sustainable-development/

https://www.worldbenchmarkingalliance.org/

Criterion 17: The COP describes advocacy and public engagement

 Publicly advocate the importance of action in relation to one or more UN goals/issues http://www.aviva.com/responsible-sustainable-business/our-stories/supporting-the-un-global-goals-for-sustainable-development/

https://www.aviva.com/content/dam/avivacorporate/documents/investors/pdfs/reports/2018/corporate-responsibility-summary-2018.pdf Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals/issues http://www.aviva.com/responsible-sustainable-business/our-stories/supporting-the-un-global-goals-for-sustainable-development/

http://www.aviva.com/media/thought-leadership/mobilising-finance-support-global-goals-sustainable-development/

http://www.aviva.com/media/thought-leadership/climate-change-value-risk-investment-and-avivas-strategic-response/

https://www.unglobalcompact.org.uk/sustainable-development-goals-uk-roadshow/

Criterion 18: The COP describes partnerships and collective action

- Develop and implement partnership projects with public or private organizations (UN entities, government, NGOs, or other groups) on core business, social investments and/or advocacy
- Join industry peers, UN entities and/or other stakeholders in initiatives contributing to solving common challenges and dilemmas at the global and/or local levels with an emphasis on initiatives extending the company's positive impact on its value chain https://www.aviva.com/responsible-sustainable-business/our-stories/aviva-community-fund/

https://www.aviva.com/social-purpose/our-commitments/

http://www.aviva.com/media/thought-leadership/climate-change-value-risk-investment-and-avivas-strategic-response/

https://www.aviva.com/content/dam/aviva-corporate/documents/socialpurpose/pdfs/aviva-modern-day-slavery-statement-2018.pdf

Corporate Sustainability Governance and Leadership

Criterion 19: The COP describes CEO commitment and leadership

- CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN SDGs
- CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards

https://www.aviva.com/responsible-sustainable-business/our-stories/supporting-the-unglobal-goals-for-sustainable-development/

https://www.aviva.com/social-purpose/delivering-sustainable-finance/

https://www.forbes.com/sites/annefield/2018/09/29/new-benchmark-will-rank-companies-on-their-sdg-success/#ca0505b1b6ee

https://www.aviva.com/newsroom/perspectives/2018/06/Put-your-money-where-your-mouth-is-urges-mark-wilson/

https://www.aviva.com/newsroom/news-releases/2018/09/world-benchmarking-alliance-launches/

Criterion 20: The COP describes Board adoption and oversight

- Board establishes, where permissible, a committee or assigns an individual board member with responsibility for corporate sustainability.
- Board of Directors (or equivalent) assumes responsibility and oversight for long-term corporate sustainability strategy and performance
 http://www.aviva.com/investor-relations/corporate-governance/board-of-directors/board-committees/governance-committee/

https://www.aviva.com/content/dam/aviva-corporate/documents/socialpurpose/pdfs/CR Governance Structure - 2017.pdf

https://www.aviva.com/content/dam/avivacorporate/documents/socialpurpose/pdfs/Governance_Committee_Terms_of_Reference FINAL_3.11.16.pdf

https://www.aviva.com/content/dam/aviva-corporate/documents/investors/pdfs/reports/2018/aviva-plc-strategic-report-2018.pdf (Pages 35 and 37).

Criterion 21: The COP describes stakeholder engagement

- Define sustainability strategies, goals and policies in consultation with key stakeholders
- Establish channels to engage with employees and other stakeholders to hear their ideas and address their concerns, and protect 'whistle-blowers' https://www.aviva.com/social-purpose/bright-ideas/ (Stakeholder engagement)

https://www.aviva.com/social-purpose/policies/ (See Business ethics code pages 5 and 6 for details on Speak Up, our reporting channel; Human rights policy-grievance mechanisms section).

Women's Empowerment

In 2018, women's empowerment continued to be a key part of our approach to inclusive diversity through our gender parity work.

We seek to support women and men to achieve their potential regardless of their career level, market or role.

Aviva was the first FTSE 100 to sign up to the Executive Committee commitment outlined by the 30% Club - a commitment for 30% of our Group Executive to be women by 2020.

The COP describes policies and practices related to supporting women's empowerment and advancing gender equality in the workplace

- Achieving and maintaining gender equality in senior management and board positions
- Achieving and maintaining gender equality in middle management positions
- Equal pay for work of equal value
- Flexible work options
- Support for pregnant women and those returning from maternity leave
- Recruitment and retention, including training and development, of female employees
- Creating and maintaining workplace awareness of gender equality and, inclusion and nondiscrimination for all workers

https://www.aviva.com/social-purpose/empowering-our-people/women-in-finance-charter/

https://30percentclub.org/press-releases/view/aviva-commits-to-new-30-club-target

https://www.aviva.com/social-purpose/policies/ (People Business Standard)

https://www.avivainvestors.com/en-gb/institutional/about-us/the-diversity-project.html

http://careers.aviva.co.uk/about-aviva

https://www.avivainvestors.com/en-gb/about/our-culture/women-in-leadership-programme/

https://diversityproject.com/resource/aviva-women-leadership-programme-accelerating-leadership-inside-out

https://www.aviva.com/about-us/uk-gender-pay-gap-report/

We have guidance, policies and procedures available to all employees through our corporate intranet, which though not exclusively about gender, directly support women's empowerment and advance gender equality in the workplace. Some examples of these include: Fairness and equality at the workplace policy, and guidelines on managing: gender in the workplace, pregnancy and maternity in the workplace, marriage and civil partnership in the workplace.

We also have an employee assistance service that provides support dealing with a wide range of issues and every year employees are required to complete an essential learning course that includes a diversity module.

In 2018, we have established six global employee resource groups, which we're calling "Aviva Communities". Our Communities are one of the ways we're working together to become more diverse and inclusive. They help make sure everyone can have a fair share of voice at Aviva and they are a key feature in representing the diversity of our global workforce. Any of our people can join as many of our Communities as they like. These groups are a safe space for our employees to share their thoughts and experiences. One of these communities, Aviva Balance, focuses on gender parity by seeking to support women and men to achieve their potential regardless of their career level, market or role. This community has three Group Executives as sponsors.

The COP describes policies and practices related to supporting women's empowerment and advancing gender equality in the marketplace

 Asking suppliers to sign up to our business code of behaviour which contains requirements on access to equal opportunities

https://www.aviva.com/content/dam/aviva-

 $\underline{corporate/documents/socialpurpose/pdfs/Aviva-Business-Ethics-Code-2018.pdf}$

https://www.aviva.com/content/dam/avivacorporate/documents/investors/pdfs/reports/2018/environmental-social-and-governancedata-2018-and-assurance-statement.pdf

The COP describes policies and practices related to supporting women's empowerment and advancing gender equality in the community

- Designing community stakeholder engagements that are free of gender discrimination/stereotyping and sensitive to gender issues
- Ensuring female beneficiaries of community programmes
- Community initiatives specifically targeted at the empowerment of women and girls https://www.awaawards.com/about-us/

https://awards.womenofthefuture.co.uk/

https://community-fund.aviva.co.uk/voting/campaign/getinvolved

https://www.aviva.ca/en/tools/acf/aviva-community-fund/

https://community-fund-italia.aviva.com/voting/campagna/edizioniprecedenti

The COP contains or refers to sex-disaggregated data

- Achieving and maintaining gender equality in senior management and board positions

https://www.aviva.com/content/dam/avivacorporate/documents/investors/pdfs/reports/2018/environmental-social-and-governancedata-2018-and-assurance-statement.pdf

https://www.aviva.com/about-us/uk-gender-pay-gap-report/