It takes Aviva

Aviva plc
Annual Report and Accounts
2025

Making it click for our customers

Make the most out of life, plan for the future. Have the confidence that if things go wrong, we'll be there to help put them right.

It takes Aviva.

The Strategic report, Governance report, IFRS Financial Statements and Other information altogether comprise the Aviva plc Annual Report and Accounts 2025.

The Strategic report contains information about Aviva, how we run our business and how we create value. It includes our strategy, our business model, key performance indicators, an overview of our businesses, our approach to risk and our responsibility to our people and communities.

The Annual Report and Accounts 2025 were approved by the Board on 4 March 2026 and signed on its behalf by Amanda Blanc, Group Chief Executive Officer.

The Directors' report required under the Companies Act 2006 comprises the Governance report in the Annual Report and Accounts 2025.

The Strategic report should be read in conjunction with the Cautionary statement, included within the Other information section.

Reporting currency: We use £ sterling. Unless otherwise stated, all figures in this report relate to Group.

- **Explanations of key terms used in this report are available on:** www.aviva.com/glossary
- **More information about Aviva can be found at** www.aviva.com

Direct Line

On 1 July 2025, the Group completed the acquisition of Direct Line Group plc (Direct Line) and the financial results for Aviva for 2025 include six months of results from Direct Line. The financial results of Direct Line are included as part of the Personal lines business, within UK & Ireland General Insurance. For certain non-financial metrics, Direct Line is excluded where indicated in this report.

Help us reduce our environmental impact by viewing shareholder documents, including the Annual Report and Accounts, on the Aviva website.

You may change your election at any time by notifying Aviva's Registrar, Computershare.

- www.aviva.com/investors/investor-relations-contacts/

THIS REPORT FORMS PART OF OUR 2025 REPORTING SUITE

News release and Group financial headlines.

- **Download here**

Business and financial performance slides presented by the Group CEO and CFO on results day.

- **Download here**

Financial data underpinning performance.

- **Download here**

- **Climate-related Financial Disclosure Report**
- **Reporting criteria**
- **Sustainability Datasheet**

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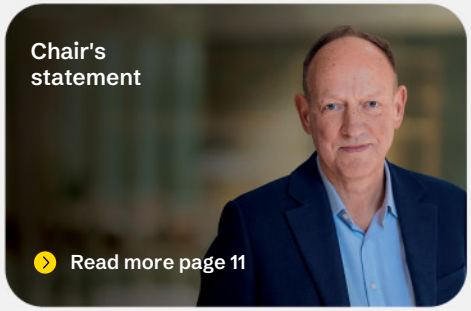
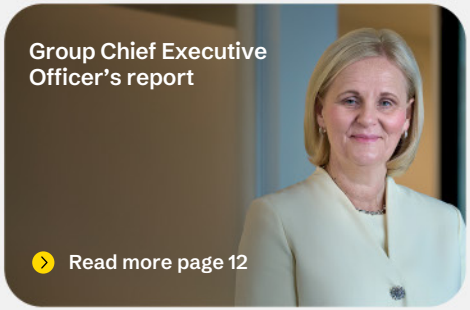
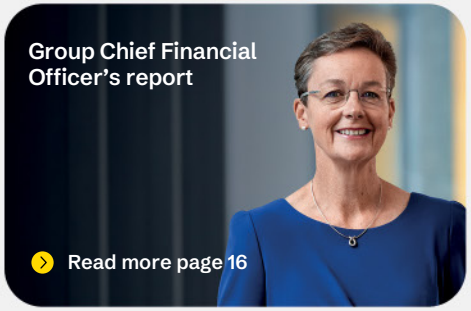






HOW TO NAVIGATE THIS REPORT

Links to our strategic pillars
Throughout the Strategic report we use the following icons to demonstrate a direct link to our four strategic pillars:

Growth
Accelerating growth in capital-light businesses and disciplined growth in Retirement

Customer
Growing our customer base, serving more needs and transforming experience

Efficiency
Driving operating leverage with technology and artificial intelligence at the core

Sustainability
Committed to climate and social action, and being a sustainable business

xDL Indicates where Direct Line is excluded from certain reported non-financial metrics at 31 December 2025.

Read more:
Links to further reading within the report or online

Alternative Performance Measures:
We use a range of financial metrics to measure our performance and financial strength. These metrics include Alternative Performance Measures (APMs), which are non-Generally Accepted Accounting Principles (GAAP) measures that are not bound by the requirements of IFRS or Solvency II. Further guidance in respect of their use, can be found in the Other information section of the Annual Report and Accounts.

Aviva at a glance

Aviva is the UK's only diversified insurer across Insurance, Wealth and Retirement, with over 25 million customers in the UK, Ireland and Canada.

We offer customers a range of products and services across:

INSURANCE
Our insurance offering covers personal lines (such as home, motor, pet and health insurance) as well as commercial, specialty insurance and protection.

WEALTH
Our wealth products focus on helping customers grow their savings and investments through workplace pensions, advised and direct wealth platforms and financial advice services.

RETIREMENT
Our retirement offering provides large-scale insurance solutions for corporate pension schemes and income products for individuals including annuities and lifetime mortgages.

Our business units

UK & Ireland General Insurance (UK&I GI)
Aviva is a leading insurer in both the UK and Ireland, providing insurance solutions to c.13 million customers. We hold the number one[1] market position in the UK and number three[1] in Ireland.

£9,787m
Gross Written Premiums

Read more: page 31

Insurance, Wealth & Retirement (IWR)
Aviva is the largest life insurer in the UK[1], holding a 25% market share and is a market leader in Workplace pensions, Wealth and Protection.

£10.9bn
Wealth net flows

Read more: page 37

Canada General Insurance
Canada ranks among the top ten largest insurance markets globally where Aviva Canada is the second largest property and casualty insurer[1] with a 9% market share.

£4,358m
Gross Written Premiums

Read more: page 34

Aviva Investors
Aviva Investors is a global asset manager combining the breadth of our multi-asset, private and public market capabilities to deliver for clients.

£262bn
Assets under management

Read more: page 40

Our leading brands

AVIVA
Direct Line
churchill
Quote me happy.com
GREEN FLAG

1. Market positions based on Aviva's analysis using latest information available including company reporting, Corporate Adviser, Fundscape, Insurance Ireland, Laing Buisson, Milliman, MSA, Platforum, and UK Finance

Our strategic framework

We're here to protect and support the things that matter most to our customers: their homes and belongings, their health and wealth, their future and their families.

We are driven by our purpose

With you today, for a better tomorrow.

To achieve our ambition:

To be the leading UK provider and go-to customer brand for all Insurance, Wealth and Retirement solutions, with major businesses in Canada and Ireland.

Pursuing a clear strategy:

Growth
Accelerating growth in capital-light businesses and disciplined growth in Retirement.

Customer
Growing our customer base, serving more needs and transforming experience.

Efficiency
Driving operating leverage with technology and artificial intelligence (AI) at the core.

Sustainability
Committed to climate and social action, and being a sustainable business.

Our strategy: page 23

Making the most of our strengths:

Customer advantage
Serving lifetime needs with a leading UK franchise and brand, and strong businesses in Canada and Ireland.

Scale efficiency
Leveraging the benefits of group scale, with strong technology and digital foundations, and unmatched data.

Diversification benefit
Benefitting from our diversified capital-light portfolio, which drives resilient performance in different conditions.

Our business model: page 19

While staying true to our values:

Care
We care deeply about the positive difference we can make in our customers' lives.

Commitment
We understand the impact we have on the world and take our responsibility seriously.

Community
We recognise the strength that comes from working as one team, built on trust and respect.

Confidence
We believe the best is yet to come for our customers, our people, and society.

Supported by good governance and risk management

Our board activities: page 98
Risk management: page 75

2025 highlights

Strategic pillars

Growth · Customer · Efficiency · Sustainability

Another year of excellent performance and consistent delivery for Aviva. Our position as the UK's only diversified insurer, with major businesses in Canada and Ireland, continues to deliver at pace.

FINANCIAL

Group adjusted operating profit‡

£2,203m (2024: £1,767m)

Operating earnings per share‡

56.0p (2024: 48.0p)

IFRS RoE‡

17.5% (2024: 15.7%)[1]

IFRS profit for the year[2]

£1,054m (2024: £705m)

Solvency II operating own funds generation‡

£2,317m (2024: £1,655m)

Solvency II Cover Ratio‡

180% (2024: 203%)

Cash remittances‡

£2,077m (2024: £1,992m)

Dividend per share

39.3p (2024: 35.7p)

NON-FINANCIAL

Total customers

25.2m (2024: 20.5m)

Transactional Net Promoter Score (TNPS)

53.9 (2024: 47.8)

Employee engagement

92% (2024: 91%)

Our key performance indicators: page 28

‡ Denotes Alternative Performance Measures (APMs) and further information can be found in the 'Other information' section

1. The 2024 comparative amount for IFRS RoE has been re-presented to align with the updated definition. Further information can be found in the 'Other Information' section.
2. IFRS profit for the year is after tax

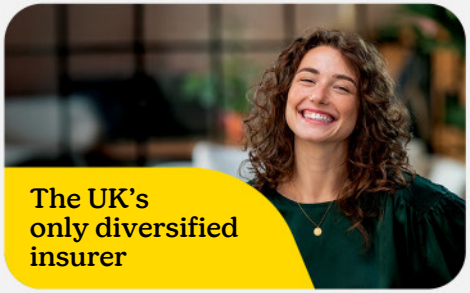
Our investment case

Our customer base and market-leading positions across Insurance, Wealth and Retirement set us apart.

We're taking advantage of opportunities to grow in our chosen markets, and accelerating our progress through targeted M&A. And we're investing for the future as our consistent performance gives us the confidence to invest in our customers, our business and our communities.

Leading UK franchise & brand, lifetime propositions & multi-product holdings

Read more: page 8



Market-leading positions across the UK, Canada and Ireland

Read more: page 6

Strong growth, sustainable returns, financial strength

Read more: page 9

Driving towards 75% capital-light with >20% RoE

Read more: page 7

New 3-year targets & enhanced distributions

Read more: page 10

OUR GROUP TARGETS

2026 FINANCIAL TARGETS ACHIEVED ONE YEAR EARLY

£2.0bn ✓

Group adjusted operating profit by 2026

Achieved in 2025

£1.8bn ✓

Solvency II OFG by 2026

Achieved in 2025

>£5.8 bn →

Cumulative cash remittances 2024-26

Well on track to achieve in 2026

RAISING AMBITIONS WITH NEW THREE-YEAR GROUP TARGETS

11%

Operating EPS 2025-28 CAGR from 55p 2025 baseline

>20%

IFRS Return on Equity by 2028

>£7bn

Cash remittances 2026-28 cumulative

Our key performance indicators: page 28

The UK's only diversified insurer

Market-leading positions across the UK, Canada and Ireland

Aviva is the only UK insurer with truly diversified product lines and material earnings through our businesses in Canada and Ireland. We're focused on markets where we're operating at scale, with leading positions and excellent, profitable operations.

Our complementary businesses offer resilience and stability to perform in different market conditions. Our trusted brand helps set us apart. And thanks to the breadth of our product offering, we are uniquely able to look after our customers' needs at those moments that matter throughout their lives.

Our business review: page 30

LEADING MARKET POSITIONS ACROSS INSURANCE, WEALTH AND RETIREMENT[1]

● Capital-light ● Capital-intensive

INSURANCE		WEALTH		RETIREMENT	
UK General Insurance	#1	Workplace	#1	Bulk Purchase Annuities	£4.6bn
Canada General Insurance	#2	Adviser Platform	#2	Individual Annuities	#1
Ireland General Insurance	#3	Succession Wealth planners	>230	Equity Release	#1
Protection	#1	Direct Wealth	Top 20	Ireland IWR	#4
Health	#3				

1. Aviva's analysis using latest information available including company reporting, ABI, Boring Money, Corporate Adviser, Fundscape, Insurance Ireland, Millman, MSA, UK Finance

Accelerating capital-light growth

Driving towards 75% capital-light with >20% IFRS RoE

ORGANIC GROWTH

The complementary nature of our businesses is a unique advantage of Aviva's diversified model. It means that we're not reliant on just one market or product. As well as helping manage risk, this range creates more opportunities for growth as we serve our customers' diverse needs.

Aviva is benefiting from structural growth drivers in major segments including Wealth, Health and General Insurance, so there's no shortage of growth opportunities across our capital-light[1] businesses. We will continue to deliver disciplined growth in Retirement too, driving capital and cash generation and supporting our dividend.

Our external environment: page 21

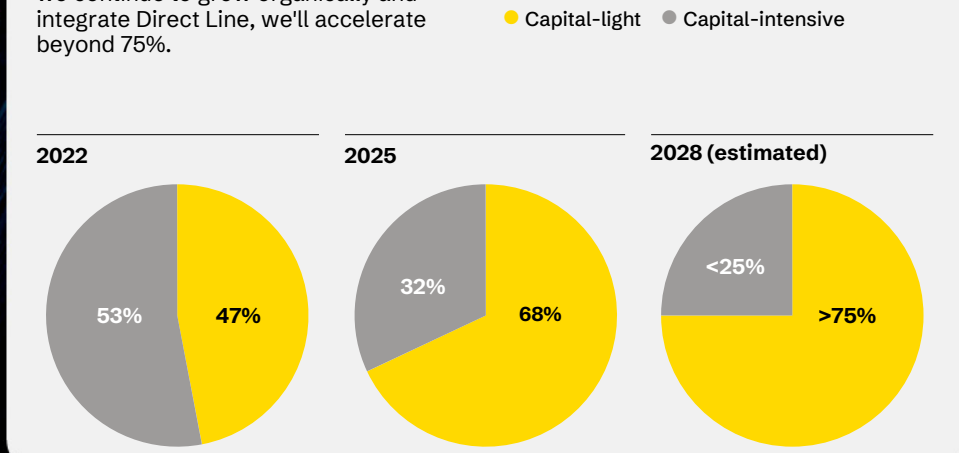
TARGETED M&A

We've supplemented the organic growth from our strong businesses with strategic acquisitions such as AIG's UK Protection business, Probitas, Optiom and, most recently, Direct Line. These deals further strengthened our position in attractive markets, offered efficiency and operational benefits, and brought our products and services to even more customers, powering our capital-light growth.

CAPITAL-LIGHT EARNINGS

A core element of our growth strategy is to shift our earnings mix towards capital-light. Less than three years ago, our portfolio was evenly split. Now, we're over 65% capital-light. And as we continue to grow organically and integrate Direct Line, we'll accelerate beyond 75%.

The benefits of this are clear, bringing stronger growth and customer acquisition, higher returns and cash generation, lower cost of equity, and enhanced capacity for shareholder distributions.



1. Capital-light refers to Aviva's General Insurance, Wealth, Protection and Health and Aviva Investors businesses. Percentage based on 2025 Group adjusted operating profit.

Consistent customer-centric strategy

Leading UK customer franchise and brand, lifetime propositions and multi-product holdings

We're serving more customers, with 21.7 million in the UK alone. 39% of UK adults have a policy with us, making us the standout insurer and bigger than most major banks.

We're also serving more of their needs. 7 million customers in the UK have two or more policies, and 43.5% of our new sales are to existing customers. These multi-product holders stay with us longer and buy more from us. They're also more likely to use our MyAviva app, which drives higher engagement with our products.

Our customer strategy: page 25

MOMENTS THAT MATTER

We can be there for our customers from their first junior ISA, workplace pension and home insurance, right through to helping them prepare for, and transition into retirement. At those moments that matter in life, we're uniquely placed with an extensive range of products and services our customers can rely on.

43.5% xDL

Of new UK sales to existing customers

MOMENTS THAT MATTER

Insurance · Wealth · Retirement · Capital-light · Capital-intensive

Congratulations, starting a family	Passed first time, now you're going places	Step on to that career ladder	Ouch! Need some physio, fast	Set-up your own start-up	New home, new responsibilities	Planning for your future	Make the most of retirement
Junior ISA	Car insurance	Workplace pension	Employee private medical cover	SME cyber cover	Home insurance	Financial advice	Annuities Equity Release

Track record of delivery

Strong growth, sustainable returns, financial strength

Over the last five years, Aviva has grown consistently. Quarter-on-quarter we've delivered excellent progress across the group and that momentum is continuing.

2025 was another excellent year, further extending our record for delivering what we said we would.

We grew our capital-light earnings, reflecting the strength of our diverse model. In General Insurance, premiums are up 18%. In Wealth, we had nearly £11 billion of net flows. And in Health, in-force premiums grew by double digits.

£64bn

Cumulative GWP since 2020

£57bn

Cumulative Wealth net flows since 2020

TARGETS ACHIEVED

By operating more efficiently, we have secured greater profitability too, translating this top-line growth into stronger earnings and returns.

Operating profit is £2,203 million with growth well into double digits. And we've delivered Solvency II operating own funds generation of **£2,317 million.**

This continued momentum across the business meant that we met our 2026 group financial targets for Group adjusted operating profit and Solvency II operating own funds generation at the end of 2025, a full year ahead of schedule[1].

RAISING AMBITIONS

Our continued momentum and record of delivery means we have the confidence to set new three-year targets for the Group.

These targets better reflect Aviva as a diversified, capital-light business, pointing to our big ambitions for growth and the scale of the opportunities ahead of us.

Our Group CEO report: page 12

1. Our Chair and CEO refer to the achievement of our 2026 Group financial targets. This refers to our Group adjusted operating profit and Solvency II OFG targets. Our cash remittances 2026 target is on track.

Superior returns for shareholders

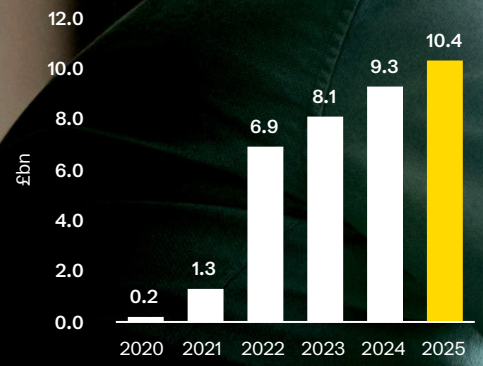
New 3-year targets and enhanced distributions

We've transformed Aviva's performance over the last five years. By unlocking the potential of the business, we have delivered for customers, and for shareholders too, returning over £10 billion since 2020.

Our sustainable growth in operating profit and cash remittances, along with a healthy balance sheet, means we can grow the cash cost of the regular dividend by mid-single digits. This year's final dividend also includes an additional 5% uplift following the completion of the Direct Line transaction. We are also resuming the share buyback, now at a higher level of £350 million.

Our Group CFO report: page 16

Total cumulative shareholder returns since 2020



39.3p

2025 total dividend per share

£350m

Buyback to resume in March 2026

£10.4bn

Total capital and dividends returned to shareholders since 2020

Chair's statement

2025 was another outstanding year for Aviva.

ANOTHER VERY STRONG PERFORMANCE

I wrote in last year's report that even with all we'd achieved, there was still a lot more to come. And so, the last twelve months have proved.

Most importantly, we have continued to serve our customers well, always aspiring to serve them better. In turn, we've seen another year of very strong financial performance right across Aviva, further extending an already long track record of impressive results.

It is no small testament to this consistency that we achieved our 2026 Group financial targets a full year ahead of schedule. I'd like to thank all my colleagues who have worked so hard to make that happen. Our recent staff survey results once again show that our people are as convinced by Aviva's strategy as I am. They are also putting in great efforts to execute against it and we're seeing the fruits of those endeavours.

88% xDL

Of employees that can see a clear link between their work and Aviva's strategy

"We are entering a new chapter for Aviva."

GROWING MOMENTUM

That consistent momentum also gives us the confidence to raise our ambitions once again. Over the last five and a half years, Amanda and her team have overseen nothing less than a fundamental strategic redesign of Aviva, alongside a more than doubling of the share price. We've therefore set new three-year targets to reflect the opportunities ahead, as well as the strength of the business that we have become.

One of the major highlights of last year was, of course, the completion of the acquisition of Direct Line. Integration is well underway and we're already delivering some of the benefits we know the deal will unlock. Important though it is for Aviva, the strength of our new enhanced personal lines business is only part of the picture. Our diversified, capital-light model brings exciting opportunities for growth wherever one looks, in Health, in Wealth and in Retirement.

WITH OUR CUSTOMERS

At the heart of that growth will be our customers. With 21.7 million in the UK alone, we have one of the largest franchises in UK financial services. We have the range of products and the expertise to support those customers throughout their lives. By helping them navigate their financial highs and lows, we'll deliver on our purpose of being with you today for a better tomorrow.

We will not always get it right, of course. No organisation is perfect. But by responding to what our customers need, we're aiming to help them get ready for whatever lies in store.

And because of our scale and diversity, we have the stability and financial strength that means customer can know we're with them for the long term.

Shareholders, likewise, can increasingly depend on us for long-term value. This year the total dividend per share was 39.3p, an increase of 10%.

FOR THE LONG TERM

We're also contributing meaningfully to the places where we operate across the UK, Ireland and Canada. Whether it is helping the economy by investing in new homes or start-ups, helping people become more financially resilient through our partnerships with Citizens Advice and the Money Advice Trust, or helping places adapt to storms and floods, we want all our communities ready to seize the opportunities of life, as well as manage the risks.

MORE STILL TO COME

In many ways it feels like we are entering a new chapter for Aviva. One thing that hasn't changed, however, is the ambition and appetite to always be better.

With the opportunities ahead, our proven pace of execution and our unique position in our markets, I'm excited about what the future holds. I said there would be more to come, and there was. I'm equally confident that the job is not done yet and there will be even more after this year too.

George Culmer
Chair

4 March 2026

Read more on:

- **Our strategy:** page 23
- **Our people and culture:** page 54
- **Our business review:** page 30

Group Chief Executive Officer's report

Aviva delivered an outstanding performance in 2025 and we have achieved our 2026 financial targets one year early. Today, we are the UK's only diversified insurer, a national champion with a reputation for delivery. We are strongly positioned for the future, with raised three-year targets and investment in long-term opportunities in growth, customer and AI.

ANOTHER STRONG SET OF RESULTS IN 2025

Our results in 2025 were strong across the board. Operating profit rose 25%, IFRS return on equity increased and we grew capital and cash generation strongly.

We now have over 25 million customers and an opportunity to serve even more of their needs with over seven million multi-product holders.

We achieved 17% growth in operating EPS growth and declared a final dividend of 26.2 pence per share, which is up 10% year-on-year. In line with our previous commitments, we are also resuming the share buyback, now at a higher level of £350 million.

Importantly, every business contributed to these results. In General Insurance, premiums are up 18% with very healthy levels of profitability. In Wealth, we extended our number one position, with over £230 billion of assets, and achieved record net flows of almost £11 billion. In Protection, we've improved margins and completed the integration of AIG's UK Protection business, and in Health, we've grown in-force premiums by double digits which have now reached £1.1 billion. And in Retirement, we've written £4.6 billion of bulk annuities at attractive returns, supported by real asset origination in Aviva Investors.

RAISED AMBITION

Achieving our 2026 financial targets a full year ahead of schedule is a fantastic achievement and I'm really proud of what the whole Aviva team has accomplished. I want to thank all my colleagues across the UK, Canada and Ireland for their hard work and their commitment to our customers. It is entirely thanks to their efforts that we are in such a strong position from which to raise our game even higher.

Our performance gave us the confidence to set new three-year targets in November, across operating EPS, IFRS return on equity, and cash remittances. These better reflect our trajectory as a diversified, capital-light business, and include the contribution from Direct Line.

Looking ahead, our focus is now on hitting the new targets, accelerating the capital-light mix of our business, and realising the full benefit of the Direct Line acquisition. But this is just the next step in our journey. There is more, longer-term, potential to unlock beyond this three-year horizon.

We are well set up to capitalise on a range of opportunities, not least in how we outperform through the cycle in insurance, why we are uniquely positioned to lead in wealth, and how we will use AI to shape the future Aviva. One constant element runs through all of these, and will underpin our success, namely our unrelenting focus on the customer.

> "Aviva has delivered another outstanding set of results in 2025."

Amanda Blanc DBE
Group Chief Executive Officer

GENERAL INSURANCE OUTPERFORMANCE

Insurance will always be a cyclical market. But after more than 325 years in this industry, we know how to navigate cycles. Aviva has the scale, discipline, technical expertise, proprietary data, brand strength and diversified Group model to grow profitably. Indeed we have demonstrated that strength over the past 5 years. And there's plenty of room to grow – unlocking value from Direct Line, expanding partnerships, growing our SME business in Canada and building our Lloyd's presence are just a few examples.

The market will continue to evolve and that's exactly why we invest in innovation. We're ahead on EVs, telematics, automation, and AI – and we'll stay ahead with a portfolio built to deliver performance for years and decades to come.

In UK Personal Lines we are still writing at target margins, even though the market is challenging. Our scale is unrivalled, with breadth across retail and non-retail distribution and game-changing amounts of proprietary data. We have the only owned repair network in the UK, which saves us an average of £500 per repair We also have huge potential with Direct Line, not just with the cost synergies, but significant headroom to grow further with leading brands, and new products across Pet, Rescue and Micro-SME.

In Commercial Lines, it's similar. We're successfully navigating tougher conditions and benefit from unique strengths, including being a leader in the resilient SME and mid-market segments. With access to Lloyd's through Probitas, we can now tap into a wider range of attractive lines, having launched eight since the acquisition.

CAPTURING WEALTH OPPORTUNITY

Wealth is another huge opportunity for Aviva. There's £2.7 trillion worth of assets today, growing at double-digits and set to surpass £4 trillion by 2030, underpinned by clear structural trends and regulatory tailwinds.

We have leading Workplace and Adviser Platform businesses and we are expanding quickly in advice with Succession Wealth and in Direct Wealth. We have numerous competitive advantages which position us very well in this market. We have a unique customer franchise and our integrated offering and trusted brand means that we can support customers throughout their lifetime. We have always invested in our platform, which is ranked by Defaqto as the best in the market, and we have distinctive investment solutions with Aviva Investors.

These strengths shine through in the performance of our Wealth business. Since 2022, we have grown assets faster than the market. And we've improved margins at the same time. In Workplace, our profit margin is up by two points over the last two years, making this business a key driver of growth, and a growing contributor to our profits.

We are on track for our £280 million profit ambition in 2027. And the importance of Wealth within our portfolio is growing. It will soon account for nearly 10% of Group earnings, further increasing our share of attractive fee-based income.

But the longer-term wealth opportunity here is even more exciting, and Workplace is a great example. It is a highly attractive market, which has grown four-fold over the past decade. And with the constant flow of employer and employee contributions, it's expected to reach £4 trillion over the next two decades.

Aviva already has an incredible track record here, and we're accelerating. The business is a genuine growth engine, with 1,500 scheme wins over the last three years and near 100% retention.

The strength of our proposition is powered by leading Aviva Investors default funds. For example, we recently launched our My Future Vision fund, which gives our customers access to private markets and further demonstrates our commitment to the Mansion House Compact.

When you bring together our Workplace, Direct Wealth and Advice businesses, you get a truly unique wealth offering. We're able to retain and serve customers from their very first job all the way through to retirement. We are also maximising the benefits of technology and innovation to deliver advice and guidance at scale.

SET TO TRANSFORM AVIVA WITH AI

Nowhere is innovation happening faster than with AI. We recognise the huge potential here across financial services and we believe that Aviva has a greater opportunity than most.

The key enablers of this transformative technology are scale, access to millions of customers, balance sheet strength, capacity to invest, and, most importantly, propriety data. Aviva has all of these in spades.

We have built an in-house AI platform to deliver at speed, while keeping customer data safe. We have already developed AI tools, including claims summarisation, call-wrap and medical underwriting.

Our focus now is on bigger opportunities where agentic AI can transform core areas like customer service, underwriting, and operations. This is the kind of change that will shape Aviva's future.

BUILDING ON UNIQUE ADVANTAGES OF AVIVA'S MODEL

Aviva's powerful, unique model is ultimately what ties all these possibilities and opportunities together. We have a diversification and growth advantage with market-leading positions. We have a customer advantage, with a leading powerful brand. And we have a scale, technology and data advantage, including the opportunity AI brings.

We've achieved a lot over the last few years. We have real momentum and are in a stronger position than ever. I'm deeply confident that this isn't just a strong position for the next few years. Aviva is uniquely positioned for long-term success well into the future.

Amanda Blanc DBE
Group Chief Executive Officer
4 March 2026

Direct Line integration

In July 2025, we completed the acquisition of Direct Line, securing Aviva as the clear leader in UK Personal Lines.

This deal further powers our strategy, driving capital-light growth and expanding our customer base. It also brings compelling financial benefits.

We have already been moving at speed on the integration.

SYNERGY AMBITIONS

£225m
Annual incremental cost synergies - expect to achieve full run-rate in 2028[1]

>£0.5bn
Capital synergies - expect to be fully unlocked around the end of 2026

Integration update
In September 2025, we announced a single Personal Lines leadership team, who have a very strong technical and commercial grip on the business.

We're harnessing the expertise of new Direct Line colleagues, and we haven't missed a beat for our new customers, maintaining a strong Transactional Net Promoter Score of 57.7 points. We're also leveraging our group model and have transferred £2.9 billion of Direct Line's assets to Aviva Investors in 2025.

We have been focused on early cost synergies, such as removing over 400 duplicate roles, and streamlining our supply chain. As a result, we delivered around £50 million of run-rate savings in 2025. Work is well underway to unlock the capital benefits, too.

In parallel, we're driving performance at Direct Line - combining data, enhancing pricing, expanding distribution, and more. Since July, we've improved Direct Line's written combined ratio on Motor. We are also investing to deliver a reduction of more than £50 million in claims costs over time.

PROGRESSING AT PACE

57.7pts
Direct Line Transactional Net Promoter Score

£2.9bn
Direct Line assets transferred to Aviva Investors in 2025

>400
Duplicate roles removed in 2025

c.£50m
Run-rate cost synergies achieved by end of 2025

Read more:

- **In Focus:** https://static.aviva.io/content/dam/aviva-corporate/documents/investors/pdfs/presentations/2025/aviva-plc-in-focus-november-2025-presentation.pdf
- **Our business review:** page 30

1. Savings to be fully embedded in 2029

Our Group Executive Committee

Our Group Executive Committee is made up of our executive directors and senior executives. We have assembled a diverse and talented leadership group with proven success within their respective fields.

Dame Amanda Blanc
Group Chief Executive Officer (CEO)

Charlotte Jones
Group Chief Financial Officer (CFO)

Doug Brown
CEO of Insurance, Wealth & Retirement

John Cummings
Chief Information Officer

Nav Dhillon
CEO of Aviva Canada

Stephen Doherty
Chief Brand and Corporate Affairs Officer

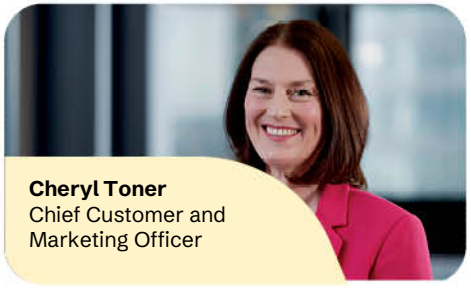
Craig Fazzini-Jones
Group Chief Operating Officer

Danielle Harmer
Chief People Officer

James Hillman
Group Chief Risk Officer

Martin O'Malley
Group Chief Audit Officer

Jason Storah
CEO of UK & Ireland General Insurance



Cheryl Toner
Chief Customer and Marketing Officer

Mark Versey
CEO of Aviva Investors

Biographies for our Board and Group Executive Committee can be found at www.aviva.com

Group Chief Financial Officer's report

OVERVIEW

2025 was an extraordinary year for Aviva. Our excellent performance led to the completion of our 2026 Group targets for Group adjusted operating profit and Solvency II OFG one year early, we completed the Direct Line acquisition at pace, contributing to continued growth, and we set new ambitious three-year targets, that better reflect Aviva's trajectory as a diversified capital-light business.

Our sustainable growth in operating profit and cash remittances, alongside a strong balance sheet, allow us to apply our capital framework:

- Growing the regular dividend;
- Investing in the business, both organically and through M&A; and
- Returning capital to shareholders.

We continue to deliver on our promise to shareholders and today we are announcing a total dividend per share for 2025 of 39.3p, an increase of 10%. This is made up by the usual mid-single digit increase, in line with guidance, and an additional 5% uplift following the completion of the Direct Line transaction.

"Excellent performance continued in 2025 as we extended our track record with another year of consistent delivery. Our strategic and operational momentum continues with Group adjusted operating profit up 25%. We have a confident outlook and are excited about what the future holds."

Charlotte Jones
Group Chief Financial Officer

HIGHLIGHTS

Group adjusted operating profit‡

£2,203m

2025	**£2,203m**
2024	£1,767m
2023	£1,467m

Solvency II operating own funds generation‡

£2,317m

2025	**£2,317m**
2024	£1,655m
2023	£1,729m

Operating EPS

56.0p

2025	**56.0p**
2024	48.0p

Cash remittances‡

£2,077m

2025	**£2,077m**
2024	£1,992m
2023	£1,892m

IFRS return on equity[1]

17.5%

2025	**17.5%**
2024	15.7%

IFRS profit for the year[2]

£1,054m

2025	**£1,054m**
2024	£705m
2023	£1,106m

1. The 2024 comparative for IFRS RoE has been re-presented to align with the updated definition. Further information can be found in the 'Other Information' section.
2. IFRS profit for the year is after tax and reflects the impact of investment variances and economic assumption changes

‡ This is an Alternative Performance Measure (APM). Further information on APMs, including a reconciliation to the financial statements (where possible), can be found in the 'Other Information' section.

We are also resuming share buybacks, with a £350 million programme to commence immediately.

The integration of Direct Line is progressing at pace. We expect cost synergies of £225 million, with £50 million run-rate already delivered and capital synergies of >£0.5 billion.

We remain laser focused on the next phase of our growth, meeting our targets and continuing to deliver for our customers, our people, and our shareholders.

GROUP PERFORMANCE

Operating Profit

	2025 £m	2024 £m
General Insurance	**1,485**	996
UK & Ireland General Insurance	**1,077**	708
Canada General Insurance	**408**	288
Insurance, Wealth & Retirement (IWR)	**1,078**	1,071
Aviva Investors	**47**	40
International investments (India and China)	**60**	48
Business unit operating profit	**2,670**	2,155
Corporate centre costs and Other operations	**(185)**	(115)
Group debt costs and other interest	**(282)**	(273)
Operating profit	**2,203**	1,767
Operating earnings per share	**56.0 p**	48.0 p
IFRS profit for the year[1]	**1,054**	705
Basic earnings per share	**26.9 p**	23.6 p

1. IFRS profit for the year is after tax

Operating profit increased by 25% to £2,203 million (2024: £1,767 million), including £174 million contribution from Direct Line. Excluding Direct Line, operating profit increased by 15%, supported by strong performance in our UK&I and Canada General Insurance businesses. IWR operating profit increased by 1% reflecting continued momentum in Wealth and Insurance, partly offset by lower results in Heritage and Retirement. Corporate centre costs and other operations increased to £185 million (2024: £115 million), primarily reflecting less interest earned on excess cash paid out of the Group for the Direct Line acquisition.

Operating earnings per share increased 17% to 56.0p (2024: 48.0p) reflecting higher operating profit net of tax, partly offset by a higher weighted average number of shares.

IFRS profit for the year is £1,054 million (2024: £705 million). This reflects the lower adverse impact of £(117) million (2024: adverse impact of £(666) million) from investment variances and economic assumption changes. In addition, 2025 results include integration and restructuring costs of £360 million (2024: £217 million). Basic EPS was 26.9p (2024: 23.6p) reflecting the IFRS profit for the year and includes the impact of special dividends paid on cancellation of the preference shares.

IFRS return on equity

	2025 £m	2024[1] £m
Operating profit attributable to ordinary shareholders (normalised)	**1,723**	1,288
Opening IFRS shareholders equity less IAS 19 pension balance (normalised)	**9,852**	8,179
IFRS return on equity	**17.5 %**	15.7 %

1. 2024 comparative amounts have been re-presented for the updated IFRS RoE definition

For 2025, IFRS RoE has been normalised to reflect the impacts of the Direct Line acquisition on 1 July 2025, as if it had taken place on 1 January 2025, including annualisation of earnings from Direct Line within operating profit in the numerator and adjustment of £2,322 million of equity issued in part consideration for the acquisition in the denominator.

Cash remittances

	2025 £m	2024 £m
General Insurance	**812**	706
UK & Ireland General Insurance[1]	**624**	571
Canada General Insurance[1]	**188**	135
Insurance, Wealth & Retirement (IWR)[1]	**1,236**	1,272
Aviva Investors	**18**	14
International investments (India and China)	**11**	—
Cash remittances	**2,077**	1,992

1. We use a wholly-owned, UK domiciled reinsurance subsidiary for internal capital and cash management purposes. Some remittances otherwise attributable to the operating businesses arise from this internal reinsurance vehicle.

Cash remittances increased by 4% to £2,077 million (2024: £1,992 million), reflecting strong performance from our businesses and our ability to rebalance remittances in response to external factors, supported by our diversified portfolio. Additional remittances of £1,350 million from businesses which were received specifically in relation to the Direct Line acquisition are excluded from cash remittances.

Centre liquidity
At end of February 2026, centre liquidity was £1.5 billion (end January 2025: £1.7 billion) reflecting cash remittances received from the business units and the €600 million Tier 2 and £500 million Tier 1 issuances. These inflows were more than offset by the cancellation of the preference shares, dividends, excess centre cash used for the Direct Line acquisition, and the call of the €900 million Tier 2 instrument in December 2025.

Dividend
Today we have announced a final dividend of 26.2 pence per share (2024: 23.8 pence), an increase of 10%. Together with an interim dividend of 13.1 pence per share (2024: 11.9 pence) this brings total dividends for the year to 39.3 pence (2024: 35.7 pence).

In line with our previous guidance, the dividend was increased by mid-single digits as usual, as well as an additional 5% uplift following completion of the Direct Line transaction. From 2026 onwards, our guidance for mid-single digit growth in the cash cost of the dividend remains.

Share buyback
Under our capital framework, which remains unchanged, surplus capital is available for reinvestment in the business, strategic M&A opportunities and/or additional returns to shareholders. In line with our previous guidance, we are today resuming our cadence of regular and sustainable capital returns at an increased level to reflect the higher share count following the Direct Line acquisition by announcing the launch of a new £350 million share buyback programme, commencing immediately.

Solvency II capital and leverage

Solvency II shareholder position[1]	31 December 2024 £bn	M&A £bn	Preference share cancellation £bn	Net debt issuance £bn	Underlying capital generation £bn	Mgmt actions £bn	Non-operating capital generation £bn	Dividends £bn	**31 December 2025 £bn**
Own Funds	15.6	0.1	(0.7)	0.2	1.8	0.6	(0.5)	(1.1)	**16.0**
SCR	(7.7)	(1.4)	—	—	—	0.2	0.1	—	**(8.9)**
Surplus	7.9	(1.3)	(0.7)	0.2	1.7	0.7	(0.4)	(1.1)	**7.1**
Solvency II shareholder cover ratio (%)	203 %	(31)pp	(8)pp	3 pp	19 pp	11 pp	(4)pp	(13)pp	**180 %**

1. Rounding differences apply

At 31 December 2025, Group Solvency II shareholder surplus was £7.1 billion and Solvency II shareholder cover ratio was 180% (2024: £7.9 billion and 203% respectively).

The decrease in solvency is primarily due to the acquisition of Direct Line, dividend payments and the cancellation of preference shares partly offset by operating capital generation and net debt issuance.

Operating Capital Generation increased by 67% to £2,452 million (2024: £1,468 million) due to strong performance in our general insurance businesses and in IWR, where elevated management actions were taken to build the solvency position post the Direct Line acquisition.

The 31 December 2025 Solvency II cover ratio includes a 3pp benefit from realising c.£0.15 billion of capital synergies, due to Direct Line Solvency Capital Requirement (SCR) being calculated on the Solvency II standard formula with adjustment, in the Group SCR. Although still prudent, this enables partial diversification benefits between Direct Line and Aviva to be recognised from 31 December 2025.

Consistent with previous guidance we expect the remaining capital synergies of >£0.35 billion which would improve the current solvency cover ratio position by >7pp, upon regulatory approval expected by around the end of 2026.

The solvency capital requirement of £8.9 billion includes a £2.7 billion benefit from Group diversification.

Solvency II debt leverage ratio is 30.1% (2024: 28.9%). The increase reflects the £260 million of Tier 2 subordinated debt and £350 million restricted Tier 1 debt acquired as part of the Direct Line acquisition as well as £500 million restricted Tier 1 issuance in March which more than offset the cancellation of preference shares and net redemption of €300 million subordinated Tier 2 debt over the period.

CONFIDENT OUTLOOK FOR 2026 AND BEYOND

While we have achieved so much over the past few years, I am just as excited about the future. We are well positioned to win over the long term, and we are investing in our diversified portfolio of businesses to continue this momentum into 2026 and beyond.

Charlotte Jones
Group Chief Financial Officer
4 March 2026

Our business model

THE UK'S ONLY DIVERSIFIED INSURER, WITH UNIQUE STRENGTHS

CUSTOMER ADVANTAGE
Serving lifetime needs with a leading UK franchise and brand, and strong businesses in Canada and Ireland.

Customers globally
25.2m
(2024: 20.5m)

SCALE EFFICIENCY
Leveraging the benefits of group scale, with strong technology and digital foundations, and unmatched data.

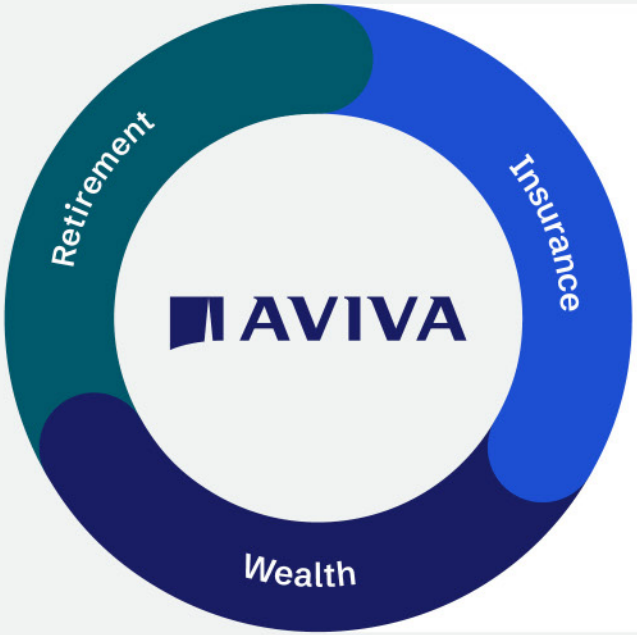
Group assets under management (AUM)
£454bn
(2024: £407bn)

DIVERSIFICATION BENEFIT
Benefitting from our diversified capital-light portfolio, which drives resilient performance in different conditions.

Capital diversification benefit[1]
£2.7bn
(2024: £2.5bn)

LEADING MARKET POSITIONS ACROSS INSURANCE, WEALTH AND RETIREMENT[2]

● Capital-light ● Capital-intensive



INSURANCE

#1 ●	#2 ●	#3 ●	#1 ●	#3 ●
UK GI	Canada GI	Ireland GI	Protection	Health

WEALTH

#1 ●	#2 ●	>230 ●	Top 20 ●
Workplace	Adviser Platform	Succession Wealth planners	Direct Wealth

RETIREMENT

£4.6bn ●	#1 ●	#1 ●	#4 ●
BPA sales	Individual Annuities	Equity Release	Ireland IWR

1. The Group diversification between markets is the diversified Solvency Capital Requirement (SCR) arising from the sum of the SCR for each business unit being higher than the SCR at Group
2. Market positions based on Aviva's analysis using latest information available including company reporting, Corporate Adviser, Fundscape, Insurance Ireland, Laing Buisson, Milliman, MSA, Platforum, and UK Finance

MEETING ALL OUR CUSTOMERS' NEEDS

INSURANCE

How we generate revenue

Customers pay us a premium to insure against a specific risk. Our scale enables us to pool risks so that we can pay customers' claims, which could far exceed the premium.

How we serve customers

We meet the full breadth of customer needs in General Insurance. Our Personal Lines business provides individual customers with car and home insurance, and more. Following the Direct Line acquisition, we also have new capabilities such as pet insurance. In Commercial Lines, we offer a range of business insurance to SME and corporate customers.

Our Health and Protection businesses serve individuals as well as providing workplace benefits for corporate customers.

WEALTH

How we generate revenue

We manage and administer investments for a fee, offering guidance and financial advice for customers who require support or have more complex needs.

How we serve customers

We cater to their lifetime wealth needs with our full proposition across four component businesses, with the benefit of investment solutions through Aviva Investors.

Our Workplace business provides administration for employee pension schemes. Adviser Platform is our digital solution for IFAs to manage client investments. Succession Wealth offers regulated advice through our own planners. Direct Wealth is our digital-first offering for DIY investing.

RETIREMENT

How we generate revenue

Customers pay us a lump-sum, which we invest to provide them with life-long income throughout their retirement, providing both security and flexibility.

How we serve customers

We have developed a full suite of options to support customers and their needs through all stages of retirement.

We offer flexible pension drawdown products as well as annuities - and our guided retirement solution combines the two for customers to 'flex first, fix later'. We also offer equity release for those who want to take cash out of their home. Finally, we help to de-risk defined benefit pension schemes through our bulk purchase annuities - or BPA - business.

DELIVERING FOR ALL OUR STAKEHOLDERS

OUR CUSTOMERS

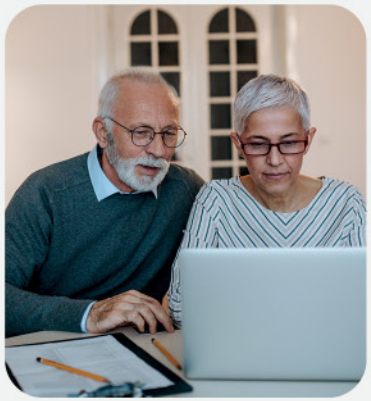
£31.9bn

paid out in benefits and claims to our customers in 2025

OUR PEOPLE xDL

92%

employee engagement score in 2025



OUR SHAREHOLDERS

c.£1.2bn

2025 total dividend cash cost

OUR COMMUNITIES xDL

125k

hours volunteered by our colleagues to support local communities in 2025

OUR SUPPLIERS xDL

97%

of small business invoices are paid within 30 days

Our external environment

Growth opportunities in all our markets

INSURANCE

Capitalising on scale and capability advantages

>£320bn GWP

UK, Canada & Ireland GI, and Global Corporate and Specialty (GCS) markets p.a.

MARKET CONTEXT

Scale, diversification, and technical excellence are critical factors for success in general insurance and are increasingly important as players look to successfully navigate the cyclical nature of the market.

Consolidation continues in UK Personal Lines, with the top 10 players now accounting for more than 80% of the market. In UK Commercial Lines, advancing technology is enabling enhanced digital trading and more automation.

In Canada, distribution through insurer-owned brokers expands, but so does demand for digital experience. There have also been new entrants to the SME segment, and a growing focus on supply chain insourcing.

In GCS, new and evolving risks continue to broaden the scope of insurance, such as the energy transition or the rapid development of AI. Market participants are also exploring and evolving models and ways to place different types of risks.

Source: Aviva estimate, ABI

OUR RESPONSE

We are well set up to outperform through the cycle - unlocking value from Direct Line, scaling partnerships, growing SME in Canada, and building in Lloyd's.

WEALTH

Benefitting from regulatory and structural tailwinds

£2.7tn assets

UK Wealth market, growing at 10-15% p.a.

MARKET CONTEXT

The UK wealth market continues to grow strongly and is set to surpass £4 trillion by 2030, supported by structural growth drivers as well as regulatory and policy tailwinds.

In June 2025, the government introduced the Pension Schemes Bill. This will see the creation of Master Trust mega-funds with more emphasis on value for money and investment returns. With over four in ten people under-saving for retirement, continued focus is critical.

The advice gap remains a concern, with just 9% of people paying for financial advice. With support from the regulator, the creation of scalable guidance solutions can play a critical role. The FCA is implementing 'targeted support', which would allow providers to make suggestions to groups of consumers with common characteristics, helping them make financial decisions.

With AI capabilities, there is also a growing opportunity to accelerate the digitisation of wealth solutions.

Source: Aviva estimate, DWP, The Lang Cat

OUR RESPONSE

Investing behind Master Trust capabilities in Workplace and enhancing Advice and D2C capabilities, including launching our first targeted support journeys.

RETIREMENT

Supporting the next wave of retirees

c.£250bn volumes

UK BPA market over the next five years

MARKET CONTEXT

Since the rise of interest rates in 2022, the landscape for UK defined benefit pensions has shifted. Average BPA volumes over the three-year period from 2023 to 2025 is around £45 billion per annum, which is more than 50% higher when compared to the period from 2020 to 2022.

With demand set to remain elevated over the coming years, we saw new entrants to the BPA market in 2025, which is increasing competition for transactions.

The nature of retirement for individuals is also changing as people live longer. Over the next decade, around nine million people are set to reach State Pension Age, which is two million more than the last ten years. Since pension freedoms were introduced in 2015, these people need to make their own choices on how to access their savings.

With the pressures on income adequacy in retirement, providers need to offer more flexible products and services, and guide customers through their options.

Source: LCP, ONS

OUR RESPONSE

Staying disciplined on BPA with a focus on returns, and supporting customers with broader solutions, including our new Guided Retirement offering.

Strategic pillars

Growth Customer Efficiency Sustainability

Responding to external trends

Trend			Our response
UK government growth agenda **£120bn** Increase in public investment during this Parliament	There are reasons to be optimistic about the outlook for the UK. In fact, the latest IMF forecasts for 2026 and 2027 suggest that the UK will be in the top three for real GDP growth across the G7 countries, much like in 2025. The policy stance of the UK government is pro-growth. It has focused on driving investment, innovation, and productivity - with plans to unlock private capital and strengthen the UK's position as a leading financial centre.	For example, the Mansion House Accord will unlock up to £50 billion of investment in the UK through pension funds, with 17 major pension providers pledging their intent in May 2025. At the Autumn Budget, there were measures to accelerate planning reform for housing, expand EV infrastructure, and invest in energy security. Source: HM Treasury, IMF	**Boosting investment in the UK** Supporting growth by investing in UK assets across IWR and Aviva Investors.
Changing customer behaviours **c.900m** Weekly ChatGPT users globally	Rapid developments in technology and AI are changing the landscape for customer experience and engagement, and companies need to move at pace to meet expectations. Mobile is now clearly the preferred channel, with its share of global website traffic doubling over the last ten years. GenAI adoption is increasing at an unprecedented rate, with ChatGPT weekly users accounting for around one in nine people across the entire global population.	When it comes to customer service, AI-enabled virtual assistants are emerging as the direction of travel. Customers are willing to use them, provided they work well and make life easier. Over time, we're also likely to see adoption of "personal" AI agents, which can search for and buy products, facilitate switching, and more. Source: OpenAI, Statista	**Delivering for our customers** Continuing to transform customer experience and build more meaningful relationships with strategic engagement tools, leveraging the benefits of AI and our MyAviva app.
Advancing technology and agentic AI **>$2tn** Projected global spend on AI in 2026	The pace of development and investment in AI continues to surpass expectations, and the technology is clearly a transformative force. In fact, global spend on AI in 2026 is expected to more than double the figure in 2024. Across companies, the ability to scale AI capabilities and use cases is now very much in focus. While almost 90% of organisations use AI regularly, only one third have begun to scale their AI programmes.	The emergence of AI agents is the next frontier. They are autonomous and execute on complex, multi-step tasks. Over 60% of companies are already at least experimenting in this space. Already in 2026, there have been several new releases of agentic AI tools - from tax-planning to GPT-driven price comparison, and more. Source: Gartner, McKinsey	**Putting technology at our core** Investing behind AI capabilities and data foundations to deliver powerful use cases and benefits for our customers and Aviva.
Rising impacts of climate change **>$200bn** Global economic losses from natural catastrophes in 2025	The impacts of climate change intensify, driving more frequent and severe extreme weather events worldwide. In fact, eleven consecutive years from 2015 through to 2025 have been the warmest during the 176-year record. In the UK, storm Éowyn in January 2025 marked the most powerful windstorm in over a decade. In Canada, record-high industry losses from natural disasters in 2024 did not repeat, but early 2025 saw severe winter storms.	At COP30, the World Meteorological Organisation (WMO) warned that an overshoot of the 1.5°C Paris Agreement target is now virtually certain without rapid emissions cuts. Transformative action from governments and global leaders is required urgently to keep any overshoot as small and short as possible. Source: Swiss Re, WMO, The Met Office	**Committing to climate action** Continuing to use our voice to advocate for the enabling environment we need for the transition to deliver a more secure and stable future for our customers and shareholders.

Our strategy

GROWTH

Accelerating growth in capital-light businesses and disciplined growth in Retirement

HIGHLIGHTS

+18%
General Insurance gross written premiums[1]

+6%
Wealth net flows

Our business review: page 30

CUSTOMER

Growing our customer base, serving more needs and transforming experience

HIGHLIGHTS

25.2m
Customers globally (2024: 20.5m)

7.2m
UK multi-product holding customers (2024: 5.4m)

Our business review: page 30

EFFICIENCY

Driving operating leverage and transforming with data and artificial intelligence

HIGHLIGHTS xDL

55%
Reduction in UK IT applications since 2018[2]

70%
UK IT applications are cloud-based

Our efficiency strategy: page 26

SUSTAINABILITY

Committed to climate and social action, and being a sustainable business

HIGHLIGHTS xDL

56%
Aviva's own operational Scope 1 and Scope 2 emissions reduction[3]

410k
Colleague volunteering hours since 2020

Our sustainability ambition: page 57

1. Change in constant currency
2. Includes impact of baseline adjustments made in 2020 and 2023 to better reflect our UK IT estate
3. From a 2019 baseline

Growth

Accelerating growth in capital-light businesses and disciplined growth in Retirement.

2025 PROGRESS

Today, 68% of operating profit is from capital-light businesses, including the impact of Direct Line. This is a material shift from just a few years ago and is enabling us to deliver stronger growth and better returns, using less capital.

We have already made strong progress on the Direct Line integration, which will further power capital-light growth.

FOCUS FOR 2026 AND BEYOND

Our focus is now on driving towards our new Group targets, further accelerating capital-light growth, and realising the full benefit of Direct Line.

There is also much more potential beyond the 3-year targets - from outperforming through the cycle in insurance to capturing the long-term wealth opportunity, and much more.

Insurance
In UK&I General Insurance, we delivered premium growth of 27%, including Direct Line. We're focused on margin amid current market conditions, with operating profit up by 52%, driven by performance in both Personal Lines and Commercial Lines. We are accelerating Direct Line performance, already improving written combined ratios.

In Canada, we grew premiums by 2% on a constant currency basis. Operating profit in Canada is up by 41%, with stronger underlying performance and less severe weather versus 2024. We're also unlocking claims benefits with auto-repair centres.

In Protection, we completed the transfer of policies from AIG's UK Protection business to Aviva, unlocking capital synergies. In Health, in-force premiums grew by 12%, and we are on track for our £100 million operating profit ambition in 2026.

Wealth
We continue to extend our position as the leading UK wealth player - now with £234 billion AUM - and are seeing the benefits of our scale, with operating profit up by 36%.

In Workplace, we delivered £7.1 billion net flows, which is up 6% and represents a strong 6% of opening AUM. In Adviser Platform, net flows are up 11%, and AUM grew strongly to £65 billion. We also launched a new onshore bond to further expand our proposition for IFAs.

We created £2.7 billion in opportunity for Succession Wealth planners through Aviva referrals. We are also now focusing on case sizes above £300k, with much higher conversion rates. In Direct Wealth, AUM was up by 18% as we continue to enhance our proposition and investment offering.

Retirement
We delivered BPA volumes of £4.6 billion in 2025. Amid more competition, we continue to write business at low capital strain and in line with our low-teens IRR guidance.

In Individual Annuities, we have seen a third consecutive year of double-digit growth in sales and launched our new guaranteed fixed term income product. In Equity Release, sales were up by 32%, driven by higher demand and enhanced Aviva propositions.

POWERING OUR WEALTH BUSINESS WITH WORKPLACE PENSIONS

Our Workplace business is market leading. With £153 billion in assets and around five million customers, it's a key driver of growth in UK Wealth.

In 2025, we won 544 new corporate pension schemes, with a win-rate of around 75%. We have also maintained a retention rate of around 99%, which highlights the continued strength of our employer and employee proposition.

The business is an important driver of Aviva's strategy. Almost two million Workplace customers have multiple Aviva policies, and we are continuing to unlock marketing permissions to engage even more of them. We also benefit from Aviva Investors, which captures around two-thirds of flows.

With policy and regulatory tailwinds like the Pensions Schemes Bill and targeted support, we are well positioned to continue to deliver strong growth.

Our strategy

Customer

Growing our customer base, serving more needs and transforming experience.

2025 PROGRESS

Customers are at the heart of Aviva's strategy. We are delivering for them with our three priorities - growing our customer base, serving more needs, and transforming experience.

This year, we also welcomed millions more new customers to Aviva following the completion of the Direct Line acquisition.

FOCUS FOR 2026 AND BEYOND

We will continue to step up for our customers, making further progress on our three core priorities.

We will integrate Direct Line customers and expand our leading franchise, enhance our ability to target the right customers with the right products at the right time, and build seamless AI-powered customer experience.

Growing our customer base
Today, we have clear scale with 25.2 million customers globally, including Direct Line.

In the UK, we have one of the largest franchises in financial services, with 21.7 million customers, which materially expanded with the 4.3 million new-to-Aviva customers from Direct Line. Beyond this, we delivered strong customer growth across our UK Personal Lines, Workplace pensions and Direct Wealth businesses.

We also continue to unlock marketing permissions to engage customer directly. We now have 10.7 million marketable customers, which has more than doubled in number since 2020, including Direct Line.

Serving more customer needs
Today, we have 7.2 million UK customers with two or more Aviva policies, which is an increase of 1.8 million in 2025, including the impact of Direct Line.

These customers stay with us longer and buy more from us. They're also more likely to use our MyAviva app, which drives higher engagement with our products.

We continue to deepen relationships, now with 43.5% of new policies sold to existing individual customers. This is supported by successful initiatives in the business, such as identifying existing customers on price comparison websites with our rich data and offering them beneficial pricing.

Transforming customer experience
This year, our Transactional Net Promoter Score reached 53.9 points, which is up by 6 points year-on-year. This is due to our focus on continuous improvement. For example, we've opened the MyAviva app to more Workplace members, giving them better access to all Aviva products. We've also enhanced decisioning capabilities in-app to promote the right offers more effectively to customers at the right time.

We're building more meaningful customer relationships through engagement tools. We've re-launched our Aviva Score tool in the MyAviva app to support "Money" and "Health" needs. We're also bringing together all our wellbeing services in MyAviva in 2026, so that our customers have everything they need in one place.

WELCOMING NEW CUSTOMERS FROM DIRECT LINE

The Direct Line acquisition brought 6.0 million customers, and over two-thirds are new-to-Aviva. Our priority is to deliver a smooth integration for all of them, with three key focus areas.

First, we want to keep these customers at renewal, and make Direct Line digital journeys as seamless as possible.

Second, we want to serve more customer needs. So, we're going to offer Aviva's broader product range to Direct Line customers. We will also offer new Direct Line products such as Pet, Rescue and Micro-SME to the broader Aviva customer base.

Finally, we will transform their digital experience. We will drive self-serve and digital adoption and consolidate their customer data into our single view. By the end of 2026, the first Direct Line customers will be able to see their policies on our MyAviva app.

Our strategy

Efficiency

Driving operating leverage and transforming with data and artificial intelligence.

2025 PROGRESS

We are already using Aviva's scale and our key partnerships to drive efficiency gains and deliver better value for our customers.

Technology is at the core of this approach. We've simplified and streamlined our IT estate, making it more efficient and creating the right foundations to drive benefits from AI.

FOCUS FOR 2026 AND BEYOND

We recognise the huge potential of AI to shape the future of Aviva. We are continuing to invest here, now with a focus on bigger, end-to-end opportunities where agentic AI can transform core areas across the Group.

We will also continue to drive material efficiency benefits from our broader transformation agenda.

Offshoring and outsourcing

At the start of 2024, we announced 15-year extensions to our strategic partnerships with Diligenta and FNZ. This has enabled us to simplify our IT estate as well as enhance customer journeys and experience in IWR. Over the last three years, we realised gross cost savings of around £100 million relative to previous contracts, with more to come.

We have also delivered over £80 million gross cost savings in Aviva Investors since 2020, driven by operational outsourcing and other efficiency programmes.

Building enterprise capabilities

We continue to simplify and streamline our IT estate. Since 2018, we have delivered a total reduction of 55% in UK IT applications. In the last two years alone, we achieved a reduction of 20%, showing strong progress.

We're also focused on accelerating cloud adoption to deliver greater scalability, flexibility, and security. Today, 70% of our UK IT applications are cloud-based, which is 10 percentage points higher than 2023.

Building enterprise capabilities also allows us to deliver benefits within our businesses. For example, we've used automation in UK Commercial Lines to reduce quote time for mid-market policies by around 30%. This enables faster broker response, and in turn drives higher quote conversion.

Driving benefits with AI

With the size of Aviva's customer base, the breadth of our products, and the extent of our datasets, we have a bigger opportunity than most to unlock benefits from AI. Over the past decade, we have modernised and transformed our infrastructure, so we have many of the right AI foundations in place.

We have already built and launched multiple production-grade AI capabilities, with many more in the pipeline. These span the full business, from medical underwriting in Protection to claims summarisation in UK General Insurance. We've also deployed AI tools to all colleagues and enhanced the quality of our data, which are key enablers.

Our focus is now on developing a cohesive AI and data strategy and roadmap. This will allow us to drive value from bigger, end-to-end opportunities, like customer service, underwriting, and operations.

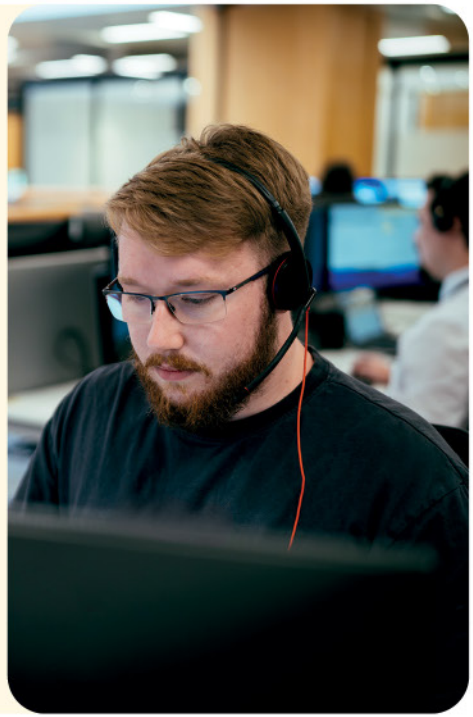
TRANSFORMING CLAIMS IN UK GENERAL INSURANCE

Our claims transformation is a great example of efficiency levers in action. We have already delivered over £90 million of claims cost savings and materially improved customer experience, and now we have a big opportunity with Direct Line.

We're deploying technology and AI at scale. For example, our GenAI claims summarisation tool is used by over 500 handlers and has halved the time that customers are on hold.

We have also embedded leading fraud detection with 12 AI-driven models. For brokers, we have deployed an award-winning tool, enabling us to feed claims data into their systems in real-time.

We also capitalise on our Solus repair network, saving around £500 per repair. With the acquisition of Direct Line, we now have the benefit of the only owned network in the UK.



Sustainability

Committed to climate and social action, and being a sustainable business.

2025 PROGRESS

We aim to enable positive change through Aviva's sustainability agenda across three pillars - climate action, social action, and sustainable business.

In 2025, we also delivered progress on the actions that we set out in the second iteration of our Transition Plan.

Our sustainability ambition: page 57

FOCUS FOR 2026 AND BEYOND

We will continue to support local communities with our place-based approach and make progress towards our interim 2030 ambitions as outlined in our Transition Plan. As always, we will prioritise sustainable business practices.

As the integration of Direct Line continues, we will consider impacts for our sustainability strategy.

Social action

We are deepening our place-based approach to social action, supporting local communities by strengthening financial resilience, improving employability, and investing in infrastructure and real estate. In 2025, 0.7 million people across the UK, Canada and Ireland are estimated to have benefitted from our support. We also delivered on our ambition of 300,000 colleague volunteering hours since 2020.

We continue to expand our Citizens Advice partnership, which has now helped over 200,000 people since its launch in 2022. This year, we assisted the migration of their webchat to a new platform and launched a referral service for Aviva customers. We also celebrated ten years of Aviva's UK Community Fund, which has supported more than 9,000 projects over that period.

Climate action

Our Net Zero ambition and strategy for attaining it, as set out in our second Transition Plan published in 2025, remain unchanged. However, we have taken the decision that we will no longer be seeking formal Science Based Targets initiative (SBTi) validation for our climate ambitions going forward, and we have consequently also withdrawn validation for the targets previously provided by the SBTi in 2022.

In 2025, we are progressing the actions from our Transition Plan - decarbonising our business, supporting climate adaptation, protecting and restoring nature, and insuring and investing in the transition.

We maintained 100% renewable electricity in our operations, including Direct Line. We also grew the proportion of our suppliers setting validated science-based targets in 2025, surpassing our ambition of 70%.

Our insurance propositions continue to support the transition and we continue to embed climate considerations into investment decision-making. We also became a founding member of Flood Action to support climate adaptation.

Sustainable business

We have strengthened governance frameworks, harmonised our exclusions policies, and maintained high standards on data privacy and financial crime prevention.

Aviva was also recognised with an MSCI ESG rating of AAA and a Sustainalytics ESG Risk Rating of 13.7, which is deemed to be low risk.

INVESTING IN THE UK TO TRANSFORM COMMUNITIES

Investing in the UK is a key aspect of our commitment to social action, and it also benefits our customers. Since 2020, we've invested over £13.7 billion in the UK infrastructure and real estate.

We also invest Aviva's shareholder funds through Aviva Capital Partners. In 2025, we announced plans to support a £1 billion development to create the world's leading cancer research centre in London, which is estimated to create 13,000 jobs. We also agreed a landmark investment partnership with Norwich City Council for a £350 million development, which will deliver up to 1,100 new homes in Norwich.

Aviva's in-house venture capital team support UK start-ups. For example, we confirmed funding for Northern Gritstone, which support university spin-out investments in North England.

Our sustainability investments: www.aviva.com/sustainability/sustainability-news/#investment-news

Our key performance indicators

Strategic pillars
Growth · Customer · Efficiency · Sustainability

Linked to
REM Remuneration · APM Alternative performance measure

We use certain metrics to assess how we generate value for our shareholders, how we serve our customers, the engagement of our employees and how we are performing against our sustainability ambition.

These financial and non-financial metrics enable us to measure our performance against our strategic priorities and our purpose.

Following the acquisition of Direct Line and our greater focus on capital-light business, we have issued new targets, relating to Operating EPS and IFRS return on equity instead of Solvency II operating own funds generation and Group adjusted operating profit. All these metrics continue to be financial KPIs.

FINANCIAL KPIS

Group adjusted operating profit

Measures the Group's operating performance over time by excluding non-operating items.

£2,203m (2024: £1,767m)

Reflecting disciplined profitable growth across our capital-light businesses. £2,029 million excluding Direct Line.

Target: £2bn by 2026
Achieved in 2025

Operating EPS

Measures the amount of Group adjusted operating profit attributable to shareholders for each ordinary share in issue.

56.0p (2024: 48.0p)

Up 17% reflecting strong operating performance. 2025 includes the impact of the shares issued as part consideration for the Direct Line Acquisition.

Target: 11% CAGR 2025-2028

IFRS return on equity (RoE)

Shows how efficiently we are using our financial resources to generate Group adjusted operating profit for shareholders.

17.5% (2024: 15.7%)[1]

Reflecting strong operating performance and the impact of the Direct Line acquisition.

Target: >20% by 2028

IFRS profit for the year[2]

Measures the Group's profit after tax, attributable to shareholders in accordance with IFRS.

£1,054m (2024: £705m)

Up 50% largely due to the increase in operating profit, less adverse investment variances and economic assumption changes, and higher tax charges.

Solvency II operating own funds generation

Measures the amount of Solvency II own funds the Group generates from operating activities, a key indicator of cash generation.

£2,317m (2024: £1,655m)

Up 40% due to strong operating performance across the business and elevated capital actions. £2,135 million excluding Direct Line.

Target: £1.8bn by 2026
Achieved in 2025

Cash remittances

Measures cash remitted in dividends and loan interest from our operating businesses to the Group.

£2,077m (2024: £1,992m)

Up 4%, reflecting strong growth in remittances across the Group.

Target: >£7bn 2026-2028 *Cumulative*

Estimated Solvency II Shareholder cover ratio

Provides an indicator of the Group's balance sheet strength.

180% (2024: 203%)

A 23pp decrease, due to the Direct Line acquisition partly offset by strong capital generation in excess of dividend payments.

Solvency II debt leverage ratio

A measure of financial strength. Our preference is to be below 30% over time.

30.1% (2024: 28.9%)

Increased by 1.2pp, primarily due to debt acquired as part of the Direct Line acquisition, partially offset by own funds generation.

The financial KPIs include Alternative Performance Measures (APMs). APMs are non-GAAP measures, which are not bound by the requirements of IFRS or Solvency II.
A complete list of the APMs used by the Group, and further guidance in respect of their use, can be found in the Other Information section. This guidance includes definitions and, where possible, reconciliations to relevant line items or sub-totals in the financial statements.
1. The 2024 comparative amount for IFRS RoE has been re-presented to align with the updated definition. Further information can be found in the 'Other Information' section.
2. IFRS profit for the year is after tax

Our key performance indicators

Strategic pillars

Growth · Customer · Efficiency · Sustainability

Linked to

- REM Remuneration
- APM Alternative performance measure
- AR Data subject to independent reasonable assurance by EY[1]
- AL Data subject to independent limited assurance by EY[1]
- RC Definition in Aviva plc Reporting Criteria 2025
- xDL Direct Line numbers are excluded

NON-FINANCIAL KPIS

Number of customers

Measures total number of policy-holding Aviva customers in the Group's businesses in the UK, Ireland and Canada with at least one active product.

25.2m (2024: 20.5m)

Our consistent customer-centric strategy combined with welcoming our new Direct Line customers provides us with scale. We are now one of the largest UK customer franchises in financial services.

Multi product holding customers

Measures number of UK customers who hold more than one policy with Aviva or a single policy meeting multiple separate needs.

7.2m (2024: 5.4m)

Deepening customer relationships along with the Direct Line acquisition have grown MPH. These customers are more engaged and stay with us longer.

MyAviva users

Measures the number of registered users for the MyAviva app, the primary tool for digital customer journeys.

7.4m (2024: 6.9m)

Increased MyAviva users as a result of continued investment in Aviva's digital service offering to customers.

Operational carbon emissions reduction

Measures the percentage reduction in Aviva's absolute Scope 1 and 2 (market-based) emissions from 2019 baseline.

56% (2024: 51%)

Continued focus on reducing operational emissions. In 2025, we launched an investment programme to decarbonise our Aviva UK offices by removing reliance on fossil fuels.

Employee engagement

Measures how engaged our employees feel and their perceptions of Aviva.

92% (2024: 91%)

Our annual Voice of Aviva survey again showed exceptional levels of engagement increasing by 1pp. Our priorities focus on high levels of inclusion and belonging, strengthen adaptability, and developing our leaders.

Women in senior leadership roles

Measures the percentage of women in senior leadership roles in UK, Ireland and Canada.

41.5% (2024: 40.9%)

Gender balance is supported through our policies including equal parental leave, accessible hiring processes and championed though our Balance community.

Ethnic diversity in senior leadership roles

Measures the percentage of ethnically diverse employees in senior leadership roles in the UK, Ireland and Canada.

14.0% (2024: 13.0%)

Aviva is actively involved in supporting increased diversity in our business including being a founder member of the Change the Race Ratio.

Changes to our KPIs

We monitor both our financial and non-financial KPIs to reflect our strategy and business mix. Following the acquisition of Direct Line, we have updated our financial KPIs to reflect the enlarged Group, with a greater focus on IFRS-based performance measures. Non-financial KPIs in this section have also been updated to highlight those most relevant to the delivery of Group strategy.

1. For non-financial measures only. This indicates that the data was subject to external independent limited/reasonable assurance by Ernst & Young LLP ('EY'). For the results of that assurance, see Aviva plc Climate-related Financial Disclosure 2025 Independent Assurance section and Aviva plc 2025 Reporting Criteria Independent Assurance section.

xDL Indicates where Direct Line is excluded from certain non-financial metrics at 31 December 2025

Our business review

We operate through businesses in the UK, Ireland and Canada:

- **UK & Ireland General Insurance:** protecting homes, cars, holidays, pets and businesses, across personal and commercial lines. This includes the Direct Line business.
- **Canada General Insurance:** protecting homes, cars, lifestyles and businesses, across personal and commercial lines.
- **Insurance, Wealth & Retirement (IWR):** offering Insurance (Protection and Health), Wealth and Retirement (Annuities & Equity Release) products, in the UK and Ireland.
- **Aviva Investors:** global asset manager with expertise in real assets, multi-assets, equities and credit. And is a core enabler for IWR to pursue its strategy for with-profits and annuities.

We also have international investments in India and China.

Our business areas

Insurance Wealth Retirement

UK & Ireland General Insurance

Our business areas

Insurance

BUSINESS STRATEGY OVERVIEW

Aviva is a leading insurer in both the UK and Ireland markets, providing insurance solutions to over 12 million customers and maintaining its position as number one in the UK[1] and number three in Ireland[2].

We grew both volumes and profitability in 2025 and our continued leadership is underpinned by the diversification across our business and disciplined trading. By harnessing enterprise-wide investments in technology and AI, we have accelerated our local market capabilities and delivered an unrivalled customer experience.

We have expanded our distribution footprint and customer reach by acquiring Direct Line and by combining our Global Corporate and Specialty (GCS) business with Probitas, a fully integrated Lloyd's platform. We are aligning products and propositions across our GI business to meet more of today's customer needs and continuing to use our scale and influence to champion the evolving needs of the future.

Looking ahead, our strategy remains focused on investing for profitable, diversified growth, and delivering on our ambition to be the clear market leader, outperforming over the cycle. We will achieve this by delivering across four priorities:

- Continuing to develop the diversification across our markets;
- Strengthening our position as a trusted customer champion;
- Forging first-class operational foundations to drive efficiency; and
- Progressing on climate and social action.

HIGHLIGHTS

Total GWP

£9,787m

2025	**£9,787m**
2024	£7,699m
2023	£6,640m

Undiscounted COR

94.1%

2025	**94.1%**
2024	94.9%
2023	96.8%

Operating Profit

£1,077m

2025	**£1,077m**
2024	£708m
2023	£452m

Distribution Ratio[3]

32.4%

2025	**32.4%**
2024	31.9%
2023	33.2%

Other key financial indicators		2025	2024
GWP	UK personal lines	**£5,399m**	£3,600m
	UK commercial lines	**£3,847m**	£3,604m
	Total Ireland	**£541m**	£495m
COR	UK personal lines	**93.9 %**	94.3 %
	UK commercial lines	**93.9 %**	95.4 %
	Total UK	**93.9 %**	94.9 %
	Total Ireland	**98.1 %**	94.8 %

"We have made strong progress across our UK and Ireland General Insurance business, increasing operating profit by 52% and strengthening Aviva's capital-light growth ambitions through the delivery of key strategic initiatives. Looking ahead, we'll remain focused on underwriting discipline and improving customer journeys to maintain our lead and deliver sustainable growth."

Jason Storah
CEO of UK & Ireland General Insurance

1. Source: Aviva analysis of 2024 company reporting
2. Source: Insurance Ireland Non-life Members ranking 2024, by GWP
3. Comparatives have been re-presented for accounting presentation alignment resulting from the acquisition of Direct Line

Our business areas

Insurance

OPERATIONAL HIGHLIGHTS

In 2025, we successfully delivered a number of initiatives to improve the customer experience, support growth and optimise the efficiency of our business:

- Completed the acquisition of Direct Line, accelerating our capital-light growth strategy and strengthening Aviva's position as the leading UK personal lines insurer. We've made significant progress in building a combined personal lines business, unlocking synergies and delivering value, including more than tripling Direct Line motor branded policy count through price comparison websites in the second half of the year.
- Together, our GCS and Probitas businesses underwrote £73 million of synergy premium that we couldn't have written prior to the acquisition of Probitas.
- Expanded our partnership with Nationwide Building Society, launching a new home insurance offering and welcoming over 500,000 customers to Aviva.
- Prevented around 13,000 fraudulent insurance claims in 2025, equating to over £142 million in claims fraud savings, minimising the cost of fraud for our customers.
- Partnered with CyberCube, a leading global provider of cyber risk analytics, becoming the first insurer to integrate 'Portfolio Threat Actor Intelligence' into our cyber exposure management strategy. This enables us to quickly identify high risk policies, making us more resilient to cyber-attacks.
- Introduced Aviva Global Risk Management Solutions, a globally connected practice uniting risk consultants across UK, Ireland and Canada. This allows the team to deliver client service based on proximity and expertise rather than where the risk is underwritten.
- With continued investment in Gen AI, we are delivering solutions across our General Insurance business. These include a knowledge tool to support customer-facing colleagues, a policy review tool to assess live wordings for exposure risk, and AI-powered underwriting that reduces manual steps and improves broker and customer service.
- We are reaping the rewards of our Direct Digitisation programme in Ireland, with a 28% uplift in Direct New Business GWP per annum, driven by new distribution channels including Bonkers.ie, an expanded underwriting appetite, and a new Telematics solution for younger drivers. We are delivering an enhanced customer experience, reflected in TNPS of 47.8. In addition, for customers choosing to transact through our direct online channel, nearly 85% now complete their journeys end to end online, almost twice as many as before.
- Strengthened our commitment to the renewable energy sector by doubling our offshore renewable energy capacity to £150 million. Our renewable energy underwriting team were also recognised as 'Underwriting Team of the Year' by London Market Forums.
- Demonstrated our commitment to sustainability by winning two industry awards for our ESG initiatives and raised over £400,000 for broker-backed community charity initiatives through the Aviva Broker Community fund.
- Recognition also extended more broadly, with Aviva winning 'General Insurer of the Year' at the British Insurance Awards and Insurance Times Awards for the 12th year running.
- Increased our regional underwriting presence by opening a new branch in Cardiff, making it easier for local brokers to access our services, building on both Chelmsford and Southampton premises which opened in 2024.
- Opened Aviva's first fully electric-powered vehicle damage repair centre in Exeter, operated by our wholly owned subsidiary garage, Solus. This brings our total network to 44 centres as of December 2025, enabling 380,000 repairs annually when combined with the scale of Direct Line Auto Services.
- After a highly successful first full year trading in the retail market, Level Health, our new health venture in Ireland, continued its momentum with the launch of a corporate health offering to enhance its product mix.

PRODUCTS AND CUSTOMERS

Personal lines

Our personal lines product offering includes motor, home, travel and gadget, and has now expanded to include rescue, pet and a partnership with Motability, following the acquisition of Direct Line. Our multi-channel distribution includes selling directly to customers through MyAviva and price comparison websites, as well as reaching our customers through intermediary relationships with brokers, affinity partners and several of the UK's leading banks.

We have made strong progress integrating Direct Line into the business and accelerating its performance improvements. We have appointed a strong single leadership team, optimised pricing with Aviva capabilities and delivered significant cost savings in our property footprint, indemnity spend and staff levels. These all contribute to improved performance and support our growth ambitions.

Our strategy is to focus on growing our Retail businesses, deliver on the clear growth opportunity available from our new Direct Line products, target attractive and profitable segments within our market leading Intermediated business and delivering on Direct Line synergy benefits.

We have a clear brand and proposition portfolio with a broad range of products and services that make us well positioned to serve the needs of 12.2 million UK customers. Our UK personal lines business delivered 50% growth in 2025, bolstered by Direct Line and underpinned by disciplined pricing and underwriting practices.

Aviva continues to hold the leading position in both the UK home insurance market and as a high net worth (HNW) insurer. In 2025 we launched our Refine Product in Aviva Private Clients, a product that meets an underserved customer need in the emerging wealth demographic. It has been well received by brokers, and we are seeing high levels of retention and a trebling of new business for this customer segment. Together with the expansion of our Nationwide Building Society partnership we have continued to strengthen our offering in this space.

We remain committed to delivering exceptional customer experiences, as demonstrated by our strong Total Net Promoter Score which improved by 11.5 points in 2025 (excluding Direct Line), with Direct Line also similarly performing well. A particular highlight was Green Flag TNPS at 73.4, reflecting our ability to provide reliable, responsive service at multiple touchpoints in the customer journey.

In 2025, we made significant progress in deploying 12 Generative AI solutions to help customer-facing colleagues deliver these journeys and will build on this momentum in 2026 to deliver more efficient and personalised experiences.

4.3 million

New-to Aviva customers from Direct Line

Our business areas

Insurance

Commercial lines
We offer commercial lines insurance to a wide array of businesses, from the micro segment up to large UK and global corporates.

Our strategy is to leverage our broad distribution network and leading broker sentiment to accelerate profitable growth, and we continually review our underwriting appetite to unlock new growth opportunities.

We have invested in improving broker efficiency and customer outcomes by launching a market-first broker quote and bind portal that gives brokers real-time visibility of live quotes, an aligned underwriter and the ability to bind quotes through a self-serve portal. We introduced new, market-leading propositions, including an automatic uplift to a 24-month business interruption indemnity period on SME fast trade products, ensuring customers have adequate protection.

Our use of artificial intelligence continues to drive efficiencies in our business, with the launch of AI-powered intelligent underwriting across our regional commercial underwriting teams to minimise manual steps, enrich our quote and renewal process with more insights and transform our broker and customer service.

In 2025, our SME business held its position, enabled by process efficiencies and improvements across our Mid-Market business, disciplined trading and acceleration of underwriting, digital, automation and data capability with a focus on delivering excellent customer and broker outcomes.

Our GCS business has grown, strengthened by the successful integration of Probitas, a top performer for growth and profitability in the Lloyd's market. This acquisition gives Aviva access to underwrite risks in the Lloyds and Aviva name, new international licenses, and the opportunity to further scale our distribution relationships.

In 2025, two new products from the Aviva suite were added to the Lloyd's syndicate platform through Probitas, bringing the total number launched to seven. These included political violence and terrorism (PVT) and accident and health (A&H).

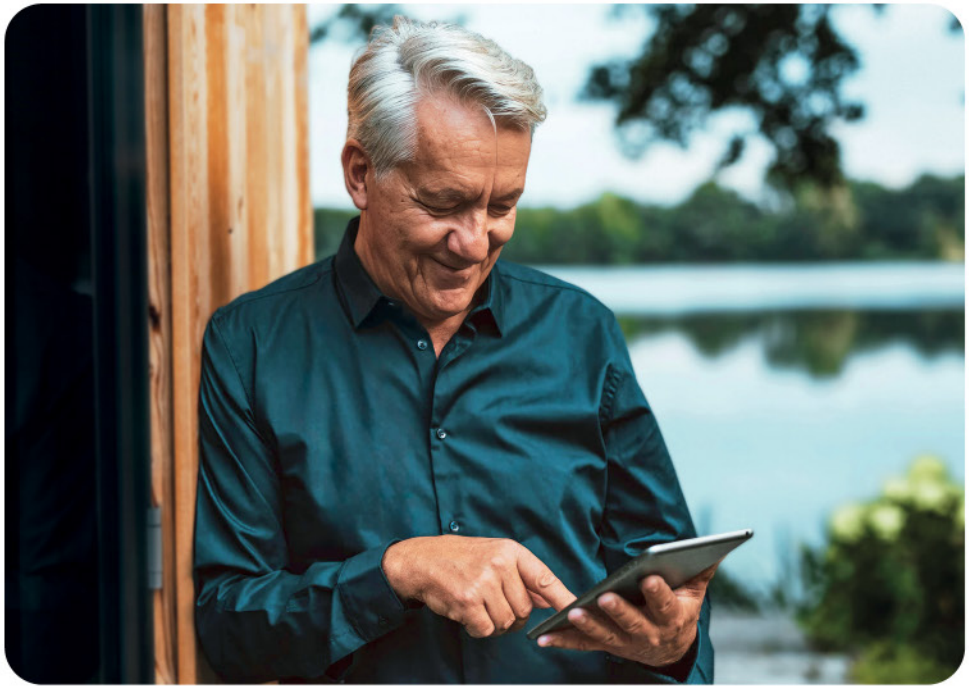
As well as increased distribution reach through Lloyd's, we have also increased our geographical reach via our Lloyd's service companies in Australia, Belgium, and Canada, as well as investing in our multinational proposition. This includes having launched a refreshed captive fronting proposition, which aligns with HM Treasury's ambition to establish a UK Captive regime in 2027. To support clients with a global risk profile, we also introduced Aviva Global Risk Management Solutions (GRMS) - a new, globally connected practice that unites our team of over 230 expert risk consultants across the UK, Ireland and Canada, working closely alongside a network of trusted international partners to provide clients with unified risk management service.

We remain committed to sustainability, launching our real estate and construction practice, which offers holistic solutions such as engineered timber in support of low carbon building materials.

Ireland commercial lines continues to broaden its product suite, introducing latent defects and improvements to surety to support construction industry vertical. Other new areas also include A&H development and the expansion of excess loss on liability.

KEY PRIORITIES FOR 2026

- Drive our UK SME and GCS ambitions through market-leading performance and exploring new and innovative distribution models
- Continue growing our personal lines business, including our new Direct Line products and accelerating performance.
- Solidify our strong broker partnerships and unlock customer value through the effective use of our brand and proposition portfolio.
- Remain focused on simplifying our business and improving customer experience by scaling the use of artificial intelligence to improve efficiency.
- Continue focus on ensuring our insurance products and services contribute to Aviva's Sustainability ambitions and the transition to a lower-carbon economy.



Canada General Insurance

Our business areas

Insurance

BUSINESS STRATEGY OVERVIEW

Canada ranks among the top ten largest insurance markets globally[1] where Aviva Canada is the second largest Property & Casualty (P&C) insurer with a c.9% market share[2].

In 2025, we continued to execute on our vision of becoming Canada's leading insurer, delivering value and strengthening our position as the preferred choice for customers, brokers, and our people. To deliver on our ambition, we are focused on the following key strategic priorities:

- Driving profitable growth through our brokers and partners with discipline and focus. In personal insurance we will continue to diversify our offerings geographically, while in commercial lines our focus is around product and proposition diversification.
- Building capabilities and modernising our technology through targeted investments that upgrade core systems, enhancing efficiency, accelerating performance, and consistently delivering superior outcomes for our customers.
- Strengthening our competitive advantage and delivering exceptional customer outcomes by owning and managing our claims supply chain through partnered and owned vendors.
- Embedding sustainability practices across our business through programmes to support our suppliers on their road to Net Zero, creating sustainability-focused products, and forging partnerships that advance climate resilience.

HIGHLIGHTS

Total GWP

£4,358m

2025	**£4,358m**
2024	£4,505m
2023	£4,248m

Undiscounted COR

95.6%

2025	**95.6%**
2024	98.5%
2023	95.3%

Operating Profit

£408m

2025	**£408m**
2024	£288m
2023	£399m

Distribution Ratio

32.4%

2025	**32.4%**
2024	31.8%
2023	31.5%

Other key financial indicators	**2025**	2024
Personal lines		
GWP	**£2,813m**	£2,788m
COR	**94.7 %**	98.6 %
Commercial lines		
GWP	**£1,545m**	£1,717m
COR	**97.2 %**	98.3 %

"Aviva Canada delivered strong results in 2025 with a combined operating ratio of 95.6%. In 2026, our focus is to uphold rigorous underwriting discipline and deliver outstanding customer outcomes through enhanced product and pricing sophistication, while continuing to advance our strategic initiatives to achieve sustainable, profitable growth."

Nav Dhillon
CEO of Canada General Insurance

1. Canadian insurance market position source: swissre.com
2. Canadian market share source: FY2024 MSA Research Results. Excludes: Lloyds, ICBC, SAF, SGI and Genworth.

Our business areas

Insurance

OPERATIONAL HIGHLIGHTS

In 2025, we continued to build operational momentum, advancing key initiatives that strengthened our capabilities, improved execution and delivered improved outcomes for our customers, brokers, and the business as a whole.

- Advanced our supply chain insourcing efforts by expanding our front-of-the-line auto body shop network and making good progress towards a fully owned model through Solus Canada. Currently, our network includes eight auto body shops with fully dedicated capacity, alongside 40+ partnered shops, together creating better customer outcomes, reducing indemnity costs, and shortening cycle times.
- Accelerated modernisation efforts with ongoing investment into our transformation journey including systems and operations, driving operational efficiency and enhancing the ease of doing business across our customer and broker network.
- Delivered profitable growth in personal lines, driven by personal auto in Ontario. Focus remains on rate adequacy and improved segmentation using industry leading analytics and pricing models.
- Achieved growth in strategic segments while strengthening profitability through targeted portfolio actions in commercial lines, with focus on margin preservation amid challenging market conditions.

Severe weather events continue to pose significant challenges for customers and the industry, with insured losses averaging $2 billion annually in recent years, four times higher than two decades ago[1]. Aviva Canada remains focused on delivering for our customers and building resilience, supported by proactive measures to minimise risk exposure.

In 2025, we expanded our partnership with Wildfire Defense Systems into Saskatchewan and Manitoba, enhancing wildfire response in these regions. Throughout the year we also empowered customers and brokers to proactively manage weather-related risks through targeted weather awareness campaigns addressing water loss prevention, wildfire, and wind and hail. Beyond immediate risk mitigation, we advanced long-term resilience by launching a climate-resilient construction initiative in Calgary, partnering with Habitat for Humanity and the Institute for Catastrophic Loss Reduction. These projects will provide critical insights on cost feasibility and help shape future building codes, training programs, and policy advocacy.

Auto theft trends have shown a significant decline compared to last year due to deliberate, large-scale coordination between multiple levels of government, industry stakeholders, and law enforcement. Building on this progress, Aviva Canada maintains momentum through robust monitoring, proactive investigations, and initiatives that safeguard our customers.

Persistent regulatory constraints in Alberta's personal auto market continue to put pressure on industry profitability. While reform is anticipated in 2027, we have taken proactive steps to reinforce margin performance through targeted underwriting and pricing actions.

With the industry increasingly focusing on ease of doing business and digital connectivity, we continue to invest in solutions that simplify interactions, strengthen broker and customer engagement, and optimise operations for a frictionless experience.

PRODUCTS AND CUSTOMERS

Personal lines

Our personal lines portfolio represents 64% of total GWP, largely driven by mass-market offerings. Our book is concentrated in the highly populated province of Ontario, with a significant proportion in personal auto insurance.

In 2025, we delivered improved performance and strengthened profitability in our personal lines business and drove profitable growth in personal auto through consistent rate and underwriting actions, prioritising our largest book in Ontario. This disciplined approach has allowed us to strengthen our position in the market while delivering enduring and quality results.

Earlier this year, we successfully launched our PC Financial partnership and have made significant progress in integrating key capabilities such as Buy Online, telematics, and online quoting functionality, which now extend to Saskatchewan, Manitoba, and British Columbia. Our investment in this framework has created a scalable partnership platform that positions us uniquely in the market.

We expect market conditions to persist, driven by ongoing profitability issues across the industry, including unfavourable claims experience in auto and heightened catastrophic events in property.

Our specialty portfolio (group, high net worth, and lifestyle) continues to be a key driver of profitable growth. We remain committed to leveraging our broad product range, deep expertise, and best-in-class claims service to strengthen our market presence.

Looking ahead, we will focus on expanding our product suite for new PC Financial customers, while building a portfolio of strategic partnerships in high net worth (HNW) and across priority provinces and property lines. We will continue to enhance our HNW offerings to broaden our reach and strengthen our market presence.

In 2025, we successfully implemented our full personal lines product suite on Earnix (an AI driven pricing, rating and decisioning platform), adding property and lifestyle products to this modernised pricing platform. The addition of property will enable more precise rate territories and enhanced catastrophe peril modelling, in addition to significant time savings for each rate change. By leveraging Earnix, we will optimise and accelerate pricing decisions, allowing for more incremental adjustments that strengthen competitiveness and profitability.

We've made significant strides in our modernisation journey to implement market-leading Guidewire Cloud suite. With PolicyCentre and BillingCentre already deployed, these achievements position us for greater efficiency, scalability, and sustained success.

13,700+

Claims repaired via our Aviva AutoCare Centres and Partnered Network

1. CatIQ insured damage estimate in 2024: www.catiq.com

Our business areas

Insurance

Commercial lines
Our commercial lines portfolio is comprised of two segments, Aviva Business Insurance (ABI) (18% of total GWP) and Global Corporate and Specialty (GCS) (18% of total GWP). Increasing price competition in commercial lines underscores the need for product diversification, advanced underwriting, and robust technical capabilities to protect margins and drive growth.

In response to evolving market conditions and strengthen profitability, we broadened our portfolio launching new offerings such as our Management Liability Suite (Financial Lines products - Directors and Officers liability insurance (D&O), Employment Practices Liability (EPL), and Fiduciary) in GCS, with expansion to ABI planned for next year. Concurrently, we are building advanced digital tools to accelerate speed-to-market and growth in small P&C, while enhancing ease of doing business with our brokers and customers.

Optiom remains key for capturing new opportunities as we broaden our product portfolio and position for future growth. In 2025, we launched two new offerings and secured a key digital partnership, with additional product launches planned for next year. These initiatives will drive meaningful growth and reinforce our competitive advantage as we expand into new segments.

We continue to make progress in optimising our operations, implementing pricing sophistication and automating tools to streamline our underwriting processes. In 2025, we introduced GenAI-powered solutions to enhance efficiency and launched a modernised pricing tool for select GCS products. Additionally, in ABI we rolled out a new business triage and intake solution, which has improved triage speed and accuracy and delivered significant resource and time savings.

Heading into 2026, we expect growth to rebound driven by continued execution of our diversification strategy with targeted expansion across key segments, and the impact of recent technology investments, improving operational agility and enabling faster market delivery.

Customers
Delivering exceptional service remains at the core of Aviva Canada's commitment to customers. With extreme weather events becoming more frequent and severe, we are focused on helping customers build resilience. Our partnership with Wildfire Defense Systems provides proactive protection for our customers' properties in in Alberta, British Columbia, Saskatchewan, and Manitoba against potential wildfire risks.

We remain committed to supporting customers in their transition to electrical vehicles by expanding charging infrastructure through our Charged for Change program. This year, we installed 39 new charging heads and held eight inauguration events across four provinces, including our first project on First Nations territory.

Claims vertical integration remains a key priority across our portfolio. We now have eight auto body shops in operation with full dedicated capacity. In 2025, we expanded our partnered network and have made significant progress in developing our fully owned supply chain via Solus Canada. Coupled with market-leading claims capability and Aviva Trial Lawyers in-house legal capabilities, with more than a 50% internalisation rate, these initiatives are driving superior customer outcomes and significant indemnity benefits.

In the home restoration space, our focus remains on creating a robust network of partnered vendors to deliver consistent quality and efficiency.

We are committed to innovating and enhancing the customer experience as their needs evolve, especially as demand for digital services and capabilities remain strong.

As customers' needs evolve and digital adoption accelerates, Aviva Canada remains focused on delivering innovative and enhanced customer experiences. This year, we expanded online quoting for Home PC Financial customers in British Columbia, Saskatchewan, and Manitoba and broadened our telematics offerings to all Quebec customers.

DISTRIBUTION CHANNELS

In Canada, we have a strong, long-standing relationship with our network of over 630 independent brokers, complemented by two strategic institutional partnerships with RBC, Canada's largest bank and most valuable brand[1] and PC Financial, the leading supermarket chain in Canada[2].

Our commercial lines business remains intermediated by our trusted broker network and Managing General Agents, whose specialised expertise allows us to create tailored products for targeted customer segments.

In 2026, we will continue to deliver on our transformation initiatives along with ongoing platform modernisation and digital innovation to accelerate speed-to-market and make doing business easier for our brokers, partners, and customers.

KEY PRIORITIES FOR 2026

- Maintain sustainable performance through pricing and underwriting excellence and diligent exposure management to ensure profitability across all lines of business.
- Enhance and expand our supply chain network to improve customer outcomes, support and broaden margin growth, and enable competitive pricing.
- Grow sustainably though our partnerships (PC Financial and RBC), capitalising on their strong Canadian brands to broaden customer reach and drive sustainable growth.
- Drive growth through product expansion and improved segmentation to mitigate softening market dynamics in commercial lines: Optiom in GCS and winning small P&C proposition in ABI.
- Advance business transformation through strategic investments in technology and build critical capabilities.
- Continued delivery on our sustainability, diversity, equity and inclusion goals to strengthen workforce resilience and readiness.

1. RBC market position based on brand rank source: Kantar
2. Top 5 Grocery Stores in Canada 2025; Grocery Trade News

Insurance, Wealth & Retirement

Our business areas

Insurance Wealth Retirement

BUSINESS STRATEGY OVERVIEW

Aviva is the largest life insurer in the UK[1], holding a 25% share[2] of the market and leading the market in Wealth and Protection. Our unique position in the market enables us to deliver on our vision to become the UK & Ireland's go-to partner for financial wellbeing by supporting over 12 million customers with products spanning Insurance, Wealth and Retirement (IWR).

Our strategy remains focused on delivering consistently strong trading performance whilst continuously evolving to address the changing needs of our customers, partners, brokers, and business clients.

We have delivered a breadth of efficiencies through our significant transformation agenda and have a clear roadmap to connect and scale our businesses to continue to help our customers protect themselves and invest in their future.

We are well capitalised and the diversified nature of the IWR business and wider Aviva Group gives us a significant advantage.

HIGHLIGHTS

Wealth net flows

£10.9bn

2025	**£10.9bn**
2024	£10.3bn
2023	£8.3bn

Operating profit

£1,078m

2025	**£1,078m**
2024	£1,071m
2023	£994m

Cost Asset Ratio

42.7 bps

2025	**42.7 bps**
2024	43.3 bps
2023	41.4 bps

TNPS

53.8

2025	**53.8**
2024	49.9
2023	45.6

New business sales[3]	**2025**	2024
Protection	**£345m**	£375m
Health	**£144m**	£138m
Retirement (Annuities and Equity Release)	**£6,560m**	£9,408m

"2025 was another strong year for the Insurance, Wealth & Retirement business. We continue to benefit from a diversified portfolio and hold leading market positions in the majority of our business lines. Our strategy is working as we make good progress in our ambition to be the UK & Ireland's go-to partner for financial wellbeing."

Doug Brown
CEO of Insurance, Wealth & Retirement

1. Aviva analysis of half year 2025 company reporting
2. Association of British Insurers (ABI) – 9 months to 30 September 2025 based on share of new business
3. Sales for Insurance (Protection and Health) refers to Annual Premium Equivalent. Sales for Retirement (Annuities and Equity Release) refers to Present Value of New Business Premiums (PVNBP)

Our business areas

Insurance Wealth Retirement

Operational highlights
Throughout 2025, we have made significant progress in the simplification of our operations whilst realising additional efficiency opportunities enabled by ongoing investment in technology.

- We launched an industry-first AI-powered medical report summarisation tool that converts GP reports into decision-ready insights. This is already improving turnaround times while maintaining strong underwriting outcomes.
- We also rolled out our AI-powered Aviva Digital Assistant, enabling faster, more effective interactions with customers while keeping the experience human-centred.
- We closed 2025 with full testing completed for our first large-scale customer migration to Diligenta scheduled for January 2026 — a key milestone on our path to exit Capita by June 2027. Benefits from consolidating our outsourced operations remain aligned with plan.

Improving operating efficiency is a core priority for IWR. Despite ongoing inflationary pressures, including higher employer national insurance contributions and the cost of implementing increasing regulatory change, we have maintained strong cost discipline.

Alongside efficiency, we delivered meaningful improvements to customer experience. Enhancements to key journeys such as health claims and pension withdrawals – built on stronger digital capabilities and greater automation – have improved response times.

Pension customers are now starting to receive funds faster, despite a 13% increase in volumes.

These investments are driving sustained gains in customer experience metrics

- Our Transactional Net Promoter Score (TNPS) reached 53.8 in 2025, up 3.9 points on 2024.
- Our Online Experience Score (OES) increased to 72.5% from 68.8% in 2024.

We remain committed to sustainability, focusing on climate and social action.

- As an asset holder, we integrate stewardship and sustainability ambitions into our investment decisions, prioritising strong outcomes for customers and shareholders while aiming to decarbonise portfolios, align them with Paris Agreement goals, and invest in social and productive assets. We are on track to deliver on our decarbonisation ambitions.
- We also aim to improve financial resilience in the UK and have supported Aviva's partnership with Citizens Advice in several ways. This includes seconding customer service colleagues into adviser roles at Citizens Advice one day per week over 12 months, which enabled them to support an additional 500 clients in 2025. Over 1,800 of our own customers have benefited from the partnership too through our dedicated referral service, collectively gaining over £2 million in additional income.
- We have also delivered 34,601 volunteering hours, exceeding our ambitions for the year.

£101.4bn
Investment in sustainable assets[1]

PRODUCTS AND CUSTOMERS

Insurance

We remain the largest combined provider of Individual and Group Protection in the UK, insuring over 9 million lives.

With the successful acquisition of AIG's UK Protection business into the broader Aviva structure, we achieved a key milestone in our integration. We delivered a smooth exit of supporting services and technologies and successfully transitioned a key strategic partner, NFUM, onto Aviva infrastructure with further integration work with other key partners planned.

We are continuing to broaden the reach of Protection products to customers across the UK. In August, we launched our partnership with Tesco to offer their shoppers and Clubcard members access to simple and affordable life cover. Through our partnership with insurance specialist CMutual we have established a unique offering to allow us to protect their 550,000 members in the Credit Union sector, some of whom are from underserved communities.

We are a key leader in the Group Protection market and continue to invest to further strengthen our position. In November we introduced Aviva Fusion, our brand-new advisor portal and online quote experience for the small-to-medium enterprise (SME) market. This has been exceptionally well received and positions us well as we look to further develop our SME offering.

Through strong client and adviser focus, we improved retention of our Large Corporate and SME schemes as we transitioned onto a single Aviva go-to market approach, helping us grow our Group Protection portfolio to £887 million.

Our focus on innovation continues to accelerate. This year, we launched a new generative AI tool that enables our underwriters to analyse and summarise GP medical reports significantly faster, whilst maintaining the highest standards of accuracy and customer care. Extensive auditing has demonstrated that the tool aligns with human decisions in 99.9% of cases. From an operational perspective it is also improving efficiency, reducing assessment times by around 50%.

In Health, we delivered another year of strong performance, achieving double digit growth in in-force premiums. Our disciplined cost management and agile pricing approach continued to underpin profitable growth, with the full year combined operating ratio (COR) remaining in the low 90s and the expense ratio in the early teens.

Working with our People colleagues across Aviva we supported the launch of a Private Medical Benefit programme for UK colleagues, helping to improve colleague wellbeing and strengthen Aviva's position as a great place to work.

Digital access and innovation remain central to our strategy. We expanded our digital service to meet increasing customer demand and increased our automation of processes, with straight-through-processing (STP) rate of customer claims decision doubling over the year.

1. Cumulative investment

Our business areas

Insurance Wealth Retirement

Wealth

We're no.1 in Wealth[1], and continued to grow strongly in 2025. We won more than 540 new corporate pension schemes in Workplace and saw continued growth in Direct Wealth. We also delivered inflows of 19% of assets under administration onto the Adviser Platform (an absolute increase of 12% year-on-year), reflecting a second consecutive year of record inflows to our Adviser Platform. In total we added over 200,000 new Workplace, Adviser Platform and Direct Platform customers during 2025.

Aviva is the market's largest bundled defined contribution Workplace provider and, in addition to our new scheme wins, we retained 99% of our total book. 2025 saw our best-ever year for new business, single premiums and regular contributions, leading to awards including 'At Retirement Solutions Provider of the Year' (Pensions Age) and 'Best Group Pensions Provider' (Corporate Adviser), among others.

In 2025, we launched 'My Future Vision', a new default option supporting our Mansion House commitment, as well as 'Guided Retirement', our 'flex first, fix later' blended retirement solution.

To meet more needs for more customers we dialled up our 'one app' strategy for Workplace members, and have begun marketing pension and retirement products to our Heritage customers, recapturing 16% of these outflows.

We also continue to support Aviva Investors, with 77% of Workplace inflows (including switches) into Aviva Investors solutions in 2025.

Our Adviser Platform attracted the Platform market's second highest net flows, driving asset growth of 20% year-on-year. We launched an Integrated Onshore Bond, which secured c.2000 applications worth more than £340 million. We continue to innovate within our proposition, delivering new adviser solutions and further sources of revenue.

In 2025, we were awarded 'Best Platform Provider' by Professional Adviser, 'Leading Platform for Model Portfolio Services' by Schroders, and we are the 'second-most recommended platform by value' by advisers (Defaqto).

Direct Wealth has continued to grow customer numbers and net flows. 2025 saw the introduction of a simplified pricing model with net interest margin, and a fully automated Save-As-You-Earn to ISA transfer service.

Over 80% of Direct Wealth net flows in 2025 went to Aviva Investors solutions, and our capabilities were recognised in the market, winning 'Best Overall Investment Provider' and 'Best Pension Platform – Large Provider' (YourMoney 2025).

Succession Wealth, our advice business, continued to drive value from the wider Aviva ecosystem, increasing the value of assets secured via referrals from Aviva customers by over 43% compared to 2024. Succession Wealth was also awarded the 'Wealth Management Firm of the Year' for the second year running in the Wealth & Asset Management Awards 2025.

Retirement

Our Retirement business consists of bulk purchase annuities (BPA), individual annuities and equity release.

The BPA business saw £4.6 billion in sales during 2025. We continue to deliver a strong internal rate of return above our low teens guidance in a competitive market. Our small scheme proposition, Aviva Clarity, has delivered an increased volume of schemes efficiently using automation, benefiting a market with higher volumes of smaller schemes.

We are the largest provider of UK individual annuities based on portfolio size. In 2025, we saw sustained customer demand for individual annuities, with our external sales up 35% year-on-year in a competitive market, and total sales at their highest levels since pensions freedoms.

We continue to focus on building our capabilities for the future (operational and pricing processes), and propositional development which saw the launch of our guaranteed fixed term income plan in Q3 2025.

Our Equity Release business has shown strong growth with lending of £348 million up 32% on 2024. We have continued to evolve our market leading proposition, launching new products including our flexible repayment product 'Lifestyle Flexible Advantage'. We also continued our awards success by winning the 'Best Equity Release Lender' and 'Best Equity Release Lender Customer Service' at the 2025 What Mortgage Awards and the 2024/25 Personal Finance Awards.

Ireland

In Ireland, we are the number four[2] provider in the life and pensions market with a 13%[3] market share. We offer a comprehensive range of products across protection, savings, pensions and annuities distributed predominantly through brokers.

Sales grew by 16%, driven primarily by strong performance in our wealth and retirement lines. Throughout the year, we continued to invest in strengthening our business by enhancing governance, building operational resilience and introducing targeted service improvements. These initiatives are helping us deliver better outcomes for customers, reflected in a TNPS of 50.0.

In October, the Aviva Irish Commercial Property Fund achieved a score of 86/100 and a four-star rating in the 2025 Global Real Estate Sustainability Benchmark (GRESB) assessment. This is the fourth consecutive year of improvement since we began reporting in 2022, demonstrating our strong commitment to sustainability. In November, Aviva won Marketing Campaign of the Year at the 2025 Irish Pensions Awards for the Pensions Coach Hub. Designed to address Ireland's pension literacy gap, the hub supports people in taking control of their retirement planning.

KEY PRIORITIES FOR 2026

We are committed to being the UK & Ireland's go-to partner for financial wellbeing. As we continue our progress towards a capital-light business through our well-balanced portfolio, our key priorities give clear direction for how we will deliver for our customers and colleagues, and are as follows:

- Build upon our presence in the Small and Medium-Sized Enterprises (SME) Group Protection market and deepen integration with our key strategic partners.
- Within Health, accelerate in Direct Consumer & Intermediated SME whilst maintaining strong position across Large Corporates.
- Remain focused on driving efficiency through scale as the business grows and leveraging opportunities presented by artificial intelligence, crystallising our vision of the 'Workforce of the future'.
- Leverage our 'One Aviva' advantage to drive growth in multi-product holdings across our customer franchise.
- Deliver solutions for our Wealth customer franchise – our seamless Wealth and Advice proposition set, continuing momentum to our 2027 performance targets.
- In Retirement we will continue to focus on long-term value creation, underpinned by pricing discipline and asset origination strength.
- Continue modernisation of our IT estate, particularly across Health and Annuities.
- Continued strong focus on risk management and resilience across our business.
- Continue to support Aviva's sustainability ambitions.

1. Aviva analysis of HY 2025 company reporting
2. Aviva calculation derived from the Milliman FY24 SFCR data
3. Source: Milliman FY24 data

Aviva Investors

Our business areas

Wealth

OUR BUSINESS

At Aviva Investors, we are experts in connecting the right investment capabilities with individual client needs. We combine the breadth of our multi-asset, private and public market capabilities to deliver for clients' evolving needs.

Today Aviva Investors manages £262 billion (2024 : £238 billion) of assets, with £221 billion (2024: £199 billion) managed on behalf of Aviva Group.

Our principles of collaboration and responsible action ensure we come together as one team, to understand clients' different aspirations and goals.

We seek to understand the complex factors influencing the long-term value of our clients' investments to ensure we position portfolios on the right side of change.

Our long track record in sustainable investing shows we are committed to doing the right thing for clients and communities alike.

OUR STRATEGY

We are committed to being the best asset manager for Aviva while also leveraging our carefully built expertise to offer market leading solutions to external clients.

The key drivers of our strategy are:

- Supporting Aviva's growth with private asset origination for BPA activity and innovative multi-asset solutions for Workplace Pensions and Wealth offerings.
- Providing investment solutions for external insurance, institutional and wealth clients.
- Delivering an exceptional client experience through strong investment returns, rigorous risk and control culture, underpinned by sustainability considerations.
- Continuously improving efficiency by enhancing the use of data and technology whilst maintaining strong cost controls. These will drive operational efficiency and better customer outcomes.

HIGHLIGHTS

External net flows

£0.9bn

2025	**£0.9bn**
2024	£0.2bn
2023	£0.7bn

Internal net flows (excluding legacy assets)

£8.2bn

2025	**£8.2bn**
2024	£5.0bn
2023	£3.6bn

Assets under Management

£262bn

2025	**£262bn**
2024	£238bn
2023	£227bn

Cumulative amount invested in UK infrastructure and real estate since 2020

£13.7bn

2025	**£13.7bn**
2024	£11.4bn
2023	£9.5bn

Other key financial indicators	**2025**	2024
Aviva Investors revenue	**£390m**	£374m
Operating profit	**£47m**	£40m
Cost income ratio	**88 %**	89 %
Cost asset ratio	**13.7 bps**	14.4 bps

"Aviva Investors delivered a strong performance in 2025, with growth in assets under management, revenue and operating profit, underpinned by our client-focused solutions and strength in core investment capabilities. I am particularly pleased with our solid investment performance which is the foundation of our future success.

We continue to progress our operational efficiency, by building a more scalable platform, positioning the business well to deliver sustainable, targeted growth."

Mark Versey
CEO of Aviva Investors

KEY OPERATIONAL HIGHLIGHTS IN 2025

Further strengthened our investment team and completed an investment process refresh across all desks focusing on portfolio construction and process consistency.

Increased access to private markets for workplace customers, with My Future Focus now surpassing £1 billion in allocations to Multi-Sector Private Debt, alongside originating £2.3 billion into UK real estate and infrastructure.

We launched My Future Vision for workplace pensions with up to a 25% private markets allocation alongside a new innovative venture capital long-term asset fund. We also launched AISS, an important new liquid-alternative strategy for use in multi-asset funds.

We continue to embed data, technology, AI and quant capability across the whole investment platform driving efficiency.

MARKET OVERVIEW

2025 was a year divided into two parts. Initial optimism was dashed by the new US administration's moves on institutions and free trade, culminating in a severe selloff in risk assets, credit, the US dollar and commodities after tariff announcements and an escalating trade war with China.

After April 9th, as tariffs were paused and dialled back, equities quickly made back gains, averting a feared recession. In the second half of the year, stability returned, with broad-based gains led by US and Emerging Market (EM) stocks, while the Bank of England and Federal Reserve rate cuts helped credit and sovereign markets.

As GDP growth has picked up, and inflation is stabilising at or a little above central bank targets, we expect most central banks to end rate cuts in 2026. 2025 saw sustained momentum in fixed income, with external flows exceeding £1.4 billion as attractive yields continued to draw investors. More defensive, lower-duration strategies, particularly Return Plus, were notably popular. Our liquidity solutions also remained in strong demand, driving nearly £2 billion of additional AUM.

£12bn

Managed for external clients in liquidity strategies

In private markets, pricing in equity asset classes stabilised. Real Estate Equity saw performance in line with historical levels, driven by strong income yields, while infrastructure saw increased investor appetite, supported by tailwinds from long term thematic trends including energy transition. Private debt markets were characterised by strong lending volumes, but with rising pressure on margins, while flows into equity solutions stabilised in 2025. Private Debt continued its strong growth trajectory, with our strategies attracting over £1bn in new external flows.

INVESTMENT PERFORMANCE

Consistent delivery of investment performance is key to meeting our clients' investment needs and remains a key priority. Our investment performance relative to benchmark in 2025 improved over the one year time horizon with 69% (2024: 53%) exceeding benchmark.

We have continued to strengthen our investment capabilities across Public and Private Markets including hiring in a new Head of UK Equities and a new Global Head of Equities, and continued investment into our technology capabilities, with development of our Strategic Asset Allocation and Fixed Income Platforms.

SUSTAINABILITY

There is no "one size fits all" approach when it comes to sustainable investing. We work in close partnership with our clients to understand their specific needs, identifying the right solutions to meet their goals.

As a result, we have a highly diversified range of sustainable capabilities, including multi-asset, private and public market funds.

DISTRIBUTION

We have strengthened our client facing teams ensuring that we put our clients at the heart of all we do with a renewed focus on further enhancing our client service.

Overall net flows turned positive in 2025 to £2.4 billion from an outflow of £2.3 billion in 2024. This was the result of growth in both external and Aviva Client channels.

External net invested inflows of £0.9 billion (2024: £0.2 billion) were net positive for the seventh straight year in a row, with strong inflows into our public market funds, and increased retention across our private market capabilities. We grew our private markets client base with growth in the number of awarded mandates and top-ups.

Aviva client net flows (excluding legacy assets) increased to £8.2 billion (2024: £5.0 billion), primarily driven by flows from Direct Line of £1.8 billion and continued strong growth in the Wealth channel in support of IWR's growth strategy in Workplace.

We are aligned by client channel to ensure a deep understanding of our clients enabling us to deliver an enhanced client experience.

Our Aviva client distribution channels mainly comprise:

- Wealth, where we develop multi-asset propositions to meet the long-term savings needs of Aviva's investment, Wealth and Retirement customers; and
- Aviva shareholder, where we develop investment solutions to support Aviva's growth ambitions, primarily in the UK annuity market.

Our external client distribution channels include:

- Institutional: large asset owners, such as pension funds, endowments, foundations and their investment consultants;
- Wealth: financial institutions (such as large private banks), independent financial advisors and wealth managers; and
- Insurance companies: where we externalise our deep expertise and heritage in servicing insurance clients.

KEY PRIORITIES FOR 2026

- Produce strong and consistent investment performance for all our clients.
- Expand and deepen our client base including partnerships
- Scale further our multi-asset proposition.
- Drive organisational effectiveness and efficiency with an agile, tech enabled operating model.
- Continue to embed a high-performance culture with an engaged workforce and diverse talent pool.

Capital management

Optimal deployment of capital is a key driver in our strategic decision making, including product mix, pricing, hedging, reinsurance, investments, transformation programmes, acquisitions and disposals. Capital and liquidity management is embedded in our businesses and supported by Group-wide policies.

CAPITAL MANAGEMENT FRAMEWORK

At the core of our Group capital management framework is financial strength and efficient deployment of capital. Key elements of our framework are as follows:

- Solvency II shareholder cover ratio working range of 160%-180%, with opportunities for the deployment of any excess capital considered as part of the framework (see below).
- Centre liquid assets of at least £1 billion.
- Solvency II debt leverage ratio below 30% (other than for temporary periods).
- To maintain our AA credit rating metrics.

The Group seeks to retain financial flexibility by maintaining strong liquidity, access to a range of capital markets and significant unutilised committed credit lines.

The Group operates within solvency and liquidity risk appetites which are reviewed annually by the Board. Our businesses are capitalised based on buffers above their regulatory minimum levels, which are specific to each entity. Subsidiary capital and liquidity risk appetites are reviewed regularly by subsidiary boards.

The Group and subsidiaries regularly stress-test their capital and liquidity positions to ensure they remain resilient to a wide range of possible risk events.

Dividend policy

Our policy is to deliver a sustainable dividend at a level that is resilient in times of stress and is covered by capital and cash generated from our businesses. We expect to grow the cash cost of the dividend by a mid-single digit percentage each year. We also expect to make regular and sustainable returns of capital which will further uplift the dividend per share above the mid-single digit cash cost growth[1].

Following the successful completion of the acquisition of Direct Line, for 2025 we declared an additional 5 percentage point uplift in the dividend per share. Therefore, combined with our existing dividend policy, a 10 percentage point uplift in our dividend per share to 39.3 pence has been declared for 2025.

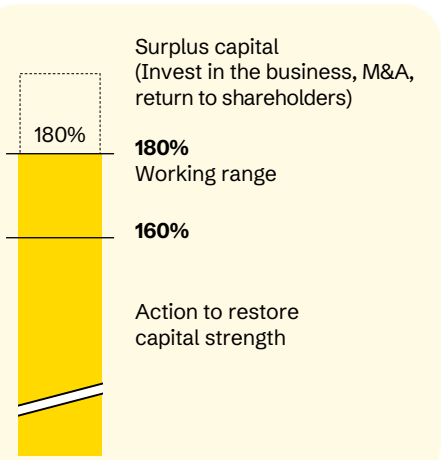
We have also announced a £350 million share buyback in 2026, an increase compared to the £300 million share buyback in 2024 mainly reflecting the higher share count post the Direct Line acquisition.

Excess capital

In addition to regular capital returns any excess capital is available for deploying in:

- Additional investment in the business to support our customer, efficiency and sustainability objectives.
- M&A where this delivers attractive risk adjusted returns and the opportunity is in line with our strategy.
- Thereafter, additional distributions to shareholders will be considered.

SOLVENCY II CAPITAL



OUR SOLVENCY II CAPITAL AND CASH MEASURES

Solvency II capital generation

- OCG measures the amount of Solvency II capital generated from operating activities. Group OCG covers the Group's dividend with excess capital available for reinvestment in the business, strategic M&A opportunities and/or additional returns to shareholders
- Operating own funds generation (OFG) and Solvency II return on equity is used by the Group to assess performance and growth

Solvency II capital generation: page 44

Balance Sheet management

- Our solvency position is key to our financial strength
- Solvency II sensitivities demonstrate our balance sheet resilience
- Solvency II debt leverage ratio is an important indicator of capital strength and financial flexibility

Balance Sheet management: page 45 to 47

Cash remittance and centre liquidity

- Business Unit Operating capital generation (OCG) provides a foundation for sustainable cash remittances to the Group
- Cash remittances from businesses create centre liquidity from which to fund distributions to shareholders, service debt or reinvest into our businesses

Cash and liquidity: page 43

1. The Board has not approved or made a decision to pay any dividend or initiate any buyback in respect of any future period

CASH AND LIQUIDITY

Cash remittances

£2,077m

Centre liquidity

£1,498m

Cash remittances

Cash remittances increased by 4% to £2,077 million (2024: £1,992 million) reflecting strong performance from our businesses.

Following the acquisition of Direct Line we have upgraded our cash remittance target to >£7 billion cumulative 2026-2028. Cumulative cash remittances since 2024 were £4.1 billion, and are comfortably on track to achieving the >£5.8 billion cumulative cash remittances three-year target (2024-26).

Additional remittances of £1.35 billion from businesses which were received specifically to fund the Direct Line acquisition have been excluded from cash remittances.

Cash remittances from business units	**2025 £m**	2024 £m
General Insurance	**812**	706
UK & Ireland General Insurance[1]	**624**	571
Canada General Insurance[1]	**188**	135
Insurance, Wealth & Retirement (IWR)[1]	**1,236**	1,272
Aviva Investors	**18**	14
International investments (India and China)	**11**	—
Cash remittances	**2,077**	1,992

1. We use a wholly-owned, UK domiciled reinsurance subsidiary for internal capital and cash management purposes. Some remittances attributable to the operating businesses arise from this internal reinsurance vehicle.

Centre liquidity

Centre liquidity comprises cash and liquid assets. Excess centre cash flow represents cash remitted by our businesses to the Group centre less central operating expenses and debt financing costs. It is an important measure of the cash that is available to pay dividends, service debt or invest into our businesses.

The table shows the movement in centre liquidity over the period. Excess centre cash inflow was £1,527 million, which after payment of ordinary dividends, preference share cancellation, net debt issuance and Direct Line acquisition, resulted in central liquidity of £1,498 million as at the end of February 2026 (January 2025: £1,695 million).

Centre liquidity	**2025[1] £m**	2024[1] £m
Cash remittances	**2,077**	1,992
External interest paid	**(299)**	(312)
Internal interest paid	**(46)**	(49)
Central spend	**(368)**	(417)
Other operating cash flows[2]	**163**	(4)
Excess centre cash inflow	**1,527**	1,210
Ordinary dividends	**(1,034)**	(921)
Share buyback	**—**	(300)
Preference share cancellation and dividend	**(663)**	—
Net inflow / outflow related to debt	**207**	(599)
Additional remittances from businesses[3]	**1,350**	—
Acquisition of Direct Line	**(1,785)**	—
Cash inflows related to Direct Line's Tier 2 notes[4]	**210**	—
Net cash outflow to acquire Direct Line	**(225)**	—
External disposal proceeds[5]	**—**	937
Other non-operating cash flows[6]	**(9)**	(522)
Movement in centre liquidity	**(197)**	(195)
Centre liquidity as at end of February 2026 and January 2025 respectively	**1,498**	1,695

1. Centre liquidity is presented as at the end of the month immediately preceding results publication. Accordingly cashflows in 2025 reflect those in the 13 month period from February to February of the subsequent year. Cashflows in 2024 reflect those in the 11 month period from March to January of the subsequent year.
2. Other operating cash flows include Group tax relief net receipts in 2025, and Group tax relief net payments in 2024
3. Additional remittances from Group companies were made in the first half as a one off to support the Direct Line acquisition
4. As a result of the Group's acquisition of Direct Line on 1 July 2025, Direct Line's 4.00% £260 million Subordinated Tier 2 Notes were acquired by the Group. This gave rise to a cash inflow of £210 million in centre liquidity.
5. External disposal proceeds in 2024 relate to total proceeds on disposal of Singapore Life Holdings Pte Ltd
6. In 2025, other non-operating cash flows includes £150 million repayment of an internal loan, capital paid to subsidiaries of £52 million offset by net £136 million receipts relating to financial investments and £55 million return of funds from a ring-fenced account for the main staff pension scheme, as the funding agreement has been fulfilled. In 2024 other non-operating cash flows includes capital paid to subsidiaries of £730 million, net of an additional remittance of £200 million from our wholly-owned UK domiciled reinsurance subsidiary.

SOLVENCY II CAPITAL GENERATION

Solvency II operating own funds generation (Solvency II OFG)

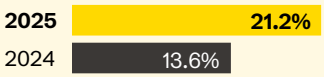
£2,317m

Solvency II operating capital generation (Solvency II OCG)

£2,452m

Solvency II return on equity

21.2%



	OFG		OCG	
	2025 £m	2024 £m	**2025 £m**	2024 £m
UK & Ireland General Insurance	**882**	572	**729**	337
Canada General Insurance	**317**	223	**347**	228
Insurance, Wealth & Retirement (IWR)	**1,243**	1,029	**1,303**	1,001
Aviva Investors	**35**	29	**60**	68
International investments (India and China)	**197**	117	**63**	(59)
Business unit Solvency II OFG/OCG	**2,674**	1,970	**2,502**	1,575
Corporate centre costs and Other	**(173)**	(136)	**134**	72
Group external debt costs	**(184)**	(179)	**(184)**	(179)
Group Solvency II OFG/OCG	**2,317**	1,655	**2,452**	1,468
of which:				
Life Management actions and Other	**562**	152	**733**	224

Solvency II Capital Generation (OCG)
Operating capital generation measures the amount of Solvency II capital the Group generates from operating activities. Capital generated enhances Solvency II surplus which can be used to support sustainable cash remittances from our businesses, which in turn supports the Group's dividend as well as funding investment to generate sustainable growth. Operating own funds generation is the own funds component of the operating capital generation.

Solvency II operating own funds generation (OFG) has increased by 40% to £2,317 million (2024: £1,655 million) and Solvency II operating capital generation (OCG) has increased by 67% to £2,452 million (2024: £1,468 million) primarily due to strong General Insurance results and higher management actions in IWR.

UK & Ireland General Insurance OFG has increased by 54% to £882 million (2024: £572 million), which includes £182 million from Direct Line, and OCG has increased by 116% to £729 million (2024: £337 million). The increase reflects strong underwriting results, with favourable prior year development and weather experience, and improved investment returns.

Canada General Insurance OFG has increased by 42% to £317 million (2024: £223 million) and OCG has increased by 52% to £347 million (2024: £228 million) primarily due to lower catastrophe losses than 2024.

IWR OFG has increased by 21% to £1,243 million (2024: £1,029 million) and IWR OCG has increased by 30% to £1,303 million (2024: £1,001 million) primarily due to higher management actions. OFG benefitted from optimisation of our equity release mortgage portfolio, BPA modelling changes to reflect that deferred scheme members have an option to convert some of their annuity benefits to cash, synergies from the Aviva Protection UK (business acquired from AIG) part VII transfer and professional indemnity insurance recoveries. Higher management actions were partially offset by lower BPA new business sales, following elevated volumes in 2024, and accelerated run-off of transitional measures on technical provisions (TMTP) following Solvency UK reforms. OCG also includes the benefit from regulatory approval of credit risk modelling changes in our SCR.

International investments OFG has increased to £197 million (2024: £117 million) and OCG has increased to £63 million (2024: £(59) million) due to business growth and a modelling refinement relating to participating business in China.

Corporate centre costs and Other OFG has decreased to £(173) million (2024: £(136) million) and OCG has increased to £134 million (2024: £72 million). OCG reflects a reduction in SCR of £307 million which includes partial Group diversification benefits from Direct Line being included in Aviva's Group SCR using the standard formula with adjustment, realising an initial c.£0.15 billion of capital synergies.

Solvency II return on equity
Solvency II return on equity has increased by 7.6pp to 21.2% (2024: 13.6%) primarily due to higher OFG. Excluding the impact of management actions and other, Solvency II return on equity has increased by 3.7pp to 16.0% (2024: 12.3%).

SOLVENCY II CAPITAL POSITION

The Group is required to measure and monitor its capital resources on a regulatory basis and to comply with capital requirements of regulators in each territory in which we operate. At a Group level, we have to comply with the Solvency II requirements regulated by the PRA. The Group Solvency II capital requirements are calculated using a Partial Internal Model (PIM) approved by the PRA.

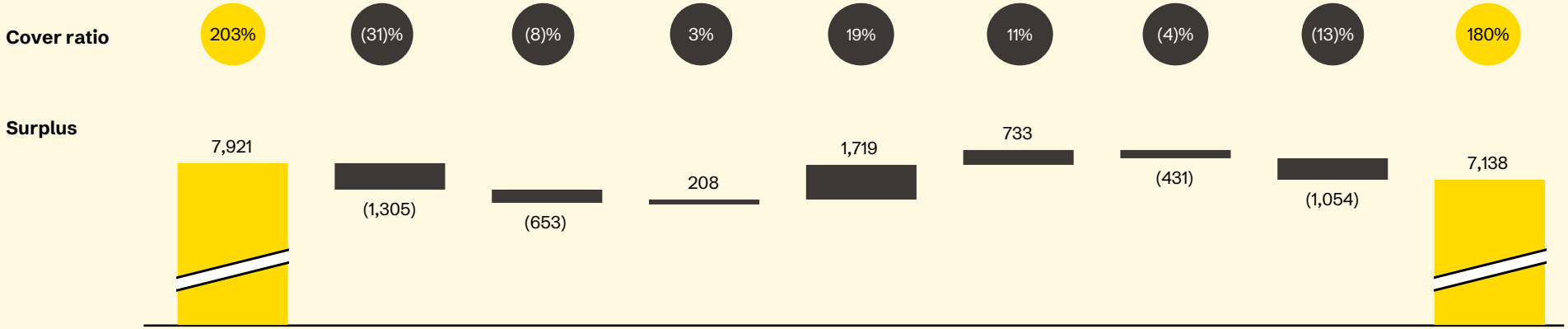
Group capital is represented by Solvency II own funds. Solvency II own funds are comprised of a combination of shareholders' funds, subordinated debt, and deferred tax assets measured on a Solvency II basis.

Solvency II surplus at the Group level represents the excess of eligible Solvency II own funds over the Group's solvency capital requirements calculated in accordance with Solvency II requirements.

The Group Solvency II position disclosed is based on a 'shareholder view'. The shareholder view is considered by management to be more representative of the shareholders' risk exposure and the Group's ability to cover the SCR with eligible own funds. It also aligns with management's approach to dynamically manage its capital position. In arriving at the shareholder position, adjustments are made to the regulatory Solvency II position, including removal of own funds and SCR in respect of with-profit funds and staff pension schemes in surplus.

Financial strength is key to the Group's strategy and the Group's estimated Solvency II shareholder cover ratio is 180% at 31 December 2025 (2024: 203%) and surplus is £7.1 billion (2024: £7.9 billion). The decrease in solvency position is primarily due to the acquisition of Direct Line, the external dividend and the net impact of debt transactions partially offset by strong operating capital generation with an elevated level of management actions as we build solvency post the Direct Line acquisition.

At 31 December 2025 the solvency position includes a 3pp benefit from realising c.£0.15 billion of capital synergies, due to the Direct Line SCR being calculated on standard formula with adjustment in the Group SCR. Although still prudent, this enables partial diversification benefits between Direct Line and Aviva to be recognised. Consistent with previous guidance we expect the remaining capital synergies of >£0.35 billion (>£0.5 billion in total) which would improve the current solvency cover ratio position by >7pp upon regulatory approval, expected around the end of 2026.



£m	31 December 2024	Acquisitions and disposals[1]	Preference share cancellation[2]	Net debt issuance	Underlying capital generation	Management actions	Non-operating capital generation	Dividends[3]	31 December 2025
Own Funds	15,639	64	(653)	208	1,755	562	(500)	(1,054)	16,021
SCR	(7,718)	(1,369)	—	—	(36)	171	69	—	(8,883)
Surplus	7,921	(1,305)	(653)	208	1,719	733	(431)	(1,054)	7,138

1. £1,369 million reflects the SCR recognised on acquisition of Direct Line and consists of £1,328 million for U K Insurance Limited (UKI) and Churchill Insurance Company Limited (CIC) insurance entities calculated on the Direct Line internal model and £41 million for acquired Direct Line non-insurance entities. At 31 December 2025 the UKI and CIC SCR modelled on the Standard Formula is £1,445 million. This Standard Formula treatment allows Aviva to recognise group diversification benefits of around £250 million at 31 December 2025. We are on track to move Direct Line's business onto Aviva's internal model by around the end of 2026, subject to PRA approval, in order to realise further capital synergies.
2. Preference share cancellation includes £450 million preference shares redemption, £94 million special dividends paid on cancellation of Aviva plc preference shares and £109 million special dividends paid on cancellation of GA plc preference shares
3. Dividends includes £9 million (2024: £17 million) of Aviva plc preference dividends and £12 million (2024: £21 million) of General Accident plc preference dividends

SENSITIVITY ANALYSIS

As part of the Group's internal capital management process, we regularly monitor the Group's sensitivity to economic and non-economic scenarios.

The table shows the absolute change in Solvency II shareholder surplus and cover ratio under each sensitivity, e.g. a 2pp positive impact would result in the Solvency II shareholder cover ratio increasing from 180% to 182%.

LIMITATIONS OF SENSITIVITY ANALYSIS

The table demonstrates the effect of an instantaneous change in a key assumption while other assumptions remain unchanged. In reality, changes may occur over a period of time and there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear, and larger or smaller impacts should not be interpolated or extrapolated from these results.

The sensitivity analysis does not take into consideration that the Group's assets and liabilities are actively managed. Additionally, the Solvency II position of the Group may vary at the time that any actual market movement occurs. For example, the Group's financial risk management strategy aims to manage the exposure to market fluctuations.

As investment markets move past various trigger levels, management actions could include selling investments, changing investment portfolio allocations and taking other protective action.

Other limitations in the above sensitivity analysis include the use of hypothetical market movements to demonstrate potential risks that only represent the Group's view of possible near-term market changes that cannot be predicted with any certainty and the assumption that all parameters move in an identical fashion.

Specific examples:

- The sensitivity analysis assumes a parallel shift in interest rates at all terms. These results should not be used to calculate the impact of non-parallel yield movements.
- The sensitivity analysis assumes equivalent assumption changes across all markets i.e. UK and non-UK yield curves move by the same amounts, equity markets across the world rise or fall identically.

Additionally, the movements observed by assets held by Aviva will not be identical to market indices so caution is required when applying the sensitivities to observed index movements.

STRESS AND SCENARIO TESTING

In addition to our sensitivity analysis, stress and scenario testing (including reverse stress testing) is used to test the resilience of business plans and to inform decision-making.

The results of this testing demonstrates that through the use of key management actions (e.g. expense and volume management, hedging, de-risking and debt raising) the Group can maintain sufficient liquidity and surplus of Solvency II own funds over SCR to withstand a variety of severe scenarios and stresses.

Sensitivities 31 December 2025	**Impact on surplus**	**Impact on shareholder cover ratio**
Group Solvency II position	**7.1 bn**	**180 %**
	£bn	**pp**
Changes in economic assumptions		
50 bps increase in interest rate	**0.1**	**3 pp**
50 bps decrease in interest rate	**(0.2)**	**(4)pp**
100 bps increase in interest rate	**0.2**	**7 pp**
100 bps decrease in interest rate	**(0.3)**	**(8)pp**
50 bps increase in corporate bond spread[1]	**(0.1)**	**0 pp**
50 bps decrease in corporate bond spread[1]	**0.1**	**0 pp**
100 bps increase in corporate bond spread[1]	**(0.1)**	**0 pp**
Credit downgrade on annuity portfolio[2]	**(0.3)**	**(4)pp**
10% increase in market value of equity	**0.1**	**0 pp**
10% decrease in market value of equity	**(0.1)**	**0 pp**
25% increase in market value of equity	**0.2**	**0 pp**
25% decrease in market value of equity	**(0.3)**	**(1)pp**
20% increase in value of commercial property[3]	**0.2**	**3 pp**
20% decrease in value of commercial property[3]	**(0.4)**	**(5)pp**
20% increase in value of residential property[3]	**0.2**	**3 pp**
20% decrease in value of residential property[3]	**(0.3)**	**(4)pp**
Changes in non-economic assumptions		
10% increase in maintenance and investment expenses	**(0.6)**	**(7)pp**
10% increase in lapse rates	**(0.2)**	**(3)pp**
2% increase in mortality/morbidity rates – life assurance	**(0.1)**	**(1)pp**
2% decrease in mortality rates – annuity business	**(0.2)**	**(2)pp**
5% increase in gross loss ratios	**(0.4)**	**(5)pp**

1. The corporate bond spread sensitivity is applied such that even though movements vary by rating and duration consistent with the approach in the solvency capital requirement, the weighted average spread movement equals the headline sensitivity. Fundamental spreads remain unchanged.
2. An immediate full letter downgrade (e.g. from AAA to AA, from AA to A) on 20% of the annuity portfolio credit assets, excluding commercial and lifetime mortgages, which are included in property sensitivities
3. In the annuity portfolio, any matching adjustment applied is assumed to be unchanged under a commercial property or residential property sensitivity

Diversified Solvency Capital Requirement (SCR) analysis
The SCR has increased by £1.2 billion to £8.9 billion since 31 December 2024 primarily due to the Direct line acquisition.

The Group diversification between businesses is the SCR diversification arising from the sum of the SCR for each market being higher than the SCR at Group and arises primarily because of the composite nature of our business.

The benefit from Group diversification is £2.7 billion at 31 December 2025 (2024: £2.5 billion) the increase is primarily due to recognising partial Group diversification benefits with Direct Line business.

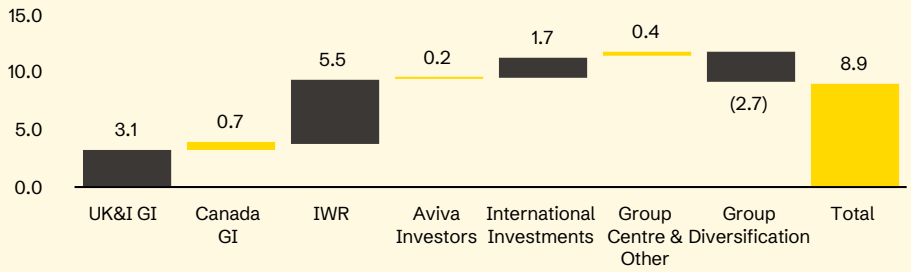
Capital required is closely linked to the Group's risk exposures. Analysis of the SCR by risk type is a key measure used in managing risk exposures. The split of SCR by risks is summarised in the chart below.

Solvency II regulatory own funds by Tier and Solvency II debt leverage ratio
One of the objectives of capital management is to maintain an efficient capital structure using a combination of equity shareholders' funds, subordinated debt and borrowings, in a manner consistent with our risk profile and the regulatory and market requirements of our business.

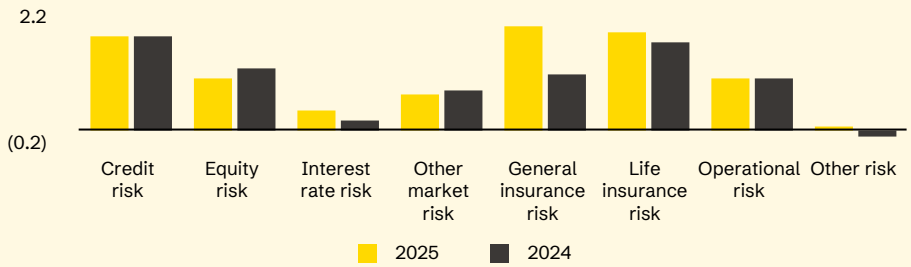
Solvency II debt leverage ratio is 30.1% (2024: 28.9%). The increase reflects the £260 million of tier 2 subordinated debt and £350 million restricted tier 1 debt acquired as part of the Direct Line acquisition as well as the £500 million restricted tier 1 issuance in March which more than offset the cancellation of preference shares, net redemption of €300 million subordinated tier 2 debt over the period and higher regulatory own funds.

The table provides a summary of the Group's regulatory Solvency II own funds by Tier and Solvency II debt leverage ratio.

SCR by Business (£bn)



SCR by Risk (£bn)



Regulatory view	2025 £m	% of own funds 2025	2024 £m	% of own funds 2024
Solvency II regulatory debt[1]	**4,805**		4,697	
Senior notes	**404**		383	
Tier 1 notes in subsidiaries[2]	**343**		—	
Commercial paper	**52**		50	
Total debt	**5,604**		5,130	
Unrestricted Tier 1	**12,887**	**72%**	12,492	72%
Restricted Tier 1	**992**	**6%**	946	5%
Tier 2	**3,813**	**21%**	3,751	22%
Tier 3[3]	**103**	**1%**	134	1%
Total regulatory own funds	**17,795**		17,323	
Solvency II debt leverage ratio[4]	**30.1%**		28.9%	

1. Solvency II regulatory debt consists of Restricted Tier 1 and Tier 2 regulatory own funds
2. Tier 1 notes in subsidiaries refers to £350 million of 4.75% fixed rate perpetual Restricted Tier 1 contingent convertible notes (the RT1 notes) which were issued by Direct Line on 7 December 2017
3. Tier 3 regulatory own funds at 31 December 2025 consist of £103 million net deferred tax assets (2024: £134 million). There is no subordinated debt included in Tier 3 regulatory own funds (2024: £nil).
4. Solvency II debt leverage is calculated as the total debt as a proportion of total regulatory own funds plus commercial paper and senior notes

Our stakeholders

The Board recognises the diversity of interests between stakeholder groups. This section provides insights into how the Board engages with Aviva's key stakeholders and the outcomes of that engagement.

Engaging with our stakeholders is essential to support the Board in delivering Aviva's strategy and long-term sustainable success. Meaningful engagement builds an understanding of what matters most to our stakeholders and allows the Board to assess the potential impact of its key decisions.

Reports submitted by the Executive Directors to the Board at each scheduled meeting include details of material engagements undertaken by themselves, senior management, and other Board members. Regular agenda items are tabled to ensure the Board receives relevant updates on our key stakeholders. Opportunities for Board members to engage directly with stakeholders are scheduled throughout the year, such as at the Board's regular office visits, townhalls, the Annual General Meeting and meetings with regulators, and stakeholder considerations were incorporated into the Board's long-term strategic direction discussions.

The Board regularly reviews its engagement activities and mechanisms to ensure they remain appropriate and effective. Details of how we monitored and engaged with our key stakeholders during 2025, and key metrics demonstrating the effectiveness of that engagement, can be found on the following pages.

Our Section 172(1) statement sets out our approach on how our Directors have performed their statutory duty.

Examples of key decisions made by our Board during the year, including how stakeholder views were factored into the Board's decision making and the outcomes of the key decisions on our stakeholders, are set out in the Key Board decisions section following the Section 172(1) statement.

- **Our section 172 (1) statement:** page 52
- **Our key decisions and how they impact our stakeholders:** page 53

Our people

Aviva is its people. Our people are fundamental to Aviva's success. They bring our purpose to life through their expertise, commitment, and care for customers. By investing in skills and development, fostering a high-performance culture where colleagues feel valued, we empower colleagues to innovate, adapt, and deliver for our customers.

Their engagement and advocacy strengthen our reputation, drive sustainable growth, and ensure that we meet the needs of customers, communities, and shareholders.

How we have engaged

- The Board visited offices including London, Bristol, and Sheffield, reinforcing connections with our people.
- The Board held a Townhall meeting at our Sheffield and Bristol offices, engaging with a diverse range of colleagues on what matters most to them, to help ensure that this is considered when discussing our strategic priorities.
- The Evolution Council is a forum for our people to give direct feedback on the matters impacting them, and to give their reflections on significant events at Aviva. The Chair of the Board is the chair of the Council, and he provides an update to the Board on the proceedings of each Council meeting. Several Non-Executive Directors and members of the Group Executive Committee (ExCo), including the Group CEO and Group CFO, attended during the year and discussed their career journeys. We do our best for the Council's membership to reflect everyone at Aviva. In August, two new members were welcomed from the Direct Line Team.
- Our employee-shareholders had the opportunity to submit questions at our Annual General Meeting in Bristol and at the General Meeting regarding Aviva's Preference Share Capital.
- The Executive Directors hosted interactive sessions with colleagues throughout the year to give updates on our financial performance and strategic priorities, and answer colleagues' questions.
- Our Executive Directors and Chair engaged with representatives of the Aviva community at the Values in Action award ceremony.
- The Audit Committee reviewed reports on our whistleblowing service (Speak Up), and the Board is updated regularly by the Whistleblowing Champion.
- The Nomination and Governance Committee reviewed succession planning and the talent pipeline to help ensure we attract and retain the best leaders.
- The CEO's Report, submitted to the Board at each scheduled Board meeting, includes a dedicated people update.
- The Board monitored culture and engagement through reviewing the outcome of the Voice of Aviva survey and the culture diagnostic, and reviewed Aviva's approach to smart working.
- The Group CEO and ExCo hosted our 'Leaders Powering One Aviva' event, bringing together top senior leaders from across the organisation.

92% xDL

Of our people recommend Aviva as a great place to work

Read more about the initiatives and activities that have impacted our people during the year, and the Board's monitoring of culture, in the following sections:

- **Key Board decisions:** page 53
- **Our People and Culture:** page 54
- **Our approach to governance:** page 89

Our customers

Our customers are at the heart of everything we do and understanding what is important to them is key to our long-term success. Serving over 25.2 million people, Aviva helps our customers navigate life's most important moments – from protecting their homes and health to planning for retirement.

Delivering on our promise to customers is how we fulfil our purpose. By listening to their needs, improving customer experience, and providing fair value, we build trust and long-term relationships. Their feedback shapes our products, digital innovation, and service standards, ensuring we remain relevant and resilient in an evolving market.

How we have engaged

- Through the Customer and Sustainability Committee, the Board received regular reporting on our customers and key customer metrics. This included customer experience key performance indicators, and strategic updates on digital, data and marketing initiatives focused on improving customer outcomes in their interactions with Aviva. Following acquisition, Direct Line was integrated into these reports. Through its oversight of conduct risk, the Risk Committee receives reports on customer outcomes from each business unit. These updates help the Board in its oversight of Aviva's ongoing compliance with the Financial Conduct Authority's (FCA) Consumer Duty and incorporate customer-related considerations into its decision making.
- The Board supported the delivery of our customer strategy and reviewed its progress as part of our Board strategy offsite in June, and our Board strategy session in November.
- The Board engaged with customer-shareholders and answered questions at our Annual General Meeting.
- On their Sheffield office visit, the Board attended showcases from our Wealth and Health businesses focussing on efforts to improve customers' experiences through technological innovation, process simplification and enhancements to the customer's digital journey.
- The Board participated in a 'Customer Closeness' event with members of senior management, engaging directly with IWR and GI customers. Customers were invited to share their stories, detailing their real-life experiences with Aviva, providing our Directors with an understanding of what mattered most to them.
- The Board reviewed reputation updates with a focus on measuring Aviva's reputation with stakeholders, including our customers.

53.9 xDL

Transactional Net Promoter Score

7.2 million

Multiple Product Holders (UK only)

Read more about how the Board's strategy is impacting our customers, including how Direct Line customers are being welcomed, in the following section:

- **Our business model:** page 19
- **Our strategy:** page 23
- **Key Board decisions:** page 53

Our shareholders

Our retail and institutional shareholders are the owners of Aviva. The Board is responsible for promoting the success of the Company for the benefit of our shareholders through setting the strategic direction, overseeing risk and ensuring our purpose, culture and values guide decisions across the Group. Our shareholders' confidence supports our ability to invest for growth, innovate, and deliver for our customers.

How we have engaged

- The 2025 Annual General Meeting took place in Bristol, which gave the Board an opportunity to meet shareholders. The General Meeting held in April regarding Aviva's Preference Share Capital provided an opportunity for shareholders to ask the Board related questions. For both meetings, shareholders were provided with a dedicated email address to submit questions for the Board that were either answered at the respective meeting or via email after the meeting.
- Members of the Board met with institutional shareholders as part of results roadshows and routine engagement, and the Board received regular updates on these interactions at scheduled Board meetings.
- A shareholder newsletter from the Chair was published on aviva.com every quarter which provided information on recent Board developments, financial or strategic updates, and information about our Aviva Foundation projects.
- The Board have continued to focus on meeting our customers' Insurance, Wealth, and Retirement needs, to support long-term delivery of future shareholder returns through value appreciation and dividends.
- Major shareholders and proxy voting agencies were consulted on the proposed changes to the Directors Remuneration Policy.

97.87%

Average % votes in favour at 2025 AGM for all resolutions

Read more about how the Board's strategy is delivering for our shareholders, and the impact of the shareholder consultation on the Directors Remuneration Policy, in the following sections:

- **Group CEO's Report:** page 12
- **Group CFO's Report:** page 16
- **Our strategy:** page 23
- **Our KPIs:** page 28
- **Key Board decisions:** page 53
- **Remuneration Committee report:** page 111

Our communities

Our communities are vital to Aviva's long-term success. Through volunteering, community investment, and long-term partnerships, we aim to make a positive impact beyond our core products and services. Supporting communities strengthens trust in Aviva, enhances our reputation, and aligns with our purpose.

How we have engaged

- The Board received updates on the Aviva Foundation (which, from April, included both the Aviva Foundation and Aviva Community Fund, Aviva's charitable propositions) and Aviva partnerships with third sector organisations including Citizens Advice, the Money Advice Trust, and our place-based community programmes where we support community investment projects aligned to our values.
- The Board reviewed and approved the Transition Plan, Climate-related Financial Disclosures and Sustainability reporting.
- The Customer and Sustainability Committee received regular updates on the progress of Aviva's Sustainability Ambition throughout 2025, and reviewed management's approach to incorporating Direct Line data into Aviva's external Sustainability reporting suite. The Committee Chair provided updates on matters discussed by the Committee at each scheduled Board meeting.
- The Board undertook sustainability-related training, focusing on links between climate and nature and their relevance to Aviva's business.
- During the Board's office visit to Sheffield, the Board met with Community Champions that deliver upon Aviva's place-based strategy, and attended a community impact showcase demonstrating the social initiatives undertaken by local colleagues.

Over £3 million

Funds granted by the Aviva Foundation in 2025

124,991

Number of employee hours spent volunteering

Read more about the impact of the Aviva Foundation and the Transition Plan on our communities, and the Board's oversight of matters related to our communities, in the following sections:

- **Our strategy:** page 23
- **Our KPIs:** page 28
- **Key Board decisions:** page 53
- **Customer and Sustainability Committee report:** page 109

Our suppliers

Our suppliers play a critical role in enabling Aviva to deliver high-quality services to customers. Transparent, strong relationships with suppliers that share our values, help us meet regulatory obligations, maintain high service standards, and achieve our environmental and social commitments.

How we have engaged

- The Board delegates engagement and day-to-day oversight of suppliers to senior management.
- The Board reviewed risks and risk management associated with third-party suppliers, including cyber security standards expected from our suppliers, as part of its review of Aviva's operational resilience arrangements. Regular updates on third-party risk were reported to the Board via the Group Chief Risk Officer Report and updates from the Risk Committee Chair.
- The Board reviewed Aviva's engagement with its broader supply chain as part of its annual approval of the Modern Slavery Statement.
- The Customer and Sustainability Committee reviewed the Business Ethics Code, which applies to all trading entities, and monitors compliance with that Code.
- All supplier-related activity is managed in line with the Procurement and Outsourcing (P&O) Group business standard, helping to ensure suppliers align to relevant regulations and Aviva's principles. Oversight of supplier adherence to the P&O Group business standard is performed by assigned supplier owners, and the performance of our top material suppliers was reviewed by the Board.
- Senior management attended our fourth annual UK supplier summit, which brought together 100 of our suppliers and provided a platform for education and collaboration. These engagements have supported us in achieving our interim supply chain ambition, a key ambition from our Transition Plan which was approved by the Board.
- Our annual Club 110 Broker Conference and our Strategic Partner Conference were attended by senior management.

73%

Of suppliers by spend setting validated science-based targets, achieving our medium-term ambition of 70% by year-end 2025

Read more about how the ambitions and standards approved and monitored by the Board are impacting our suppliers in the following sections:

- **Our strategy:** page 23
- **Key Board decisions:** page 53
- **Our sustainability ambition:** page 57

Regulators

As an insurance company, we are subject to financial services regulation and approvals in all the markets we operate in, and we work closely with regulatory bodies across all our markets. Strong relationships with regulators reinforce confidence among our other key stakeholder groups.

How we have engaged

- We have maintained a constructive and open relationship with our regulators and the Board has regular meetings with our UK regulators.
- Executive Directors actively engaged with our UK regulators on the acquisition of Direct Line, including as part of the approval process for the change in control.
- Aviva and Direct Line are now supervised under the same teams at each of the respective UK regulators, aiding aligned expectations and outcomes across the Aviva Group.
- Regulators engaged with us to discuss their objectives, priorities, and concerns, and how they affect our business.
- The Prudential Regulation Authority (PRA) attended a Board meeting during the year and both the PRA and FCA discussed regulatory issues with board members.
- The Board and Risk Committee received updates on regulatory matters at each scheduled Board and Risk Committee meeting via the Group Chief Risk Officer Report.

Read more about the Board's key decisions, and how these involve the consideration of Aviva's regulators, in the following section:

- **Key Board decisions:** page 53

Our Section 172(1) statement

We report here on how our directors have performed their duty under Section 172(1) of the Companies Act 2006 (s.172).

S.172 sets out a series of matters which the directors consider when performing their duty to promote the success of the Company for the benefit of its shareholders, including having regard to other stakeholders.

Our Board considers it crucial that the Company maintains a reputation for high standards of business conduct. The Board is responsible for establishing, monitoring, and upholding the culture, values, standards, ethics, and reputation of the Company to ensure that our obligations to our stakeholders are met. The Board and its committees monitor adherence to our policies across the Group and compliance with UK corporate governance requirements and is committed to acting where our businesses fall short of the standards we expect.

The Board requires stakeholder implications to be considered within proposals submitted to it from across the organisation. Stakeholder interests are identified in proposals, both within papers to the Board and as part of accompanying presentations and discussions.

Our Board is also focused on the wider social context in which our businesses operate. Examples of how stakeholders and s.172 matters were considered in Board decision making during the year can be found in Key Board decisions.

This section sets out where key disclosures in respect of each of the s.172 matters can be found.

A
THE LIKELY CONSEQUENCES OF ANY DECISION IN THE LONG TERM

- **Consistent customer-centric strategy:** page 8
- **Our strategy:** page 23
- **Our sustainability ambition:** page 57
- **Our Board's activities:** page 98

B
THE INTEREST OF THE COMPANY'S EMPLOYEES

- **Our people and culture:** page 54
- **Our sustainability ambition:** page 57
- **Our stakeholders:** page 48
- **Our Board's activities:** page 98
- **Governance report:** page 87
- **Remuneration Committee report:** page 111
- **Non-financial and sustainability information statement:** page 70

C
THE NEED TO FOSTER THE COMPANY'S BUSINESS RELATIONSHIPS WITH SUPPLIERS, CUSTOMERS AND OTHERS

- **Our strategy:** page 23
- **Our stakeholders:** page 48
- **Our sustainability ambition:** page 57
- **Non-financial and sustainability information statement:** page 70
- **Customer and Sustainability Committee report:** page 109

D
THE IMPACT OF OUR OPERATIONS ON COMMUNITIES AND THE ENVIRONMENT

- **Our strategy:** page 23
- **Our stakeholders:** page 48
- **Our sustainability ambition:** page 57
- **Customer and Sustainability Committee report:** page 109
- **Non-financial and sustainability information statement:** page 70

E
THE DESIRABILITY IN MAINTAINING A REPUTATION FOR HIGH STANDARDS OF BUSINESS CONDUCT

- **Non-financial and sustainability information statement:** page 70
- **Our risks and risk management:** page 75

F
THE NEED TO ACT FAIRLY AS BETWEEN MEMBERS OF THE COMPANY

- **Our stakeholders:** page 48
- **Directors' report:** page 148
- **Governance Report:** page 87

Key Board decisions in 2025/26

This section details examples of key Board decisions, the relevant stakeholders to each decision, and the outcomes of the decisions for those stakeholders.

s.172(1) decision criteria

A The likely consequences of any decision in the long term

B The interest of the Company's employees

C The need to foster the Company's business relationships with suppliers, customers and others

D The impact of our operations on communities and the environment

E The desirability of the Company to maintain a reputation for high standards of business conduct

F The need to act fairly as between members of the Company

Strategic pillars

Growth · Customer · Efficiency · Sustainability

ACQUISITION OF DIRECT LINE

Decision

In November 2024, the Board and the Board of Direct Line reached an agreement on the terms of a recommended cash and share offer for Aviva's acquisition of Direct Line (the Acquisition). The Board monitored progress of the Acquisition, considering the impact on our stakeholders and, in June 2025, a Committee of the Board approved documents to put into effect the completion of the Acquisition.

Relevant s.172(1) decision criteria

A B C D E F

Relevant Stakeholders

Our people
Our customers
Our shareholders
Regulators

Outcomes

The Acquisition is expected to bring run-rate cost synergies of £225 million, with £50 million already delivered, and capital synergies of at least £0.5 billion, with £0.15 billion already realised, enhancing value for our shareholders. We are meeting more customers' needs through enhancing choice with a broader product range.
The changes made to the Direct Line Board post-Acquisition brought stability for our people. The Board continues to monitor the integration of Direct Line at each scheduled Board meeting to support a smooth integration for our stakeholders.

Link to our strategic pillars

Direct Line integration: page 14

PREFERENCE SHARE CAPITAL TENDER OFFER/CANCELLATION

Decision

Following receipt of a non-objection decision by the PRA in February, the Board approved (pending shareholder approval) the concurrent tender offer/cancellation of Aviva's preference share capital.
The Board further approved the calling of an advisory vote meeting for preference shareholders to vote on the proposal, followed by a General Meeting for ordinary shareholders to vote.

Relevant s.172(1) decision criteria

A C D F

Relevant Stakeholders

Our customers
Our shareholders
Regulators

Outcomes

Aviva's preference share capital was cancelled following court approval in May. These legacy instruments would have ceased to be counted as Tier 1 capital from 1 January 2026, becoming expensive and inefficient forms of capital. The cancellation simplified Aviva's capital structure and improved balance sheet efficiency, enhancing value for our shareholders.

Link to our strategic pillars

Preference share capital: page 226

Our people and culture

Aviva is its people. With them we have created a high-performance culture where colleagues feel valued, and are supported to deliver for our customers.

BRILLIANT LEADERS, LEARNING AND CAREERS

Building the workforce and skills we need for today and tomorrow is critical. We're investing in retaining, re-training, and re-deploying our people - especially in key areas. We have re-skilled c250+ colleagues with over 100 moving to new roles so far.

We launched new Aviva University Academies aligned to our strategic priorities including Project Management & Change, Pricing & Underwriting, and Customer Service. We're also focussed on the impact of Gen AI, launching a Gen AI apprenticeship in partnership with Decoded.

87%
Say they have opportunities to learn new skills

630
Colleagues studying for apprenticeships across Aviva

Learning continues to thrive. Colleagues completed an average of three days of learning, and 87% say they have opportunities to learn new skills.

In Early Careers we had an increase of 86% in applications for graduate roles with over 200 graduates and apprentices joining in September. Our apprenticeship levy commitment has continued to increase, and we now have 630 colleagues studying for apprenticeships across Aviva. We continue to gift some of our unspent apprenticeship levy to support local businesses.

> "Our 36,000 people are at the heart of what makes Aviva a great place to work. We continue to invest in their growth –equipping them to deliver for our customers today and in the future."

Danny Harmer
Chief People Officer

xDL **All metrics in our people and culture exclude Direct Line, unless otherwise stated[1].**

1. Our people includes our Direct Line colleagues

LEAD THE WAY - LEADERSHIP DEVELOPMENT

In 2025, we launched Lead the Way, a flagship leadership development programme designed for all six thousand Aviva leaders including Direct Line — from first-time managers to senior executives. This reflects our ambition to be the go-to employer for developing brilliant leaders across our industry.

The programme offers four pathways aimed at different levels of leadership experience. While each pathway is unique, they are all aligned to our Values in Action, and share core development themes tailored to enable the continued success of Aviva.

Training combines in-person delivery at our new dedicated leadership centres in Perth and Toronto, with digital learning resources.

So far, more than 1000 leaders have completed in-person sessions. Each programme is aimed at equipping our leaders to inspire their teams and to help them deliver for customers in a rapidly changing world.

By investing in leadership at every level, we're shaping a culture where great leaders thrive and are able to set the future direction of Aviva.

LISTENING TO OUR PEOPLE

Our people are the engine of Aviva's success. In 2025, our Voice of Aviva survey again showed exceptional engagement, with 92% of colleagues recommending Aviva as a great place to work. Leadership effectiveness and customer focus remain strong, with 96% of colleagues understanding how their work impacts customer outcomes.

We use these insights, and our annual Culture Diagnostic, to track progress across six dimensions — from innovation and accountability to values-led decision making. This year, we saw further improvements, particularly in agility and inclusivity.

We also use Lifecycle surveys to capture feedback during key moments such as onboarding, promotion, parental leave, and career transitions. These insights have driven tangible improvements, including our New Starter Hub, enhanced leader guidance for onboarding, and better support for colleagues taking parental leave.

We have three priorities: maintain high levels of inclusion and belonging, strengthen adaptability, and develop our leaders.

Supporting our Direct Line colleagues to feel they belong at Aviva and to be proud to work for us is key to our combined continued success. We focused on quickly making Direct Line colleagues feel part of Aviva from day one — through regular leadership communications, site visits and live streams. Direct Line colleagues are already participating in Aviva-wide activities and forums. People are already connecting and collaborating - building relationships and aligning ways of working - across the teams and brands. We have plans in place to further support this during 2026 as Direct Line colleagues move to formally become Aviva employees.

Our culture: page 92

92%

Colleagues recommending Aviva as a great place to work

WE ARE A GREAT PLACE TO WORK

In 2025, we were again accredited as a Great Place to Work™ in the UK, Ireland and Canada. This accreditation recognises the very best employers and supports our ambition to attract and retain the best talent as an employer of choice.

In Great Place to Work we ranked 3rd in UK, 3rd in Canada, 4th in Ireland and 1st in Poland.

Certified in four countries

Great Place To Work. Certified OCT 2025-OCT 2026 UK

Great Place To Work. Certified OCT 2025-OCT 2026 IRELAND

Great Place To Work. Certified OCT 2025-OCT 2026 CANADA

Great Place To Work. Certified OCT 2025-OCT 2026 POLAND

Great Place To Work. Certified OCT 2025-OCT 2026 LUX

REWARD AND RECOGNITION

We celebrated the successful acquisition of Direct Line by awarding £500 of free shares to every colleague in the combined Aviva Group — enabling everyone to share in our future success from day one. The Free Share award, previously granted to colleagues in 2022, vested in May.

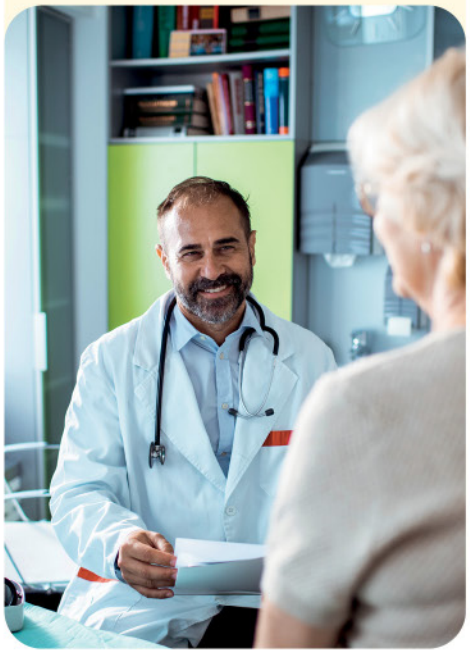
Importantly, every colleague has the opportunity to participate in our global share schemes, creating a sense of ownership across the organisation.

PRIVATE MEDICAL BENEFIT

In June 2025, Aviva introduced Private Medical Benefit for all 20,000 UK-based colleagues — a significant enhancement to our colleague offering and benefits and a clear signal of our commitment to wellbeing.

Aviva's Health business designed a new product for this purpose, aimed at supporting large, diverse employee populations — creating a scalable solution that strengthens both our internal offering to colleagues and our market proposition for clients.

By investing in health and wellbeing at this scale, we've continued to reinforce our position as an employer of choice.



AVIVA IS FOR EVERYONE

We remain committed to being an employer that champions inclusion. Our ambition is clear: everyone at Aviva should feel they belong, as we know this is a driver of engagement, and our workforce should reflect the customers and communities we serve.

Our Diversity, Equity and Inclusion metrics continue to improve, with female senior leadership now at 41.5% and senior leader ethnicity representation at 14.0% including Direct Line. These results are supported by our six thriving colleague-led Communities. Each community is sponsored by Executive Committee members, ensuring visible leadership, support and advocacy.

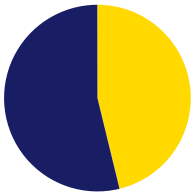
We are proud founder members of Change the Race Ratio, Progress Together and GAIN (Group for Autism in Insurance and Neurodiversity), sharpening our focus on socio-economic mobility and neurodiversity. We are included on the Social Mobility Index.

As a Disability Confident Employer, we guarantee interviews for disabled applicants meeting minimum criteria and offer workplace adjustment passports as part of our Smart Working approach. Our policies - including equal parental leave, job sharing and accessible hiring practices - ensure training, development and career paths are open to all.

At the 31 December 2025 we had the following gender split including Direct Line

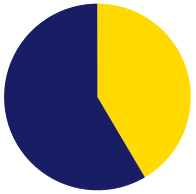
Female Male

Board Membership



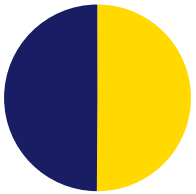
Female	46.2% (6)
Male	53.8% (7)

Senior Leaders



Female	41.5% (519)
Male	58.5% (732)

Aviva Group Employees



Female	50.1% (18,099)
Male	49.9% (18,061)

LOOKING AHEAD TO 2026

- Embed Lead the Way - delivering brilliant leadership development to all of our Aviva leaders.
- Evolve our focus on Future Workforce and Skills, including the impacts of AI - delivering the workforce we need for today and tomorrow.
- Expand and mature our Aviva University Academies - aligned to future workforce and critical skills.
- Successfully integrate and formally welcome our Direct Line colleagues as Aviva employees.
- Continue to be an employer of choice - building a workforce that gives us the widest possible access to talent, and reflects our customers and communities.

Our sustainability ambition

Aviva aims to be a sustainability leader. The three elements of our strategic sustainability framework are closely connected.

As the Direct Line integration continues in 2026, we will consider the impacts for our sustainability strategy.

Find our regularly updated sustainability news at:

- www.aviva.com/sustainability/sustainability-news
- 2025 Sustainability Datasheet

If you have any suggestions or queries about Aviva's sustainability programme or policies, please e-mail us at:

- crteam@aviva.com

SOCIAL ACTION

Help build stronger, inclusive communities at a local level

£44m

Provided in community investment in 2025

£13.7bn

Invested in UK infrastructure and real estate since 2020

CLIMATE ACTION

Mitigate and adapt to climate change and reverse nature loss

56% xDL

Reduction in absolute Scope 1 & 2 emissions of our operations from 2019 baseline

59% xDL

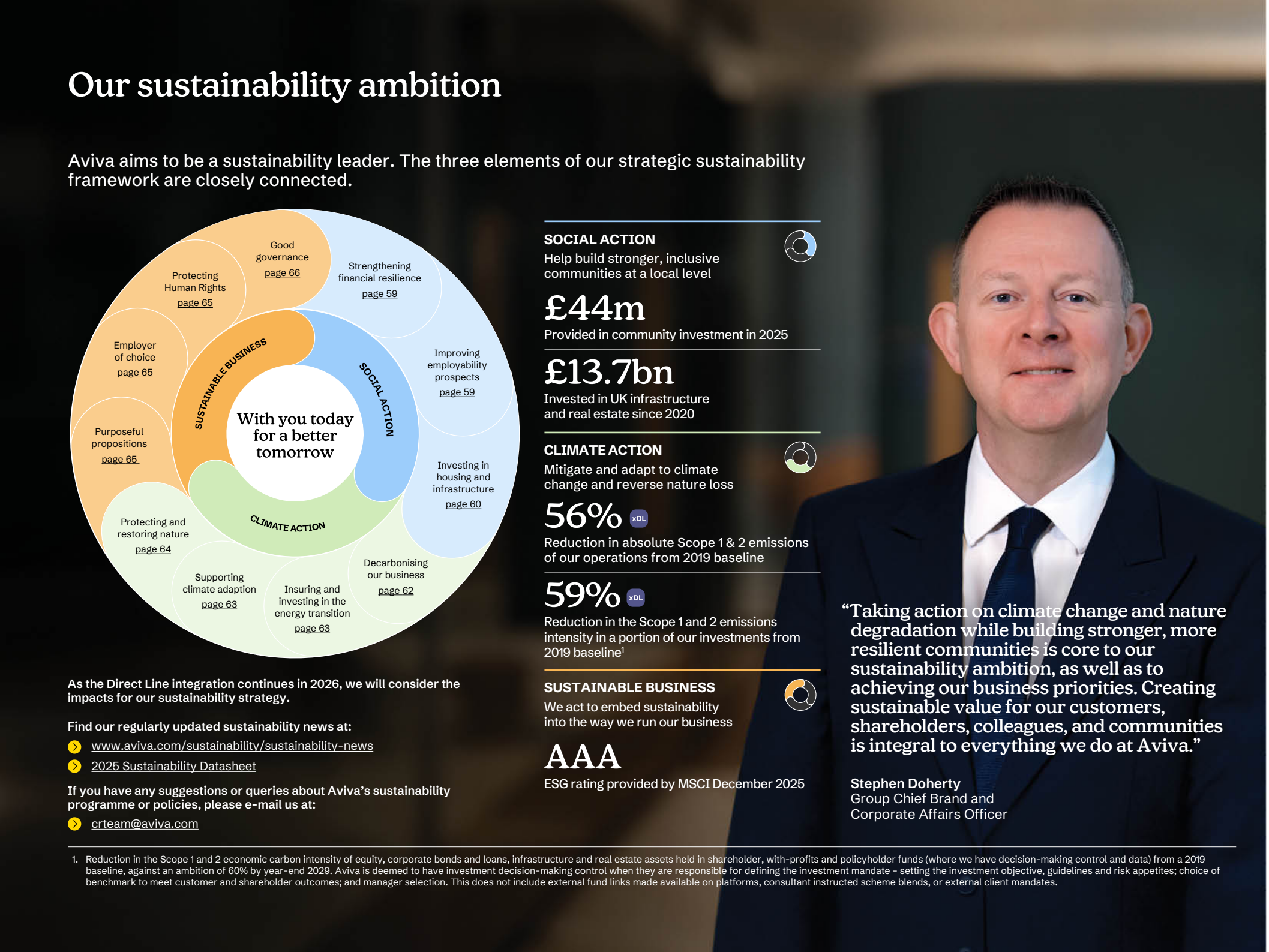
Reduction in the Scope 1 and 2 emissions intensity in a portion of our investments from 2019 baseline[1]

SUSTAINABLE BUSINESS

We act to embed sustainability into the way we run our business

AAA

ESG rating provided by MSCI December 2025



"Taking action on climate change and nature degradation while building stronger, more resilient communities is core to our sustainability ambition, as well as to achieving our business priorities. Creating sustainable value for our customers, shareholders, colleagues, and communities is integral to everything we do at Aviva."

Stephen Doherty
Group Chief Brand and Corporate Affairs Officer

1. Reduction in the Scope 1 and 2 economic carbon intensity of equity, corporate bonds and loans, infrastructure and real estate assets held in shareholder, with-profits and policyholder funds (where we have decision-making control and data) from a 2019 baseline, against an ambition of 60% by year-end 2029. Aviva is deemed to have investment decision-making control when they are responsible for defining the investment mandate - setting the investment objective, guidelines and risk appetites; choice of benchmark to meet customer and shareholder outcomes; and manager selection. This does not include external fund links made available on platforms, consultant instructed scheme blends, or external client mandates.

Social action

Aviva aims to help in building stronger, inclusive communities at a local level.

Thriving communities help the businesses serving them flourish. With a longstanding presence throughout the UK, we're well placed to help enhance people's financial resilience and employability prospects, while investing in housing and infrastructure. Increasingly, we are taking a place-based approach, working with cross-sector leaders on priority local challenges and opportunities to help regenerate the places where we live and work.

In 2025, we contributed £43.8 million, representing 2% of our Group adjusted operating profit, to support community organisations, projects or causes with social impact. We estimate that 718,469 people have benefitted from our community investment programmes across the UK, Ireland, and Canada.

Social action in 2025 reflects Aviva excluding Direct Line.

Find out more about our place-based action:

www.aviva.com/sustainability/our-ambition/taking-place-based-action/

FOCUSING ON PLACE

We operate a place-based approach that aligns our business resources with local needs to help regenerate the places where we live and work. We aim to improve employability, social mobility, strengthen financial and climate resilience.

Taking action with Business in the Community (BITC)[1]
Aviva is BITC's first National Place Partner, helping bring together key stakeholders on programmes in support of BITC's ambition to be working within 50 places across the UK by 2032.

In May 2025, BITC and Aviva hosted the inaugural Pride of Place Summit. Delegates gathered at Aviva Studios in Manchester to hear from Mayor Andy Burnham, Lord Blunkett, and inspiring community leaders from around the UK, focusing on the potential of place-based action.

Taking action through Aviva Foundation[2]
In 2025, the Foundation granted over £3 million in the UK. The money went to projects helping people with various aspects of their financial wellbeing, including building savings, helping people navigate challenging times, and improving financial planning for the future.

One example is Autistica's Everyday Tips Hub, which offers evidence-based and user-generated advice to help autistic people build financial resilience. Aviva Foundation support also helped the Living Wage Foundation's campaigning in the North-East to build the financial resilience of workers, helping them towards gaining a wage that meets living costs.

Find out more about Aviva Foundation supported initiatives across the UK at www.aviva.com/sustainability/aviva-foundation/#our-impact

Aviva Community Fund supporting projects to strengthen communities
In 2025 we celebrated the 10th anniversary of the Aviva Community Fund. In the decade since its inception, it has supported over 9,000 UK projects with over £20 million.

In 2025, the Fund helped 395 community projects across the UK raise £5.7 million. This was made up of match-funding donations of £2.8 million from Aviva, in addition to partner donations and crowdfunding.

Discover some of the causes supported across hundreds of places on our interactive map at www.aviva.com/sustainability/taking-social-action/aviva-community-fund-map/

In 2026, we'll strengthen support for charities by launching a new funding programme, making it easier for charities to access support from us. This platform will sit under the Aviva Foundation and include two funds: the Communities Fund (formerly the Aviva Community Fund) and the Financial Futures Fund.

Taking action through volunteering
By June 2025 we had recorded over 300,000 colleague volunteering hours since 2020, achieving our end 2025 ambition six months early.

In 2025, our people from across the UK, Ireland and Canada had volunteered for 124,991 hours in total, up from 107,810 in 2024.

1. Business in the Community (BITC) is a UK business network dedicated to helping businesses lead responsibly and create positive social and environmental impact
2. The Aviva Foundation is administered by Charities Trust under charity registration number 327489

STRENGTHENING FINANCIAL RESILIENCE

Financial resilience is about being able to manage money confidently and recover from unexpected events - without lasting negative impact. For more than 325 years, Aviva has helped customers prepare for life's uncertainties by providing products that aim to build financial resilience. We also work with principal partners to help families and businesses strengthen financial resilience.

Taking action with Citizens Advice
By partnering with Citizens Advice, we aim to help vulnerable customers facing financial difficulty. During 2025, our partnership with Citizens Advice has:

- Supported over 86,000 people with free advice, with 1,860 of these being Aviva customers referred through our referral partnership
- Delivered support to 20 Citizens Advice offices through £2.7 million funding and 2,855 hours of skilled volunteering

Supporting service transformation
In 2025, we launched a three-year project to support Citizens Advice to transform their service delivery through improving the webchat platform, aimed at improving efficiency and expanding the number of customers the charity can serve. We've provided £1.9 million of funding plus resources, via skilled volunteering and best practice sharing.

In 2025, we hosted workshops on data analytics and conversational design. The next phase will focus on process innovation and GenAI integration from 2026 onwards.

Referral partnership
In 2025, we launched a customer referral scheme into Citizens Advice. This initiative enables our customer services colleagues to refer customers directly for support. Our staff are trained to identify signs of personal and financial vulnerability, with Citizens Advice contacting referred customers within 48 working hours via the dedicated team that we fund.

External recognition of impact
Aviva was named Business of the Year at the Business Charity Awards 2025, also gaining awards for Mid-term Partnership and Best Response to Cost-of-Living Crisis. Aviva was additionally given the Customer Champion of the Year Award 2025 by Insurance Times. All awards were in recognition of Aviva and Citizens Advice working together in helping communities through challenging times.

Taking action with Money Advice Trust
By partnering with the Money Advice Trust, we aim to help financially vulnerable businesses. In 2025, we continued supporting their Building Up Business project. Our funding enabled the creation and pilot of online learning modules.

During 2025 we confirmed a further two-year partnership with Money Advice Trust, which will include:

- New funding for core business debtline service delivery
- Phase 2 of Building Up Business, and
- Support for service systems technology modernisation and multi service channel delivery

IMPROVING EMPLOYABILITY PROSPECTS

We have deepened our place-based approach to improving employability, targeting support where it is needed most across 2025.

Taking action in Sheffield
Aviva's inclusive recruitment pilot with Sheffield College was a success, enabling young people from deprived backgrounds to join Aviva. Aviva has taken learnings from this pilot into the recruitment practices across the organisation.

Partnerships with Firvale Community Hub, Shirecliffe Community Centre and Ecofit are strengthening employability pathways and financial resilience, via Aviva funding.

Taking action in York
In York, Aviva in collaboration with The Place successfully piloted the employability programme, leading to two further employment skills workshops that engaged over 200 students. The programme will grow with two workshops planned each academic term.

Aviva established two further employability partnerships in the city, one with the Community Furniture Stores' IT ReUse project tackling digital exclusion and e-waste, while supporting young people and those facing barriers to work to gain skills and experience. The other with the Volunteer It Yourself (VIY) programme supporting marginalised youth to gain vocational qualifications through hands-on community projects.

Taking action in Perth
In Perth, Aviva is partnering with YMCA to deliver "Learn2Earn", a three-year programme for young people at risk of becoming NEET (Not in Education, Employment, or Training), providing mentoring, employability training, digital and STEM skills, and wellbeing support. The initiative aims for 75% of participants to achieve SAQ Level 4 employability awards and progress to positive destinations (education, training, or work), creating a scalable model for early intervention.

Taking action in Norwich
In Norwich, Aviva has committed funding and volunteering for the next three years to IntoUniversity's Academic Support programme for 7-18 year olds, to raise attainment, develop core social and emotional skills and support students' pastoral needs, with delivery through community centres in deprived communities.

Taking action across the UK
Across key locations, Aviva is providing office visits, skills workshops, and targeted employability support through partnerships with Business in the Community to grow employer interactions with schools and colleges for young people at risk of becoming NEET.

All programmes are underpinned by impact measurement to ensure progress towards reducing disadvantage and improving prospects for the next generation.

Find out more at www.aviva.com/sustainability/sustainability-news

INVESTING IN INFRASTRUCTURE

Aviva invests to generate income for customers, while also contributing to the development of communities[1].

This is not only on behalf of the 4 in 10 of the UK adult population who are Aviva customers, but for the wider community we have a responsibility to serve.

Real estate and infrastructure
Aviva Investors has invested £13.7 billion in UK real estate and infrastructure since 2020. These investments, on behalf of savers and investors, have for example supported communities across the UK; helped to fund new education facilities and financed projects from renewable energy to life science startups, through to energy efficient offices and family housing.

Across 2025, we've increased investment in some innovative areas.

College campus developments in Wales
In April 2025, Aviva IWR business provided investment to finance two new campuses in South Wales, supporting 3,000 students annually with facilities including advanced manufacturing and robotics.

City centre development in East England
In July 2025, Aviva Capital Partners partnered with Norwich City Council and others on a £350 million redevelopment of Anglia Square, one of England's most deprived areas. The project aims to deliver 1,100 new homes, retail, and leisure spaces, and create over 3,500 jobs, injecting up to £36 million annually into the local economy.

Regeneration in the Midlands
In July 2025, Aviva Capital Partners and Moda secured a £200 million deal with public and private partners to unlock a 1,000-home rental community in Digbeth, Birmingham, including top-tier sustainability standards and 20% affordable housing in the first phase.

Water supply to North-West England
In August 2025, Aviva's IWR business committed £200 million to the Haweswater Aqueduct Resilience Programme, a major project upgrading the pipeline delivering water to 2.5 million people across the North West.

City centre development in the South
In December 2025, Aviva Capital Partners, Southampton City Council, and the University of Southampton formed a joint venture company. The partnership acquired a former Toys 'R' Us retail site to be redeveloped as a mixed-use neighbourhood focused on innovation, enterprise, and education, as well as offices and residential. The redevelopment aims to deliver benefits for residents, creating new jobs, and homes for the people of Southampton.

Recognising social value
In November 2025, Aviva Investors launched its Social Value Label, a certification scheme which applies a rating to the quality of practice by contractors in the construction supply chain in delivering good employment, skills and training outcomes for people and communities near its real estate development projects.

Find out more at www.aviva.com/sustainability/sustainability-news

FOCUSING ACTION FOR IMPACT

Having met our 2021-2025 public target to invest an average of 2% of group adjusted operating profit in our communities we have refreshed our social action aims. These aims focus on strengthening financial resilience and reflect the meaningful difference we want to make in communities. They are guided by a clear set of principles to ensure lasting impact:

- To focus more on outcomes (the difference we make)
- To use consistent measures across our programmes
- To adopt a proportionate approach to measurement that is practical for our partners

Our aims from start 2026 to end 2030 are:

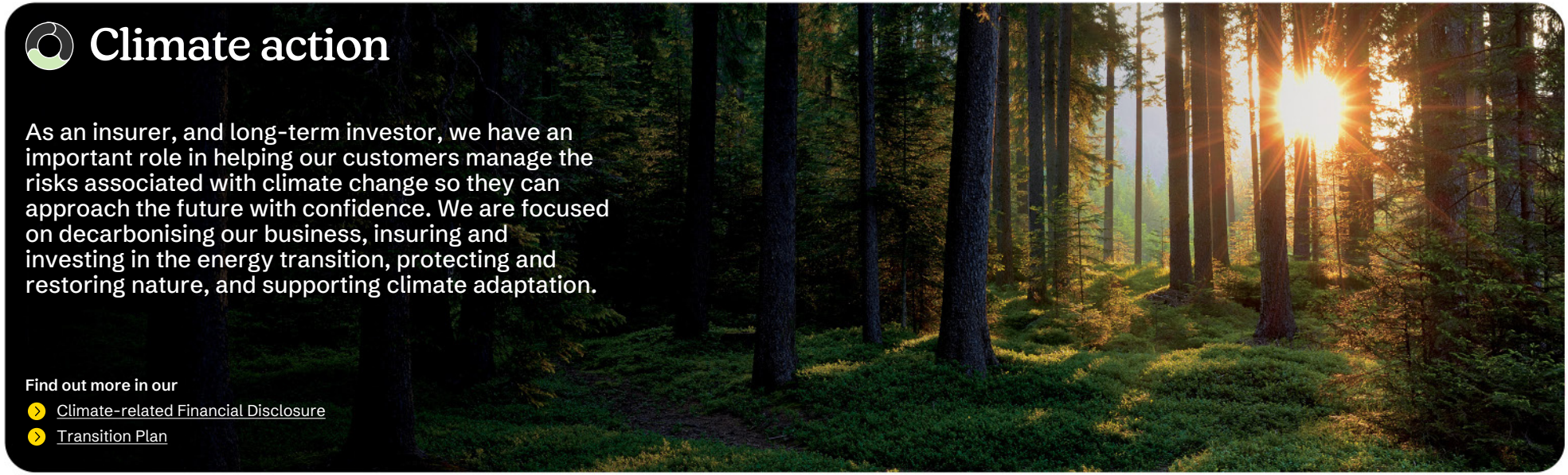
- 600,000 volunteering hours
- 2,000 charities, social enterprises and community partners with increased capacity to serve the community
- 100,000 people with improved financial resilience (inclusion, capability, or wellbeing)

We estimate that our work could benefit up to five million people from the start of 2026 to the end of 2030. However, reach does not equate to attributable impact. Our focus is on delivering tangible outcomes that we can substantiate through our reporting.

We aim to announce further ambitions within our 2026 Annual Report and Accounts. These will focus on our other key outcome areas: improving employability prospects and investing in housing and infrastructure.

1. While we integrate environmental, social, and governance (ESG) factors into our investment processes, this is not binding on the investment manager, beyond any specific ESG criteria which is in a Fund prospectus or Investment Management Agreement does not mean every investment has a specific sustainability objective

Climate action



As an insurer, and long-term investor, we have an important role in helping our customers manage the risks associated with climate change so they can approach the future with confidence. We are focused on decarbonising our business, insuring and investing in the energy transition, protecting and restoring nature, and supporting climate adaptation.

Find out more in our

- Climate-related Financial Disclosure
- Transition Plan

PROGRESS AGAINST THE ACTIONS SET OUT IN OUR 2025 TRANSITION PLAN

Group-wide

- Assessed our nature-related dependencies, impacts, risks, and opportunities
- Delivered deep-dive Board training on nature
- Delivered training on the Just Transition[1] to our investment and insurance teams

Investments

- Continued investment in Sustainable Assets
- Continued embedding sustainability into our core default pensions propositions: My Future and My Future Focus
- Continued embedding climate into investment decision-making frameworks

Insurance

- Expanded our UK offshore wind proposition by doubling our underwriting capacity to £150 million
- Progressed in understanding the emissions from our Private Medical Insurance claims supply chain

Aviva's operations

- Launched a project which aims to remove fossil fuels from our UK offices
- Updated our Group-wide travel policy to encourage use of lower carbon modes of transport
- Held Net Zero supplier conferences in the UK and Canada

PROGRESS AGAINST OUR KEY MEDIUM-TERM AMBITIONS 2025-2030

INVESTMENTS

% reduction in Aviva's own Scope 1 and Scope 2 economic carbon intensity of equity, bonds and loans, corporate infrastructure and real estate assets held in shareholder, with-profits and policyholder funds (where we have decision-making control and data)[2] from a 2019 baseline

xDL

Aim by year-end 2029	60%
At end of 2025	**59%**

INSURANCE

Support for our customers' transition to EV ownership through proposition development is ongoing

AVIVA'S OPERATIONS

% reduction in Aviva's own operational Scope 1 and 2 GHG emissions from a 2019 baseline

xDL

Aim by year-end 2030	90%
At end of 2025	**56%**

% of suppliers by spend setting validated science-based targets[3]

xDL

Aim by year-end 2025	70%
Achieved by year-end 2025	**73%**

% of electricity from renewable sources

Aim by year-end 2030	100%
Achieved by year-end 2025	**100%**

% electrification of our fleet: UK and Ireland

xDL

Aim by year-end 2025	100%
Achieved by year-end 2025	**100%**

% electrification of our fleet: Rest of World

xDL

Aim by year-end 2027	100%
At end of 2025	**82%**

This is not a complete list of our ambitions. Additional ambitions and more information on the scope of each of our ambitions, including those achieved by year-end 2025 are contained in the relevant sections of our Climate-related Financial Disclosures report. The contents of this page should be read in conjunction with Aviva plc's Reporting Criteria 2025.

1. Just Transition is the process of anticipating, assessing, and addressing the social risks and opportunities of the transition to a low-GHG emissions and climate-resilient development, as well as ensuring meaningful dialogue and participation for impacted groups (including workers, communities, supply chains, and consumers) in transition planning
2. In scope are Scope 1 and 2 economic carbon intensity (ECI) for in-scope equity, corporate bonds and loans, infrastructure, and real estate assets held in shareholder, with-profit and policyholder funds where we have decision-making control and data across UK, Ireland, Canada, and India. Aviva is deemed to have investment decision-making control when they are responsible for defining the investment mandate, setting the investment objective, guidelines and risk appetites; choice of benchmark to meet customer and shareholder outcomes; and manager selection. This does not include external fund links made available on platforms, consultant instructed scheme blends, or external client mandates.
3. The scope of this ambition covers both our general insurance claims supply chain and our non-claims supply chain

DECARBONISING OUR BUSINESS

We announced our ambition to become a Net Zero company in 2021.

The second iteration of our Transition Plan, published in February 2025, represents an evolution of our climate strategy to deliver our ambitions whilst addressing new risks and capturing new opportunities.

We remain committed to our ambition of becoming a Net Zero company by 2040, and to delivering our interim ambitions, which are aligned with the Paris Agreement goals. We will continue to pursue science-based targets in respect of our Net Zero ambition, as set out in our latest Transition Plan. However, we have taken a decision to no longer seek formal Science Based Targets initiative (SBTi) validation, and consequently to also withdraw the validation of the five targets previously provided by the SBTi in 2022.

Our Net Zero strategy will remain iterative, and will evolve reflecting the latest relevant climate science, credible decarbonisation pathways, industry methodologies, and our business model. This approach will ensure we stay focused on supporting the changing needs of our customers, communities, and shareholders. It will also enable us to continue financing and insuring transitioning sectors and companies in ways that support real-economy decarbonisation. We will continue active engagement with our stakeholders as our strategy develops.

In the meantime, we are progressing the actions from our second Transition Plan, published in February 2025, taking meaningful steps to support decarbonisation across our business.

The challenges spanning data quality and availability, evolving methodologies, and balancing trade-offs between our sustainability and other ambitions persist. For us this relates to our Scope 3, and particularly the Scope 3 of our category 15: investments and underwriting activities, our 'Scope 3 of 3', where GHG data availability is improving, but is still of low quality. Based on what we understand today, and the low degree of control we have over these emissions, we do not currently see a route to Net Zero for these emissions. Nevertheless, we remain committed to using our best endeavours to address them. For these emissions, like much of our Scope 3 across all categories, our focus is on engagement and advocacy to reduce these emissions over time.

As the Direct Line integration into Aviva continues, we will consider impacts to our sustainability strategy.

Investments
During 2025, Aviva continued to embed climate considerations into investment decision-making. We do this to support our ambition of, where possible, simultaneously decarbonising our investments while increasing the alignment of our portfolio to the goals of the Paris Agreement.

We continue to embed sustainability within our core default pensions investment solutions My Future Focus and My Future. Within these solutions, the developed equity components are designed to deliver an improved ESG score and a lower carbon intensity than their respective benchmarks, subject to meeting investment outcomes.

In 2025, we continued to invest and lend to companies and projects which are contributing towards the decarbonisation of the global economy. Examples are in the 'Investing in the energy transition' section of this report.

Holistic stewardship, by which we mean engagement with stakeholders, plays an important role in creating the right conditions for change. Our Climate Stewardship 2030 programme, launched in 2024, is central to how we work with companies. Engagement with standard setters is also key to this strategy. During 2025 we actively collaborated with industry peers on the creation of the Net Zero Asset Owners Alliance (NZAOA) Target Setting Protocol v5 and the Partnership for Carbon Accounting Financials (PCAF)[1] updated GHG accounting standards.

Insurance
Industry standards for insurance decarbonisation continue to evolve, which we actively contributed to developing in 2025 through key partnerships, such as UNEP's Forum for Insuring the Transition and PCAF. We also continued to use our voice to advocate for change across our markets more broadly.

While these standards evolve, we take action today that drives real-world decarbonisation. This includes limiting or excluding emissions-intensive fossil fuel activity from our portfolios, as detailed in our ESG baseline underwriting statement.

We are also accelerating growth in climate solutions to support decarbonisation, including electric vehicles (EV) and renewable energy, with an ambition to grow UK renewables Gross Written Premium (GWP) to £73 million by year-end 2027.

Our claims supply chain is also a key focus of our decarbonisation efforts. In 2025, we met our ambition of having 70% of our suppliers by spend setting validated science-based targets by year-end 2025, with 73% now doing so. This ambition includes our general insurance claims supply chain (excluding Direct Line).

Our UK Health team analysed our Private Medical claims supply chain to understand better its emissions, and carried out customer research on sustainability in healthcare, revealing emissions 'hot spots' and data gaps.

We will use these insights to guide engagement with suppliers and the sector, including through the Association of British Insurers (ABI) and the Independent Healthcare Providers Network's working group.

Aviva's own operations
Scope 1 and 2
In 2025, we launched a project which aims to decarbonise our Aviva UK offices by reducing their reliance on fossil fuels, especially natural gas. This multi-year initiative will upgrade heating systems, glazing, and insulation across key sites, starting with Bristol in 2025 before rolling out to Perth, Norwich, and York.

Working with experienced partners, we are aiming to future-proof our buildings to deliver lower emissions, enable greater energy efficiency, and support healthier workplaces.

Scope 3 categories 1-14
In 2025, we continued to engage with our suppliers, including at our fourth annual UK supplier summit, which brought together 100 of our suppliers and provided a platform for education and collaboration. These engagements have supported us to achieve our interim supply chain ambition.

In 2025 we achieved our ambition of zero waste to landfill across UK & Ireland core businesses and subsidiaries (excluding Direct Line), and we continue to pursue this for our businesses in the rest of world.

Additionally, we have released an updated Group travel policy embedding sustainability principles which encourages swapping to lower-carbon modes of transport such as rail over air travel, particularly for short-haul journeys.

1. The Partnership for Carbon Accounting Financials (PCAF) is a group of banks, insurers, and investors that works out a common way to measure the carbon emissions linked to their money.

INSURING AND INVESTING IN THE ENERGY TRANSITION

As a major investor and insurer, we can help to enable the transition to a low-carbon future.

Providing insurance to support the adoption of electric vehicles
Aviva provides motor insurance for EV's, including specific features like providing an emergency roadside boost if you run out of charge and cover for breakdown of your home charging point.

Aviva already provides insurance for a large number of EVs in the UK covering around one in eight privately registered EVs on UK roads as at the end of 2025 (excluding Direct Line).

Providing insurance to support the energy transition
Aviva provides commercial insurance for onshore wind, offshore wind, solar, green hydrogen, EV charging points and battery storage, including the construction and operation of these technologies. We also underwrite operational hydrogen, biomass, geothermal and concentrated solar risks.

This year, we doubled our UK offshore wind underwriting capacity to £150 million.

Providing finance to support the transition
By the end of 2025, Aviva's investment in sustainable assets included approximately £10.1 billion in green assets, £5.3 billion in social assets, £81.0 billion in transitioning assets (investments in companies with an externally validated transition approach) and £8.8 billion in other sustainable assets. (see 2025 Aviva Reporting Criteria for definitions)

Our portfolio includes projects such as renewable energy, environmentally sustainable buildings, and other initiatives that support the energy transition.

Read more in "Note 9 - Investment in sustainable assets" within Climate-related Financial Disclosure

European battery storage investment
In September 2025, Aviva Investors committed €75 million to Terra One, a German battery energy storage developer, to help deliver around 500 MW of battery energy storage system assets by 2028. The deal allows for up to a €150 million commitment and includes board representation, supporting grid stability and renewable energy integration across Europe.

Industrial energy transition platform
In October 2025, Aviva Investors partnered with Astatine to launch a European industrial energy transition platform targeting €800 million of investment. The platform will deliver solar, battery storage, industrial heat pumps, EV charging for fleets, and heat recovery systems for hard-to-abate sectors such as data centres and manufacturing.

Find out more at www.aviva.com/sustainability/sustainability-news

SUPPORTING CLIMATE ADAPTATION

We support climate adaptation initiatives to help our customers and communities become more resilient to the physical impacts of climate change.

Calling for action on flooding for communities across the UK
We believe that advocacy is a key lever at Aviva's disposal with which we can support the transition. An example of this activity work carried out in 2025 is Aviva's Building Future Communities Report which highlights the urgent need for climate adaptation across the UK. By combining the latest data and real-world case studies, the latest 2025 version of this ongoing report demonstrates how iconic landmarks and millions of homes could face increased risks from flooding, subsidence, and extreme heat by 2050.

It sets out clear calls for change, such as scaling up investment in natural flood management and strengthening planning rules—to inspire action from policymakers, businesses, and communities. By raising awareness and advocating for practical solutions, Aviva is helping to shape a more climate-ready UK, encouraging others to join us in building resilience for the future.

Find out more at www.aviva.com/sustainability/sustainability-news

Collaborating to scale finance to mitigate flooding
In 2025, Aviva became a founding member and Chair of the new Flood Action coalition, convened by The Conduit.

This partnership brings together insurers, investors, landowners, and government to accelerate nature-based flood management and unlock strategic investment zones. The coalition aims to mobilise £1 billion by 2028, using advanced flood data to target areas most at risk - helping protect homes and infrastructure, with up to 8 million homes in England alone facing flood risk by 2050.

Find out more at www.theconduit.com/floodaction-coalition/

Supporting natural flood management projects with partners
Aviva's £21 million donation to the Wildfowl & Wetlands Trust (WWT), the wetlands charity, is enabling the restoration of saltmarsh habitat at Awre on the Severn Estuary, with work in 2025 focused on design, planning and ecological surveys. This project will help buffer communities against flooding and support research into the climate resilience benefits of saltmarsh.

Read The WWT and Aviva's Impact Report at www.aviva.com/sustainability/resources-and-reporting-hub/

PROTECTING AND RESTORING NATURE

We recognise that the prosperity of our business, customers, and wider society relies on the health and resilience of nature and its biodiversity.

In 2025 we have continued to work on implementing our updated strategic approach to nature, and support nature-positive outcomes and the implementation of the Kunming-Montreal Global Biodiversity Framework.

Implementing our new Group-wide nature strategic framework
Over 2025, we have been building our understanding of our interface with nature as a business through undertaking a Group-wide nature-related issues assessment to identify and assess nature-related dependencies, impacts, risks, and opportunities in our investments, underwriting, and operations. This assessment drew on the Taskforce on Nature-related Financial Disclosures 'LEAP' approach and concluded in December 2025.

We delivered in-depth Board training covering nature in August 2025, and further embedded nature into business planning.

Read more about progress on our nature-related activities and actions in the Climate-related Financial Disclosure

Advocating for a public policy framework to scale private investment into nature

In October 2025, we published a report on 'Investing in nature: Mobilising private finance for environmental recovery in the UK'.

This report set out why a comprehensive public policy framework is needed to de-risk and attract private investment at scale in nature restoration in the UK. It set out the challenge yet offers solutions by outlining the key components of such a policy framework.

Read the report at www.aviva.com/sustainability/resources-and-reporting-hub/

Collaborating to advance action on Nature
We continue to engage with a range of nature-related industry forums to advance methodologies and frameworks.

These include the Finance for Biodiversity Foundation, UK Business & Biodiversity Forum, Net Zero Asset Owner Alliance, Glasgow Financial Alliance for Net Zero, Taskforce on Nature-related Financial Disclosures Forum, and Nature Positive Initiative Forum.

Restoring UK temperate rainforests with The Wildlife Trusts

Our £38.9 million donation to The Wildlife Trusts in 2023 launched a 100-year partnership to help restore and reconnect Britain's lost temperate rainforests, and this progress continued in 2025. In April, a second site was secured in Pembrokeshire, Coed Pentwd

In May, Aviva funding enabled a new project at Glen Auldyn on the Isle of Man, now the island's largest restoration site at 458 hectares. Further sites were added during the year, including a new reserve in the heart of the Yorkshire Dales and a major restoration project in Cornwall, strengthening efforts to bring temperate rainforests back to the UK landscape.

Also in May, The Wildlife Trusts and Aviva created the first ever temperate rainforest garden at the RHS Chelsea Flower Show. Although this was The Wildlife Trusts' first garden at the show, it achieved significant recognition, winning a Silver Gilt award and the People's Choice Award in the All About Plants category.

Discover where we're bringing lost rainforests back by viewing our interactive map at wtru.st/temperate-rainforest-map

Read The Wildlife Trusts and Aviva Impact Report at www.aviva.com/sustainability/resources-and-reporting-hub/

Restoring Canadian grasslands, forests, and tidal marshes
Aviva's partnership with the Nature Conservancy of Canada aims to advance the protection and restoration of approximately 900 hectares of grasslands, forests, and tidal marshes in Canada.

In 2025, efforts included forest restoration in Manitoba through seed collection and site preparation, grassland restoration in Saskatchewan through invasive species control and the establishment of native seed orchards and the conservation of tidal marshes in Quebec through the securement of five properties, eelgrass transplantation, restoration, and community engagement.

Restoring native woodlands across Ireland
In 2025, Aviva Ireland continued its €5 million partnership with The Nature Trust to accelerate native woodland creation across Ireland. The programme aims to deliver 400 hectares of new native woodlands and around 1.2 million native saplings, supporting biodiversity, improving wildlife habitats, and contributing to national climate commitments.

Sustainable business

Aviva aims to act as a sustainability focused provider within UK, Canada and Ireland. Our actions focus on providing purposeful proposition choice, being the employer of choice, protecting human rights and maintaining good governance.

www.aviva.com/sustainability/resources-and-reporting-hub

PURPOSEFUL PROPOSITIONS

These examples highlight where we're taking steps to embed sustainability within certain propositions.

Providing customers with sustainability related investment options
We help customers invest and save through varied fund options.

Aviva Investors have a suite of products that cater to investors seeking specific sustainability outcomes. Each of these funds has an objective to drive positive climate action such as the Climate Transition Real Assets Strategy which provides investors access to an actively managed, diversified portfolio of real assets oriented to the transition to a low-carbon economy.

Climate-related strategies
Aviva Investors' climate-related strategies invest in companies and assets supporting a lower-carbon economy.

Carbon Removal Fund
Our Aviva Investors carbon removal strategy invests in nature-based and engineered carbon removal projects to generate high-integrity carbon credits and biodiversity benefits.

Providing innovative insurance
We launched our Aviva Zero motor product in 2022, offering customers the opportunity to purchase offsets for car emissions. Since then, we had sold over 1.7 million policies.

Providing protection with credit unions
In September 2025, we partnered with CMutual to manage claims, premium collection, and distribution for credit union members, while Aviva provides protection cover. This approach enables us to protect over 550,000 members, many from underserved communities, with agility and scale, minimising operational impact and closing protection gaps.

Building customers' resilience through our risk management solutions
In September 2025, we launched Global Risk Management Solutions (GRMS), a globally connected practice that unites our team of over 230 expert risk consultants across the UK, Ireland, and Canada. This capability combines local expertise with internationally recognised loss prevention standards to deliver tailored risk solutions to our commercial customers.

EMPLOYER OF CHOICE

Diversity Equity and Inclusion (DE&I)
In 2025, Aviva continued to focus on diversity, equity, and inclusion, recognising that it broadens our talent pool and drives better decisions through diverse perspectives.

We have been recognized in The Times Top 50 Employers for Gender Equality for the ninth year running. We are signatories of the Race at Work Charter and have introduced initiatives to support its focus areas. We publish our annual UK Pay Gap Report to show progress and actions improving recruitment, retention, and advancement of women and ethnically diverse employees.

Read more about Diversity aims: page 29

Living Wage, Pensions and Hours
We pay the UK Living Wage and Pension, and support Living Hours in the UK.

Speak Up
Our malpractice helpline, Speak Up, makes it easy to report any concerns in confidence, with all reports referred to an independent investigation team. In 2025, 341 cases were reported through Speak Up (2024: 208), with 1 related to modern slavery.

PROTECTING HUMAN RIGHTS

In 2025, we conducted a group-wide human rights due diligence process excluding Direct Line, prioritising high-risk areas. The findings will be used to inform stewardship activities to be carried out by Aviva Investors in 2026.

In 2025, we strengthened governance via the Anti-Modern Slavery Working Group and Procurement and partnered with Good Business to design a supplier engagement plan and outcome-based KPIs.

At our November 2025 Supplier Summit, we reinforced priorities and commitment to human rights and responsible business.

Aviva Investors is part of the Investor Initiative on Human Rights Data (II-HRD), a $9 trillion investor coalition. In September 2025, II-HRD published guidance for data providers on assessing human rights norms breaches, setting 21 principles aligned with United Nations Guiding Principles (UNGP) and OECD Guidelines to improve data quality and consistency.

Our modern slavery statement, as well as our Human Rights Policy, Aviva Business Ethics Code 2025, and Aviva Sustainability Business Standard can all be found on **www.aviva.com**.

GOOD GOVERNANCE

Our governance frameworks help to improve transparency and accountability in all our dealings.

The high standards of ethical behaviour we expect are outlined in the Aviva Business Ethics Code. We require all our people, at every level, to read and sign-up to our code every year. 99.5% of our employees did so in 2025. Direct Line colleagues attested to a separate conduct code.

We conduct due diligence when recruiting and engaging external partners. At the end of 2025, 100% of our UK, Canada, Ireland, and India (excluding Direct Line) registered suppliers have agreed to abide by our Third-Party Business Code of Behaviour (or provided a satisfactory reason why they didn't do so, for example, because they have their own existing code of behaviour). Our Third-Party Business Code of Behaviour outlines the way in which we commit to behave and includes guidance on financial crime laws and regulations.

Aviva plc is subject to the 2024 UK Corporate Governance Code (the Code), which we comply with. Where appropriate, specific teams and committees exist to drive action on particular material issues, including data protection, climate change and diversity, equity and inclusion, among others. Governance information required in accordance with recommendations of the Taskforce for Climate-related Financial Disclosure (TCFD) can be found in the Climate-related Financial Disclosure.

Sustainability governance
We have a clear and robust governance structure in place. Aviva's Sustainability Ambition (ASA) Executive Committee drives and monitors the delivery of our plan - with delegated authority from the Board Customer & Sustainability Committee.

Our Sustainability function reports to Stephen Doherty, Chief Brand and Corporate Affairs Officer, who chairs the ASA Executive Committee and is the Aviva senior executive responsible for sustainability. The team provides expertise to enable delivery and coordination of local activity across Aviva's businesses.

Crucially, there is clear individual executive accountability for all sustainability KPIs. Sustainability factors are included in senior executive long-term incentive plans. (see remuneration section of this report)

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

Our overarching Sustainability Business Standard includes how we manage our material operational and core business environmental and climate impacts, and our community impacts.

Data privacy and security
At Aviva, our customers, colleagues, and other stakeholders trust us to process their personal data responsibly and keep it secure. In order to do this, we comply with laws and regulations and key regulators' requirements in the countries and markets in which we operate.

We have a dedicated section on this in our Business Ethics Code as well as a standalone Data Privacy Statement which details our specific commitments and practices.

Baseline Exclusion Policies
We aim to use our influence as a large asset owner, asset manager and insurer to engage with companies to drive positive change. However, there are specific sectors and economic activities that fundamentally misalign with Aviva's purpose, values, and our ambition to be a sustainable business. In these cases, we typically exclude both companies and industries from our investment and underwriting appetites.

Our exclusions apply to certain investing and underwriting activities at Aviva. For investments, it applies across portfolios where we have decision-making control. The exclusions related to specific types of weapons, tobacco, Arctic oil, oil sands, and thermal coal where the company activity exceeds set revenue or insured exposure thresholds. It also references the standards of the UN Global Compact. We have some exceptions, such as companies with a credible transition plan that aligns with the goals of the Paris Agreement.

Read more about our policies at www.aviva.com/sustainability/resources-and-reporting-hub

Financial crime
We comply with financial crime legislation and regulation, and work proactively to help protect our customers, shareholders, colleagues, and communities from financial crime.

We expect colleagues, business partners, suppliers, agents, and other associated third parties to follow our lead.

Aviva has no appetite for intentional or repeated breaches of law, regulation or policy related to financial crime and will investigate and seek to sanction or discipline agents, colleagues, directors, or others suspected of engaging in acts of bribery, corruption, or financial crime.

Preventing and tackling bribery and corruption and financial crime is anchored in Aviva's values, with a clear message from senior management around a zero-tolerance approach to financial crime. We cover this in our Business Ethics Code as well as a standalone Prevention of Bribery and Corruption Statement which details our commitments and practices.

The Financial Crime Business Standard, supported by Minimum Compliance Standards, underpins our risk-based approach to managing financial crime. These standards guide our programmes to prevent, detect and report financial crime and compliance with applicable laws and regulations. This includes bribery and corruption, money laundering and terrorist financing, sanctions and proliferation financing, fraud, and the facilitation of tax evasion.

Additional information
The Company's compliance with the Code, as well as the activities of the Customer and Sustainability Committee can be found in the Governance Report section of this document. Our climate risks and impacts can be found in our Climate-related Financial Disclosure.

Read more about how our directors have performed their statutory duty within our Section 172(1) statement: page 52

ENGAGEMENT

As a company with scale to drive meaningful impact, we use engagement, voting and investment decisions to help drive a sustainable future.

Taking action by using our voice
Throughout 2025, we have engaged the three stakeholder groups set out in our Transition Plan.

Governing bodies
We participated in key public policy taskforces, including the City of London's Transition Finance Council and the DESNZ Net Zero Council, supporting the development of guidance that was published for sector transition plans and providing input into the UK's updated Carbon Budget and Growth Delivery Plan. We also responded to key public policy consultations.

Industry participants
We continue to be part of the Net Zero Asset Owner Alliance, PCAF, Glasgow Financial Alliance for Net Zero, Finance for Biodiversity Foundation, UK Business & Biodiversity Forum, Green Alliance Adaptation Taskforce and more.

In addition, we contributed to the Financial Inclusion Committee, helping to shape initiatives that promote equitable access to financial services across the UK. Doug Brown, CEO of Insurance, Wealth & Retirement, represented the insurance sector within this forum, ensuring that industry perspectives informed policy discussions on inclusion and resilience.

Value chain partners - Holistic stewardship
We engage with institutions, agencies, and governments that set market rules and incentives.

Our Holistic Stewardship approach, coordinated across six levels of influence aims to deliver positive investment outcomes and support our customers' sustainability goals. This approach is a key part of our responsibility to help accelerate the energy transition, encourage good corporate practice, and assist nature positive action.

Using our vote
In 2025 as part of our stewardship approach, Aviva:

- Exercised our voting rights at 5,794 AGMs and EGMs
- Voted against 18.0% of company management recommendations that did not align with our sustainable investment strategy
- Conducted 1056 substantive sustainability engagement meetings through Aviva Investors
- Saw progress towards 323 sustainability engagement objectives through Aviva Investors, resulting in changes in investee companies' strategies, actions, or behaviours.

Thought leadership reports
In 2025, we published a series of thought-leadership reports, including a roadmap for low-carbon investment, a policy paper on mobilising finance for nature restoration, and a comprehensive study on building resilience to flood and heat impacts across the UK.

See the complete range of reports at www.aviva.com/sustainability/resources-and-reporting-hub/

SUSTAINABILITY RATINGS AND INDICES

Benchmarking companies[1] rate Aviva based on independently gathered Environmental, Social, and Governance (ESG) insight and data.

Indices	MSCI
Rating	AAA

MSCI analysts research and rate companies on a 'AAA' (leader) to 'CCC' (laggard) scale based on their exposure to and management of these risks relative to peers. As of December 2025, Aviva received an MSCI ESG Rating of AAA.

Indices	S&P Global
Rating	93rd percentile

S&P Global ESG Scores provide a depth and breadth of ESG insight, built upon multiple layers of ESG data, and underpinned by a rich bedrock of underlying data intelligence captured by the S&P Global Corporate Sustainability Assessment (CSA). As of December 2025, Aviva scored within the 93rd percentile for the insurance industry, achieving inclusion in the Dow Jones Sustainability Indices.

Indices	Carbon Disclosure Project
Rating	B

CDP runs the global environmental disclosure system. Each year, CDP takes the information supplied in its annual reporting process and awards companies a score, which represents a snapshot of a company's performance on environmental action. Scores for companies range from D/D- to A/A-. For 2025, Aviva received a B score.

Indices	Sustainalytics
Rating	13.7 low risk

Sustainalytics' ESG Risk Ratings measure a company's exposure to industry specific material ESG risks and how well a company is managing those risks. They measure unmanaged ESG risk and distinguish between five levels: negligible, low, medium, high and severe. As of September 2025, Aviva received an ESG Risk Rating of 13.7 = at low risk of experiencing material financial impacts from ESG factors.

1. Aviva discloses performance against the most material ESG ratings

Our tax contribution

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

£4.1 billion

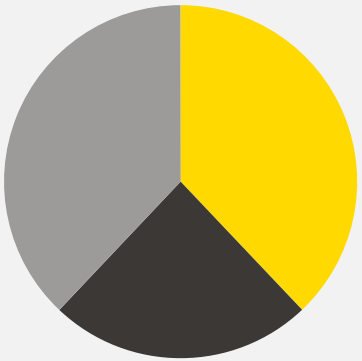
of taxes contributed globally in 2025

In 2024/2025 we were the 10th largest tax contributor in the UK[1], contributing £3.2 billion in 2025, made up of £0.7 billion of tax paid and £2.5 billion of tax collected.

Furthermore, we pay additional amounts of tax to governments around the world.

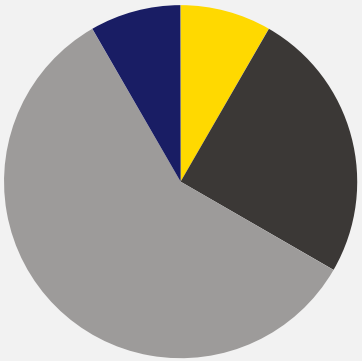
We consider our total tax contribution in two ways. Firstly, the tax paid by Aviva Group, which is a cost to our shareholders. Secondly, we collect and pay amounts to tax authorities on behalf of customers, suppliers and employees.

£2.9 billion of tax collected globally on behalf of customers, suppliers and employees



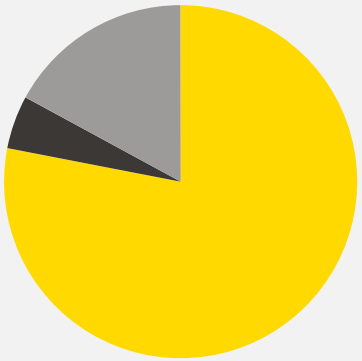
VAT, sales and premium	**£1.1bn**
Payroll taxes	**£0.7bn**
Taxes on customer pensions, income and investments	**£1.1bn**

£1.2 billion of tax paid globally by the Aviva Group



Corporate Income Taxes	**£0.1bn**
Payroll taxes	**£0.3bn**
VAT, sales and premium taxes	**£0.7bn**
Business rates, environmental and other taxes	**£0.1bn**

Our global total tax contribution of £4.1 billion is focused in our core businesses



UK	**£3.2bn**
Ireland	**£0.2bn**
Canada	**£0.7bn**

1. Based on PwC analysis of the 100 Group Total Tax Contribution Survey, published December 2025

OUR TAX STRATEGY[1]

Our tax strategy is to pay the right amount of tax at the right time in each of the countries in which we operate.

We act with honesty and integrity, engaging with HMRC and other relevant tax authorities on a transparent and cooperative basis. We conduct our business dealings in accordance with both the letter and spirit of all tax law, with our core values underpinning our approach to taxation.

This approach is consistent with the Group's appetite to manage its operational risk to as low a level as is commercially sensible, taking account of the financial impact and the value placed by the Group on maintaining a reputation for upholding the highest standard of corporate ethics.

With a low appetite for litigation, we prefer to seek clarity through timely discussion and prompt disclosure of all relevant information, to enable tax authorities to form an accurate assessment of the tax implications of our activities, and assess the current, future, and past tax risks.

We engage proactively in external developments on tax policy and engage with national governments, the European Union, OECD, and others where appropriate.

ENSURING THAT WE PAY THE RIGHT AMOUNT OF TAX IN EACH COUNTRY

We pay tax on the profits earned in each country and require all our businesses to comply with the tax laws in their markets and not enter into schemes or structures which result in an abusive tax result. When we undertake tax planning, we only do so in the context of wider business activity with a real and commercial basis.

Annual reviews are carried out to ensure that appropriate prices have been used for services provided cross border. These prices are subject to regular benchmarking to external markets to ensure the prices charged are consistent with arm's length transfer pricing principles and that profits arising in each company reflect the activity undertaken by that business.

Cross border reinsurance

Our UK resident reinsurance company has quota share reinsurance arrangements with Aviva subsidiaries from the UK, Ireland and Canada. The terms of our reinsurance treaties are consistent with arm's length principles.

Aviva also has a captive reinsurance company in Barbados, which supports the Canadian business. This was put in place to provide capital efficient pooling of risk in a traditional reinsurance location with a supportive regulatory regime and significant local experience. The company is now in run-off.

Offshore Investment Funds

As is common practice in the investment management industry, investment funds are structured to facilitate pooling of capital from different investors.

Aviva Investors manages various investment fund vehicles which are resident in low tax jurisdictions, including Luxembourg, Guernsey and Jersey.

These market standard offshore investment fund vehicles are cost efficient and mitigate tax arising within the fund, ensuring that income and gains are predominantly taxed in the hands of the investor. This allows investors with different tax profiles (e.g. tax exempt UK pension funds) to pool capital without increasing the amount of tax they would otherwise pay.

MANAGING OUR TAX RISKS

All tax returns and correspondence are prepared and reviewed by qualified and trained colleagues, acting under appropriate delegated authorities. Where the Group outsources activities, the outsourcing partner must be able to meet all relevant tax compliance responsibilities.

External advice will be sought where the risk, complexity and size of the decision requires an opinion from a third party.

The tax strategy is supported by the Tax Business Standard and our Operational Risk & Control Management (ORCM) framework. All our businesses are required to manage the tax risks in their jurisdiction, considering both proximate and long-term risks. Regular updates detailing the Group's tax position are provided to the Group Audit Committee.

The management of tax risks is overseen by the risk and audit functions.

The tax strategy is aligned with the Aviva Business Ethics code. It is owned by the Group Chief Financial Officer and is approved and overseen by the Board.

1. This document has been prepared and published on 5th March 2026 in accordance with paragraph 16(2), Schedule 19, Finance Act 2016, on behalf of Aviva plc and all the UK tax resident companies in the Aviva plc Group for the year ended 31 December 2025

Non-financial and sustainability information statement

The information presented here, including the sections referred to, represents our non-financial and sustainability information statement as required by sections 414CA and 414CB of the Companies Act 2006.

We aim to be the leading UK provider and go-to customer brand for all insurance, wealth, and retirement solutions. In Canada and Ireland, we continue to build strong businesses.

For further information, see **Our business model** and **Our strategy**.

The table below outlines Aviva's policies across certain key, non-financial areas with links to where further information on these topics can be found in this Strategic report.

Our policies can be read in full at **www.aviva.com/sustainability/reporting/#policies-and-response.**

On the next page is a summary of how we go about managing these aspects of our business and measuring our performance.

Climate and nature	Employees	Social matters	Human rights	Anti-corruption
In 2021 we announced our ambition to become a Net Zero company by 2040. The first iteration of our Transition Plan was published in March 2022. Since then, we have gained further insight and understanding into the challenges and opportunities of the transition. The second iteration, published in February 2025, represents an evolution of our strategy where we integrate nature, adaptation, and the just transition into our strategy. We aim to deliver our climate ambitions through an implementation strategy across our investments, insurance, and our own operations. Our approach is supported by a clear engagement strategy. Aviva engages with key stakeholders to create the enabling environment for the transition. Our transition plan is enabled by our governance, risk management, and reporting frameworks.	Our people are at the heart of Aviva's success. With them we have created a high-performance culture where colleagues feel valued and are supported to deliver for our customers. Our Conduct and Performance Policy sets out the standards expected for all colleagues at work and our annual essential learning includes all the important knowledge employees need to know about working at Aviva, so that we can protect our customers and business. We want our people to feel comfortable sharing their insights and experiences and to work together to understand customers' needs and find solutions. Our Fairness and Equality at Work policy and procedures help colleagues know how to work in a fair and equal way and how to raise any concerns about others.	We aim to help build stronger, more inclusive communities at a local level through community investment; helping people with financial, climate and health challenges. Where aligned with our investment strategy we invest in assets that provide broader support to communities. Across Aviva we work with our customers, communities, and partners to help more people get the insurance protection and income in retirement they need for a better tomorrow. Four in ten UK adults are Aviva customers. Our Financial Inclusion working group coordinates our approach to providing accessible propositions to address protection gaps.	Our approach is grounded in a commitment to respecting the human rights of everyone impacted by our organisation. This includes preventing, addressing, and remediating potential adverse human rights impacts across our operations, business activities and relationships, and investments. We continue to advance our anti-modern slavery agenda within our operations and supply chain, and through our partnerships. We regularly review and strengthen our broader human rights approach. This year, we continue to assess our high-risk suppliers and continue to work closely with our sustainability partners. Slavery Free Alliance supports us with on-the-ground assessments, while Good Business helps us improve our supplier risks mapping and shape our engagement strategy with higher-risk suppliers.	We will always seek to protect our customers, shareholders, employees, and communities from financial crime. We have a zero-tolerance approach to acts of bribery and corruption. All our businesses must comply with our Financial Crime Business Standard and associated Minimum Compliance Standards, which include robust anti-bribery and corruption requirements based on the UK Bribery Act. Our Business Ethics Code strictly prohibits any person associated with the Group from doing anything that supports, encourages, or facilitates bribery and corruption.
Our sustainability ambition: page 57 **Our Climate-related Financial Disclosure:** page 72	**Our people and culture:** page 54	**Our sustainability ambition:** page 57	**Find out more in this report under our support for human rights:** page 66 **Also see our modern slavery statement on www.aviva.com**	**Find out more about Our Business Ethics Code on www.aviva.com**

	Climate and nature	Employees	Social matters	Human rights	Anti-corruption
DUE DILIGENCE PROCESSES	• We continue to integrate climate and nature considerations into our investment, underwriting and claims processes. • Aviva Sustainability Ambition Executive Committee monitors the climate and nature-related risks and opportunities and evaluates progress against ambitions set. • Sustainability Business Standard includes how we manage material operational, climate and community impacts.	• Global People Business Standard and Remuneration Standard set out the minimum expectations for managing and rewarding people consistently to deliver the Group's people priorities. • People Risk dashboard and regular tracking/reporting of people metrics and trends. • Annual all colleague Voice of Aviva engagement survey and pulse surveys. • One Aviva Inclusion council and executive-sponsored diversity, equity and inclusion communities.	• Customer and Sustainability Committee – oversees the execution of the Aviva Sustainability Ambition, including our Social Action strategy. • Our Community Investment Committee oversees our approach to charitable donations and community investment, ensuring compliance with policy and helping us to make the greatest impact.	• In 2025 we conducted our most recent biennial Group-wide human rights due diligence assessment across all our businesses, guided by the UN Guiding Principles on Business and Human Rights (UNGPs). • We have in place a Human Rights policy which is regularly reviewed.	• Financial Crime Business Standard oversight and governance structure. • Ongoing Group-wide bribery and corruption risk assessment. • Risk-based training for those acting on Aviva's behalf. • Due diligence and risk rating of all third-party relationships. • Gifts and Entertainment and Conflicts of Interest procedures. • Speak Up malpractice helpline.
POLICY OUTCOMES	• Taking action on climate and nature, making progress towards our ambitions and key actions on climate and nature set out in our Transition Plan.	• A great place to work, where colleagues can build fantastic careers, feel included and be fairly rewarded.	• Use of Aviva's community investments as a force for good and the delivery of wider social benefit through our accessible propositions and the community benefit of our asset investments.	• Human Rights Due Diligence informing Stewardship activity • Modern slavery assessments on a range of key suppliers using a risk-based approach.	• Maintaining a culture of the highest ethics and compliance with our Business Ethics Code. • Seeking to prevent, detect and report financial crime, including any instances of bribery and corruption.
PRINCIPAL RISKS	• Reduction in returns from investments incompatible with the transition. • Disruption to Life or General Insurance businesses e.g. extreme weather, see our Risk Framework.	• Talent recruitment, retention, and reskilling. • Creating a diverse and inclusive workplace.	• Reduction in returns from investments in real estate and social infrastructure. • Macroeconomic and societal inequality conditions impacting customers' capacity to invest in our insurance, wealth, or retirement products.	• Adverse human rights impacts linked to our products, services, purchasing practice, and investment decisions.	• Failure to prevent, detect and report financial crime, including instances of bribery and corruption. • Cyber criminals: attempting to access our IT systems to steal or utilise company and customer data.
NON-FINANCIAL KPIS	• Aviva operational Scope 1 and Scope 2 (market-based) emissions reduction from 2019 baseline. • Carbon intensity reduction for Scope 1 and Scope 2 emissions from investments. • Percentage of suppliers (by spend) with validated science-based targets.	• Employee engagement. • Women in senior leadership. • Ethnic diversity in senior leadership roles.	• Investment in communities • Number of customers as a proportion of UK adult population.	• % of registered suppliers that have agreed to Supplier Codes of Behaviour. • % of businesses which have completed a human rights due diligence review. • Specialist colleagues trained on business human rights and modern slavery issues.	• Number of cases reported through Speak Up. • % of registered suppliers that have agreed to Supplier Codes of Behaviour. • Employees who have read, understood, and accepted the Business Ethics Code.
	Climate action: page 61	**Our people and culture:** page 54	**Social action:** page 58	**Protecting human rights:** page 65	**Good governance:** page 66

Our Climate-related Financial Disclosures

As a large asset manager and insurer we can leverage stewardship opportunities where possible to affect climate action, alongside the innovations and customers we support.

GOVERNANCE

Our governance framework and a clear division of responsibilities enables the Board to operate effectively, fulfil its responsibilities and provide valuable oversight. It allows the Board to integrate climate-related risks and opportunities into our strategy, decision making and business processes. The Board's Customer and Sustainability Committee is responsible for assisting the Board in its oversight of Aviva's Sustainability Ambition. The impact of climate change on principal risks is considered by the Risk Committee and climate-related financial disclosures are reviewed by the Group Audit Committee. The Remuneration Committee assists the Board with oversight of remuneration including consideration of climate metrics when reviewing the Director's Remuneration Policy.

See the Governance Report for further information including consideration of climate-related matters by our Committees.

Governance Report: page 86

STRATEGY

We have an ambition to be a Net Zero company by 2040. We recognise that to enable and embed a global transition to a low-carbon economy, we cannot singularly focus on decarbonisation. Our Transition Plan takes an integrated approach, incorporating nature, adaptation, and social considerations. We are now much clearer on the dependencies on which our ambition relies, many of which are outside of our direct control. Based on what we understand today, and the low degree of control we have over these emissions, we do not currently see a route to Net Zero for these emissions. Nevertheless, we remain committed to using our best endeavours to address them. For these emissions, like much of our Scope 3 across all categories, our focus is on engagement and advocacy to reduce these emissions over time.

In 2026 as the Direct Line integration into Aviva continues across our business, we will consider impacts, if any, for our sustainability strategy.

Our sustainability ambition: page 57

RISK MANAGEMENT

Aviva's risk management framework sets out how we identify, measure, monitor, manage and report on the risks to which our business, customers' and wider society are, or could be, exposed to (including climate and other sustainability related risks).

We have defined our climate risk appetite framework (including climate statements and preferences) to enable confident, risk-based decisions and monitor our exposure to climate-related risks on a quarterly basis.

We continually improve our climate risk management approach to keep pace with the customers' needs, increasing regulatory expectations, and the macroeconomic and geopolitical landscape. We remain vigilant to changes in the proximity, likelihood and scale of climate-related risks while tracking enhancement in data and tools.

We use our risk identification process to identify potential exposure to climate-related risks via the associated physical risk (for example, floods, wildfires, windstorms and tropical cyclones, and heavy precipitation), transition risk (for example, new climate policies) and litigation risk (including greenwashing).

We have identified climate-related risks covering investment returns and disruption to the life and general insurance markets. Weather events are already demonstrating the impact of physical risk on our customers lives. Additionally, transition risks are emerging as we move towards a lower-carbon economy. There are also climate-related opportunities, such as potentially enhanced return on investments aligning to a lower-carbon economy or developing lower-carbon insurance products.

We conduct exposure analysis to understand how these risks will impact our most material exposures. The risks most affected by climate change are credit risk, market risk and general insurance risk.

Our risks and risk management: page 75

CLIMATE SCENARIO ANALYSIS

We use qualitative and quantitative climate scenario analysis as a risk management tool to inform our risk assessment, management and ORSA processes and test the resilience of our business strategy and our operations, as well as adapt our business to climate change.

We use the following time horizons to classify climate-related opportunities and risks, aligned to our strategy and business plans:

- **Short term** — 0 to 3 years: risks and opportunities deemed material to our three-year business and financial planning cycle.
- **Medium term** — 3 to 10 years: risks and opportunities deemed material to our 2030 ambitions.
- **Long term** > 10 years: risks and opportunities deemed material to our 2040 ambition.

We include climate risk in our solvency modelling to provide a view of our resilience to the potential impact of climate change on our internal model solvency capital requirement which represents a one-year VaR measure. In 2025, both qualitative and quantitative climate scenario analyses were integrated into our business plan and stress scenario testing processes respectively. We are adapting to a world of increasing physical risk. We have built the possibility of short-term extreme weather events into our general insurance pricing, reinsurance programme design, and monitoring of actual weather-related losses versus expected weather losses by business. As part of the Group's capital management processes and ongoing engagement with our regulator, we conduct Reverse Stress Testing to test the resilience of business plans and to inform decision-making.

Aviva's strategy remains resilient to climate-related risks and opportunities in all scenarios examined, taking into account the possibility and availability of future management actions.

FINANCED EMISSIONS

Financed emissions represent the carbon emissions of our investment portfolio (i.e. Aviva's emissions for Scope 3 category 15 from the GHG Protocol). We monitor the emissions of our investment portfolio and our progress towards our climate ambitions. Our metrics include investee Scope 1 and Scope 2 emissions. We do not yet report Scope 3 of our investees (Scope 3 of 3) due to concerns about double counting, data quality and level of estimation.

The below table sets out the assets included in our climate metrics compared to the AUM on the IFRS consolidated statement of financial position excluding external assets:

	2025	2024
Total AUM for climate metrics (£bn)[1]	**288**	256
AUM on the IFRS consolidated statement of financial position (£bn)	**349**	313
Coverage (%)[1]	**82%**	82%

The coverage of 82% reflects that there are asset classes for which climate metrics are not yet calculated due to lack of methodology and available, robust data.

For more information refer to the Aviva plc Climate-related Financial Disclosure 2025 report.

OPERATIONAL EMISSIONS

We have set out below our GHG emissions on an absolute CO_2e basis in accordance with the Streamlined Energy and Carbon Reporting (SECR) Operational emissions are higher in 2025, reflecting the inclusion of Direct Line's operational emissions for the period 1 July 2025 to 31 December. In 2026, Direct Line emissions will be higher as a full year will be reported.

Operational emissions	2025[2] AR UK	Overseas	Total	2024 UK	Overseas	Total
Emissions (market-based)						
Scope 1 (tCO_2e)[3]	**6,248**	**1,622**	**7,870**	6,090	1,347	7,437
Scope 2 (tCO_2e)[4]	**—**	**423**	**423**	—	413	413
Scope 3 (tCO_2e)[5,6]	**13,677**	**5,353**	**19,030**	12,170	5,885	18,055
Total market-based emissions (tCO_2e)[2,6]	**19,925**	**7,398**	**27,323**	18,260	7,645	25,905
Total market-based emissions (tCO_2e) excluding Direct Line	**17,073**	**7,398**	**24,471**	18,260	7,645	25,905
Carbon offsets for which credits have been purchased and retired during the year (tCO_2e)[7]	**(19,925)**	**(7,398)**	**(27,323)**	(18,260)	(7,645)	(25,905)
Total net market-based emissions (tCO_2e)	**—**	**—**	**—**	—	—	—
Intensity ratios (market-based)						
Scope 1 and 2 - market-based emissions (tCO_2e) / £ million Total income[3,4,6]	**0.29**	**0.37**	**0.31**	0.36	0.33	0.35
Total market-based emissions (tCO_2e) / £ million Total income[6]	**0.93**	**1.35**	**1.02**	1.08	1.45	1.17
Total market-based emissions (tCO_2e) / employee[6]	**0.74**	**0.83**	**0.76**	0.88	0.93	0.89
Emissions (location-based)						
Scope 1 (tCO_2e)[3]	**6,248**	**1,622**	**7,870**	6,090	1,347	7,437
Scope 2 (tCO_2e)[4]	**5,600**	**2,916**	**8,516**	4,839	2,521	7,360
Scope 3 (tCO_2e)[5,6]	**13,677**	**5,353**	**19,030**	12,170	5,885	18,055
Total location-based (tCO_2e)[2,6]	**25,525**	**9,891**	**35,416**	23,099	9,753	32,852
Total location-based emissions (tCO_2e) excluding Direct Line	**21,318**	**9,891**	**31,209**	23,099	9,753	32,852
Intensity ratios (location-based)						
Scope 1 and 2 - location-based emissions (tCO_2e) / £ million Total income[3,4,6]	**0.55**	**0.83**	**0.61**	0.65	0.74	0.67
Total location-based emissions (tCO_2e) / £ million Total income[6]	**1.19**	**1.81**	**1.32**	1.37	1.85	1.48
Total location-based emissions (tCO_2e) / employee[6]	**0.94**	**1.10**	**0.98**	1.11	1.18	1.13
Energy consumption						
Energy consumption (MWh)[8]	**64,711**	**15,884**	**80,595**	53,583	12,712	66,295

Footnotes refer to items on pages 72 and 73 inclusive:

1. Comparative amounts have been re-presented to include impact from improved data coverage for assets managed by third parties on behalf of Aviva
2. Direct Line emissions have been included from the 1st July in accordance with our policies, for further information see note 15 - Reporting criteria in the Aviva plc Climate-related Financial Disclosure 2025. Direct Line emissions in 2026 will be higher as a full year will be reported.
3. Scope 1: Natural gas, fugitive emissions (leakage of gases from air conditioning and refrigeration systems), oil, and company-owned cars
4. Scope 2: Electricity (location-based), district heating (location-based, market-based) and district cooling (location-based, market-based)
5. Scope 3: Includes certain Scope 3 categories for fuel and energy related activities (category 3), waste (category 5) (waste generated in operations excludes Direct Line as it is not yet aligned to Aviva methodology), business travel (category 6) and employee commuting (partial reporting) (category 7)
6. Partial reporting under employee commuting reflects homeworking emissions. The table has been represented for 2024 to include home working for Aviva's businesses (UK, Ireland and Canada).
7. All residual emissions have been offset. Since 2022 we have offset our residual carbon emissions from our total market-based operational emissions as this takes account of the reduced emissions from our use of electricity from renewable sources. The 27,323 credits purchased in relation to the 2025 market-based emissions footprint were retired prior to reporting. For 2024 the carbon offsets have been represented to include homeworking.
8. Includes Scopes 1 and 2 energy MWh used within our occupied buildings

AR This metric was subject to external independent reasonable assurance by EY where indicated. For the results of that assurance in 2025, see Aviva plc Climate-related Financial Disclosure 2025 Independent Assurance Report and Aviva plc 2025 Reporting Criteria Independent Assurance Report.

Operational and financed emissions

Scope 1 emissions relate to Aviva's operations excluding electricity usage. Scope 2 emissions relate to electricity usage of Aviva's operations. Scope 3 emissions in the table on the left include emissions related to categories 3, 5, 6 and 7, as outlined below. For these categories the emissions do not include the counterparties' Scope 3 emissions. For category 15 financed emissions, Scope 1 and Scope 2 emissions are included and do not include investee Scope 3 emissions (Scope 3 of Scope 3).

Status	Scope 3 category name:
Included in operational carbon emissions	Category 3 - Fuel and energy-related activities
	Category 5 - Waste generated in operations[5]
	Category 6 - Business travel
	Category 7 - Employee commuting[6]
Aviva does not engage in activities linked to these categories	Category 4 - Upstream transportation and distribution
	Category 8 - Upstream leased assets
	Category 9 - Downstream transportation and distribution
	Category 10 - Processing of sold goods
	Category 12 - End-of-life treatment of sold products
	Category 13 - Downstream leased assets
	Category 14 - Franchises
Included in Financed emissions	Category 15 - Investments Financed emission metrics include investee Scope 1 and Scope 2.
Not yet reported	Category 1 - Purchased goods and services
	Category 2 - Capital goods
	Category 11 - Use of sold products
	Category 15 - Underwriting

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) COMPLIANCE SUMMARY

The TCFD outlines 11 recommendations for organisations to include in their climate-related reporting. Consistent with the requirements of section 414CB of the Companies Act, climate-related financial disclosures are embedded within the Strategic report. The Group's general purpose financial reports include a Climate-related Financial Disclosure report, which provides more detailed information. The table below outlines how the 11 recommendations have been addressed both within the Strategic report, and with greater granularity within the Climate-related Financial Disclosure.

TCFD pillars	TCFD recommended disclosures	Section of the Strategic report, that disclosures are included in, in compliance with the Companies Act	Section of the Climate-related Financial Disclosure with further details, in compliance with the Listing Rules
Governance Disclose the organisation's governance around climate-related issues and opportunities.	a. Describe the Board's oversight of climate-related risks and opportunities.	• Sustainability governance (see page 66) • Non-financial and sustainability information statement (see page 70)	• Governance - Our management's climate roles and responsibilities (see page 35)
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	• Our risks and risk management (see page 75 to page 83)	• Governance - Our management's climate roles and responsibilities (see page 35)
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning where such information is material.	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long-term.	• Non-financial and sustainability information statement (see page 70) • Our principal risks (see page 77)	• Strategy - Our climate risks and opportunities (see page 11)
	b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	• Climate action (see page 61)	• Strategy - Our climate risks and opportunities (see page 11) • Strategy - Our climate strategy (see page 14)
	c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	• Climate-related Financial Disclosure (see page 72)	• Strategy - Our climate strategy (see page 14) • Risk Management - Business planning and stress and scenario testing (see page 30) • Metrics and targets - Climate Value at Risk (see page 54)
Risk management Disclose how the organisation identifies, assesses and manages climate-related risks.	a. Describe the organisation's processes for identifying and assessing climate-related risks.	• Our risks and risk management (see page 75 to page 83)	• Risk management - Our process for identifying and assessing climate-related risks (see page 29)
	b. Describe the organisation's processes for managing climate-related risks.	• Our risks and risk management (see page 75 to page 83)	• Risk management - Our process for monitoring and managing climate-related risks (see page 29)
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	• Our risks and risk management (see page 75 to page 83)	• Risk management - Our process for integrating climate-related risks into risk management (see page 28)
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	• Our Non-financial KPIs (see page 29) • Non-financial and sustainability information statement (see page 70)	• Metrics and targets - Overview of our metrics (see page 37)
	b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas emissions (GHG), and the related risks.	• Climate-related Financial Disclosure - Operational emissions (see page 73)	• Metrics and targets - Operational emissions/Financed emissions/Monitoring sovereign holdings (see page 42 to page 50)
	c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	• Climate action (see page 61) • Decarbonising our business (see page 61)	• Strategy - Our climate strategy (see page 14) • Metrics and targets - Overview of our metrics (from page 37)

Our risks and risk management

OUR RISK STRATEGY

Effective risk management, leadership, capability and culture are fundamental to the sustained success of Aviva.

Our risk strategy is delivered through our Risk Leadership, consisting of Chief Risk Officers and Risk Directors, and teams specialising in financial and non-financial risks (including IT, cyber, climate and conduct).

The Risk Function is committed to enabling Aviva to grow profitably, responsibly, and sustainably. We have been proactive in our oversight and challenge of key business initiatives, supporting organic and inorganic growth.

Details of our inherent risk exposures are set out in note 52 of the Financial Statements.

OPERATIONAL HIGHLIGHTS

The global risk landscape in 2025 was characterised by a complex mix of interconnected risks, including heightened geopolitical tensions, evolving trade discussions, elevated cyber threats, domestic regulatory change and political evolution, and volatility across global financial markets.

The Risk Function has continued to strengthen, move forward, and adapt to challenges, providing support to the Business Units and our partners to ensure good outcomes for our customers and good returns for our shareholders.

A key highlight in 2025 has been the support the Risk Function has provided in the acquisition and ongoing integration of Direct Line into the Aviva Group.

OUR RISK CULTURE

Our people and our culture underpin all aspects of risk management at Aviva.

We promote open, honest communication, building trust with all our stakeholders. We are confidently adaptable to change and ambiguity, ensuring we maintain our performance under pressure. We encourage innovation and diverse thinking, integrating lessons learned into a decision making process and turning challenges into growth opportunities.

All our colleagues throughout Aviva have an annual risk-based goal focused on personal responsibility, supporting our commitment to embed our risk culture at all levels of the business. Together, these principles create a resilient, responsible, and forward-thinking risk culture that drives sustainable success for Aviva.

OUR RISK GOVERNANCE

Our governance framework ensures robust risk management through clearly defined roles, responsibilities, and oversight by both Board and management committees. This structure supports transparency and accountability across the organisation.

We maintain a comprehensive suite of risk policies that set the Board's expectations for managing risk across the Group, alongside business standards that define control objectives and minimum requirements for effective internal control.

Risk management is embedded in our operations through the 'three lines of defence' model: business line management, Risk Function, and Internal Audit. Oversight responsibilities of the Risk and Audit Committees are detailed in our Governance Report, with the Risk Committee also engaging on climate and sustainability. We continue to embed the enhanced requirements of the Corporate Governance Code, ensuring our risk management and reporting is in line with good industry practice.

> "In 2025, we continue to strengthen Aviva's risk culture and governance by embedding personal accountability and resilience across the organisation. Through open communication, innovation, and adaptability, we navigate global challenges with confidence and deliver sustainable outcomes for our customers and shareholders."

James Hillman
Group Chief Risk Officer

Our risk management framework

Our Risk Management Framework (RMF), as illustrated below, sets out our Group-wide approach to risk management. The RMF is owned by the Aviva plc Board and adopted by subsidiary boards. Our RMF is made up of several key components, including sub-frameworks for risk appetite and key risk categories, as well as our risk policy, governance, processes, procedures, systems and desired behaviours and attitudes for risk management. The processes and systems we use to identify, measure, manage, monitor, and report risks are designed to enable dynamic risk-based decision making and effective day-to-day risk management.

THREE LINES OF DEFENCE

1st line (line management)
Accountable for the implementation and practice of risk management, and has primary responsibility for risk identification, measurement, management, monitoring, and reporting.

2nd line (risk function)
Sets frameworks and standards to manage risk, and provides oversight, challenge, and advisory support to the business on risk matters.

3rd line (internal audit)
Assesses and reports on the effectiveness of the design and operation of the internal control framework, which enables risks to be assessed and managed.

The Risk Committee report: page 107

Governance

Risk Identification

Risk appetite framework

Risk strategy:
Defines how Aviva thinks about risk. Set by the Board as part of approving the Risk Appetite Framework.

Risk appetite:
Clearly defined quantitative or qualitative overarching statements, with associated metrics and thresholds, that express the level of risk the business is willing to accept. The Group has risk appetites for solvency, liquidity, climate, operational, conduct and reputational risk. Reviewed and approved by Boards or sub-committees.

Risk preferences:
Qualitative statements that express where the business prefers to take risks, or else accept or avoid them, and why. Expressed as absolute terms and set by the Board or Board Risk Committee.

Risk tolerances & risk triggers:
Risk tolerances are defined as qualitative or quantitative boundaries that may constrain specific risk-taking activities and are set by the Board or Board Risk Committee. Risk tolerances are in place for material, volatile or unrewarded risk types impacting solvency and liquidity.

Risk triggers are thresholds to monitor capital exposure and are approved by relevant management committees.

Risk taxonomy

A comprehensive catalogue of risks that the organisation is exposed to. Provides a consistent basis for assessing risk and to support the summarisation, aggregation and reporting of risk, capital, and control information. Also considers cross-cutting risks (e.g. Climate) and outcomes and impacts (e.g. Conduct, Reputation). Changes require approval from the Group Chief Risk Officer.

Level 1:
The broad categories covering the six main risks which affect Aviva: Market & Credit Risk, Liquidity Risk, General Insurance Risk, Life Insurance Risk, Operational Risk and Strategic Risk.

Read more in note 52 of the Financial Statements on page 273.

Level 2:
Shows more specific manifestations of level 1 risks, for example GI Reserve, GI CAT, and GI Premium/Underwriting under General Insurance Risk.

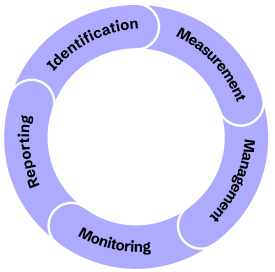
Level 3:
Represents the most granular risk types, for example Policy Volumes and Premium Rates under GI Premium/Underwriting.

Risk management framework policy

Establishes the principles and fundamental statements by which Aviva manages risk in line with its agreed risk strategy, comprising the systems of governance, risk management processes and risk appetite framework.

Risk management process

Aviva uses the IMMMR model (below) to help the business identify, predict, understand, and manage our risks, maintaining a safe risk environment and enabling dynamic risk-based decision making. Key components include the top-down risk assessment, Operational Risk & Control Management (ORCM), Own Risk & Solvency Assessment (ORSA) and Stress & Scenario Testing (SST).



We have Group manuals for IFRS Accounting Standards, Solvency UK, Non-Financial, and Climate Reporting. Financial and Non-Financial Reporting Control Frameworks are in place to support the preparation of our disclosures, including in respect of non-financial metrics and disclosures.

Top-down

Bottom-up

FRAMEWORK ENABLERS

Skillset and tools	Organisational structure and reporting lines	Risk solutions, tools and data	Capabilities, knowledge and expertise	Resourcing
Mindset	Culture and behaviours	Performance management	Leadership	

Our principal risks

Strategic pillars

Growth · Customer · Efficiency · Sustainability

Risk taxonomy key

A Market and credit risk · B Liquidity risk · C General insurance risk
D Life insurance risk · E Operational risk · F Strategic risk

Our principal risks are the risks most likely to affect Aviva's strategy, performance, or reputation over the next twelve months.

Details of these risks are set out in the following pages, along with their potential impact, key mitigations or management actions, associated material controls, links to the Group's strategic objectives and alignment with the risk taxonomy.

Our selection of principal risks has remained stable throughout the year and is aligned with the principal risks regularly reported to the Group Executive Risk Committee and Board Risk Committee for review and discussion. This is not intended to be an exhaustive list.

Our current assessment of the principal risks to our business is shown in the table opposite. It highlights the strategic pillars that could be impacted by each principal risk. The view is dynamic and reflects the continued assessment of risk management across the business.

STRESS, SCENARIO AND SENSITIVITY TESTING

We regularly use sensitivity analysis, stress, reverse stress and scenario testing of our principal risks. A number of scenarios, with different levels of severity, are performed, to analyse their impact on profitability, capital generation, solvency and liquidity. Where appropriate a set of plausible recovery actions is identified that can be executed in a timely manner.

We use severe recession-type scenarios (deep downside business cycle stress) to test the resilience of the balance sheet. These include regulatory stress tests such as the 2025 Life Insurance Stress Test (LIST), as well as our annual recovery planning, which uses extreme reverse stress testing to identify scenarios that would threaten our capital or liquidity.

We use this analysis to inform key decisions such as business plan development, dividend sustainability, and capital management actions. This also helps to ensure the operational and financial resilience of our business plans and to inform risk appetites and decision making. Every dividend decision is accompanied by an analysis of downside stress testing.

The wide range of testing that we perform assists in identifying the key management actions (e.g. expense and volume management, hedging and de-risking) the Group and Solo entities can use to withstand and react to a variety of severe events. They also demonstrate how we prudently manage the business, comply with regulatory expectations and that we understand the potential financial and non-financial consequences of our actions.

ALIGNMENT WITH PROVISION 29 OF THE CORPORATE GOVERNANCE CODE

To support the implementation of Provision 29 of the UK Corporate Governance Code, we have shown the alignment of our principal risks with the appropriate executive risk owner in the following tables, along with reference to mitigations and material controls in respect of these risks. We also maintain executive level ownership and material controls for the additional three risks suggested in the code guidance: External Reporting, Fraud and Managing Our Data.

Principal Risk	Strategic Pillars	Focus Level	Risk Taxonomy	Executive Owner
Geopolitical instability	Growth, Customer	Increasing	E, F	Chief Brand and Corporate Affairs Officer
Economic and credit	Growth, Customer	Maintaining	A, B	Chief Financial Officer
People risk	Customer, Efficiency	Increasing	E	Chief People Officer
IT Control environment	Growth, Customer, Efficiency	Increasing	E	Chief Information Officer
Climate Change	Growth, Customer, Efficiency, Sustainability	Increasing	A, C, F	Chief Brand and Corporate Affairs Officer
Regulatory change	Growth, Customer, Efficiency	Maintaining	C, D, F	Chief Brand and Corporate Affairs Officer
Third parties	Growth, Customer, Efficiency	Maintaining	E, F	Chief Operating Officer
Strategic change	Growth, Customer, Efficiency	Increasing	E, F	Chief Operating Officer
Insurance risk	Growth, Customer, Sustainability	Maintaining	C, D	Chief Executive Officer IWR + Chief Executive Officer UK & Ireland General Insurance

Our principal risks

Strategic pillars

Growth | Customer | Efficiency | Sustainability

Risk taxonomy key

A Market and credit risk | B Liquidity risk | C General insurance risk
D Life insurance risk | E Operational risk | F Strategic risk

Risk	Description	Key mitigation actions
1 Geopolitical instability **Strategic pillars:** Growth, Customer **Focus level:** Increasing **Executive Owner:** Chief Brand and Corporate Affairs Officer **Risk Taxonomy:** E, F	Ongoing global instability could have a significant impact on financial markets and our supply chains (including claims inflation) and therefore the service we provide to our customers. There is a risk of direct contagion of armed conflicts to surrounding countries, where we might have direct underwriting exposure. Second and third order impacts may affect global energy prices, financial markets, global trade and inflation. The uncertain global political landscape has the potential to lead to a higher volume of covert cyber security and critical infrastructure threats. Measures to boost domestic production in the US risk triggering further global responses of retaliatory tariffs. A potential increase in isolationist regional policies, impacting market volatility, capacity, pricing could also lead to inflationary pressures on our supply chains.	We actively monitor the economic environment through our Financial Event Response Plan, as well as cyber security threat environment. We manage our direct underwriting exposure to conflict zones via our policy wordings and underwriting boundaries. A key focus is to identify how geopolitical environmental changes might impact Aviva's customers and balance sheet, allowing us to anticipate and proactively plan to prevent harmful outcomes. We perform exercises of plausible scenarios, including identification of triggers, early warning signs and developing preventative actions and contingency plans to minimise impact to our customers. We undertake stress testing and scenario analysis to understand potential impacts to our balance sheet, customers, and business suppliers. We develop contingency plans in case of major supply chain disruption, incorporating lessons learned from previous events such as the 2022 outbreak of the Ukraine conflict and the Covid-19 pandemic.
2 Economic and credit **Strategic pillars:** Growth, Customer **Focus level:** Maintaining **Executive Owner:** Chief Financial Officer **Risk Taxonomy:** A, B	The macroeconomic and geopolitical environment remains uncertain, leading to a wide range of possible outcomes for the global economy, capital markets and investment returns. The rapid growth of artificial intelligence poses both risks and opportunities to global growth, with further expansion or a material correction both considered possible by market analysts. In the UK, although interest rates have shown signs of easing, customers' savings behaviour, and reaction to increased costs and relatively sluggish growth have the potential to impact appetite for our products.	In this uncertain economic environment, we continue to monitor our market and credit risk exposures closely. We limit the sensitivity of our balance sheet to these risks within our overall risk management framework. This includes setting limits on market and credit risks, ensuring we maintain a well-diversified investment portfolio. While interest rate and inflation exposures are complex, we aim to closely duration-match assets and liabilities and take additional measures to limit interest rate and inflation risk. We hold substantial capital for market and credit risks and protect our balance sheet with hedging to reduce our sensitivity to market shocks. We are transparent with our customers, ensuring Consumer Duty is embedded at the heart of our business.
3 People risk **Strategic pillars:** Customer, Efficiency **Focus level:** Increasing **Executive Owner:** Chief People Officer **Risk Taxonomy:** E	Our people are critical to the delivery of our strategy and business plan. A failure to recruit a talented, engaged workforce risks our ability to service the needs of our customers and achieving our strategic goals. Aviva has built a skilled employee base through recruitment and development activities along with targeted merger and acquisition interventions. Not retaining our talented people risks a loss of skills and knowledge, which could have an adverse impact on our customers and on the profitability of Aviva. A diverse, inclusive workforce is at the heart of Aviva. Failure to attract colleagues with a broad range of backgrounds, experiences and views would risk negatively impacting our customer focus, strong decision-making capability and Aviva's culture. Great leadership is key to our continued success and we're investing in this capability via new leadership development programmes for all leaders, to drive high performance. This investment also helps to mitigate the risk of loss of our key leadership talent.	We have a range of development and talent programmes, graduate and apprentice schemes supported by a various diversity, equity, and inclusion initiatives to ensure we attract and retain the best talent. This includes our flagship leadership programme 'Lead the Way' which all people leaders in the organisation are undertaking. Our Aviva University and learning academies enable colleagues to develop their skills in key capabilities such as Wealth, Underwriting, Claims and Change. The Aviva Foundry is our flagship programme enabling us to build a future-ready workforce, in particular strengthening the digital and data skills we require both now and in the future. We build 12–18 month workforce forecasts in all our markets and functions, enabling us to prepare for and develop the skills needed to deliver our strategy. We have implemented innovative people policies, such as equal parental leave, and support flexible working to encourage collaboration and career progression for all colleagues, to retain our talent.

Our principal risks

Strategic pillars

Growth | Customer | Efficiency | Sustainability

Risk taxonomy key

A Market and credit risk | B Liquidity risk | C General insurance risk
D Life insurance risk | E Operational risk | F Strategic risk

Risk	Description	Key mitigation actions
4 IT Control environment **Strategic pillars:** **Focus level:** Increasing **Executive Owner:** Chief Information Officer **Risk Taxonomy:** E	New and rapidly advancing technologies such as generative Artificial Intelligence and quantum computing threaten to out-pace regulations, governance and control frameworks. Threat actors use AI for social engineering, creating convincing phishing messages and using vishing attacks to bypass identify checks or trick employees into revealing credentials. This was behind a number of high-profile retailer attacks in 2025. Failure to understand and react to the impact of changing technology on customer behaviours, pricing, and distribution models could pose a risk to delivering on our strategy, competitive advantage, and reputation. Heightened geopolitical tensions have also caused an increase in the frequency and aggressiveness of cyber-attacks on large institutions. Systems outages, either impacting Aviva's systems directly, or those of our third party business partners, could affect our ability to service customers.	Our operational risk and control management framework provides us with the tools and techniques to reduce future losses, protect good customer outcomes, and protect against adverse reputational and regulatory impact. We carefully design, assess and regularly test our controls to ensure they are effectively mitigating the key causes and consequences of risks inherent to the business. We have specific controls in place to manage and monitor the increasingly volatile IT, cyber and data threat landscape. We invest heavily in our IT infrastructure, ensuring our business is at the forefront of technology and suitably equipped to defend against cyber-attacks. We actively monitor and respond to attacks on our IT infrastructure, continually evolving our protection mechanism to ensure the integrity of our systems. Through our internal communications system, we educate all our colleagues on the moving trends of cyber criminals. Through our mandatory training, we ensure all our staff are aware of how to identify cyber-attacks and supplement this with simulation testing to validate our defences.
5 Climate change **Strategic pillars:** **Focus level:** Increasing **Executive Owner:** Chief Brand and Corporate Affairs Officer **Risk Taxonomy:** A C F	Aviva considers climate change to represent a significant risk to our customers, strategy, business model and wider society. Its effects are already being felt and we are proactively addressing these through our business plan, Stress and Scenario Testing, and Sustainability Ambition. We seek to minimise our exposure to the downside from climate transition risk, which may result from the expected extensive policy, technology, and market changes, while supporting solutions that will drive a transition to a low-carbon climate resilient economy. We recognise that there will be acute and chronic physical effects of climate change. We seek to limit our exposure to these risks, whilst actively supporting adaptation and building resilience. Additionally, we aim to minimise climate litigation risks, including those related to greenwashing. Climate related risks are 'cross-cutting' rather than standalone risks within our risk taxonomy, recognising that these risks impact many other risks.	Our risk policies and business standards explicitly cover climate related risks and integrate them into our risk and control management activities supporting our day-to-day decisions. We take into consideration the fact that these risks do not always easily align with existing risk management processes. Aviva's climate risk appetite framework expresses the level of risk our business is willing to accept or avoid. It enables confident risk-based decision making. We monitor our exposure using a variety of metrics and consider the rapidly evolving industry standards and regulatory requirements along with changes to, and dependencies with, the macroeconomic environment. We engage with companies to encourage them to transition to a lower carbon economy. We invest in and underwrite companies that are working towards robust and credible transition plans in line with our **Baseline Exclusion Policy**. We have built the possibility of extreme weather events into our general insurance pricing, reinsurance programme design, and monitor actual weather losses versus expected weather losses by business.

Our principal risks

Strategic pillars

Growth | Customer | Efficiency | Sustainability

Risk taxonomy key

A Market and credit risk | B Liquidity risk | C General insurance risk
D Life insurance risk | E Operational risk | F Strategic risk

Risk	Description	Key mitigation actions
6 Regulatory change **Strategic pillars:** Growth, Customer, Efficiency **Focus level:** Maintaining **Executive Owner:** Chief Brand and Corporate Affairs Officer **Risk Taxonomy:** C D F	The Group operates in a highly complex and evolving regulatory environment, subject to extensive regulatory oversight and disclosure requirements across multiple jurisdictions. Changes in relevant regulatory expectations in any of the markets in which the Group operates, may adversely impact the products and services we offer, including the need to make changes to terms and conditions and capital requirements. Such changes may impact customer outcomes, financial results, dividends payable by subsidiaries and financing requirements. Across the jurisdictions in which we operate, there is risk of regulatory divergence. Ambiguity or inconsistency in regulation across different jurisdictions risks increasing operating costs, while not guaranteeing improved outcomes for customers or markets.	We track and identify potential regulatory developments in each jurisdiction, relevant to our business. We continue to enhance the operationalisation of this framework, leveraging technology. We proactively engage with our regulators; the breadth of our market experience means that we have valuable insights to share and where possible, proactively do this to inform regulation in development. We comply with all applicable regulations and undertake regular reviews and testing to ensure continued compliance. We undertake proactive advocacy activity to inform regulatory developments and respond to regulatory publications impacting our businesses. Various governance committees are kept up to date on the progress of this activity.
7 Third parties **Strategic pillars:** Growth, Customer, Efficiency **Focus level:** Maintaining **Executive Owner:** Chief Operating Officer **Risk Taxonomy:** E F	Aviva relies on a wide range of third parties, and their own suppliers (fourth parties), to deliver critical and important business services and functions. Any weakness, defect, failure, or disruption within this supply chain exposes Aviva to risk, including potential operational disruption, customer harm, contractual/legal exposure, financial impacts, and reputational damage.	The Aviva Procurement & Outsourcing Business Standard (our Outsourcing Policy) is aligned to regulatory expectations and sets out the minimum mandatory controls for supplier related activities to be followed by all Aviva businesses, ensuring that supply related risk is managed effectively. This Standard includes: • a requirement for governance structures to be established to provide Senior Management and Board oversight for both individual supply arrangements and across the aggregate supply landscape. • a Group Supply Management Framework to ensure that sourcing and post-contract continuous monitoring and oversight activity, including operational resilience and recovery planning, is conducted with the appropriate level of rigour, based on the scale, complexity and risk a particular supply poses. Business Standard compliance, control assurance, risk event management, and assessment of risk, is managed and reported in line with the Aviva Operational Risk and Control Management Framework.

Our principal risks

Strategic pillars

Growth | Customer | Efficiency | Sustainability

Risk taxonomy key

A Market and credit risk | B Liquidity risk | C General insurance risk
D Life insurance risk | E Operational risk | F Strategic risk

Risk	Description	Key mitigation actions
8 Strategic change **Strategic pillars:** Growth, Customer, Efficiency **Focus level:** Increasing **Executive Owner:** Chief Operating Officer **Risk Taxonomy:** E F	The delivery of Aviva's Strategic Change activity is essential to our ambition to be market leading, and to continue delivering great customer outcomes. Numerous multi-year transformation programmes are underway or planned across all markets and if not executed effectively there is a risk of not delivering the expected strategic outcomes and benefits within the budget, timescales, and quality commitments. The scale of our change programmes requires a significant resourcing commitment. The ability to recruit, develop and retain highly skilled change delivery experts, to ensure we have the capability and capacity to successfully deliver the required programmes, remains a risk to our strategic ambitions. Reliance on third-party business partners to deliver change, in a competitive market, presents a risk to our change capacity. The integration of change programmes into business units presents a risk of disruption to business activity, while acquisitions of new businesses into the Aviva Group present further integration risks and legacy business risks.	We maintain change standards such as the Aviva Change Framework and associated oversight and performance metrics, with review and challenge throughout. We continue to evolve and enhance these. The Framework also assists in managing change safely and minimising consequences such as negative customer experience and operational disruption. Our change programmes are subject to regular review and assurance. This oversight ensures that our projects are meeting projected outcomes and benefits, whilst being managed in a controlled approach. We aim to match the skills of our staff to meet the needs of the change activity, aligning expertise and ambitions to develop and grow both the capacity of our teams and the individual members. Post implementation, we review change programmes in detail, to ensure lessons are learnt from both the programme and process, ensuring the change process continues to evolve and refine.
9 Insurance risk **Strategic pillars:** Growth, Customer, Sustainability **Focus level:** Maintaining Chief Executive Officer IWR + Chief Executive Officer UK & Ireland General Insurance C D	**General Insurance** The Group writes a diversified portfolio of general insurance risk including personal motor, household, commercial motor, property, liability, speciality risks and health, underwritten across Canada, the UK, Ireland and wider geographies via our speciality businesses and Lloyd's platform, Probitas. Through our insurance activities we are exposed to the risk of loss arising from uncertainties and deviations of the occurrence, frequency, amount and timing of insurance premiums, claim liabilities and reinsurance recoveries relative to the assumptions at the time of underwriting. These risks are exposed to concentrations in sectors of the market, reinsurance providers and geographic locations, and we recognise that the severity and frequency of catastrophic events (including weather-related events) and other individual large losses have the potential to adversely impact provisions for insurance liabilities and our earnings. Claims liabilities are inherently linked with wider inflationary risks that impact our supply chain and the indemnity requirements of our customers. **Life Insurance** The Group's life insurance risk continues to be dominated by exposure from our UK business, and arises through its exposure to mortality, morbidity and longevity risk, and exposure to worse than anticipated operating experience on factors such as persistency levels, exercising of policyholder options and management and administration expenses.	We have reinsurance in place across all our businesses to reduce our net exposure to potential losses. **General Insurance** The Group regularly reviews its exposure to ensure risks are diversified geographically and by lines of business, managing concentration risk and verifying the adequacy of reinsurance. Underwriting discipline and a robust governance process is at the core of the Group's underwriting strategy, ensuring we provide an appropriate level of return for an acceptable level of risk. General and health insurance reserves are regularly reviewed by qualified and experienced actuaries at the business unit and Group level in accordance with the Group's reserving framework. Large catastrophic (CAT) losses are explicitly considered in our economic capital modelling to ensure we are resilient; this modelling considers the impact of climate change on the frequency and severity of potential future events. Systems of governance are in place to ensure appropriate alignment and management of insurance risks across the entire insurance cycle. **Life Insurance** Life insurance risks provide a balanced diversification against other risks in the Group's portfolio. Mortality and morbidity risks are managed through comprehensive medical underwriting, input and advice from medical experts and reinsurance, as well as frequent monitoring and analysis of company experience. Longevity risk is managed through monitoring and analysis of the Group's experience, reinsurance, as well as considering the latest external industry data and emerging trends. Lapses and their associated financial impact are reduced through appropriate design of products to meet current and, where possible, future customer needs. Businesses also implement specific initiatives to improve the retention of policies which may otherwise lapse. Expense risk is primarily managed by the business units through robust cost controls and efficiency targets, together with frequent monitoring of expense levels.

Emerging risks

FRAMEWORK, PROCESSES, AND MANAGEMENT

We maintain a comprehensive library of emerging risk scenarios, which are distinguished from current risks by the high degree of uncertainty as to how and when the risk will crystallise and its impact on Aviva.

In order to prioritise emerging risks for management action and reporting, we articulate these scenarios as to how these emerging risks could crystallise and assess these scenarios according to their impact, post mitigation, on the Group's strategy, capital and liquidity, operational resilience and reputation or franchise.

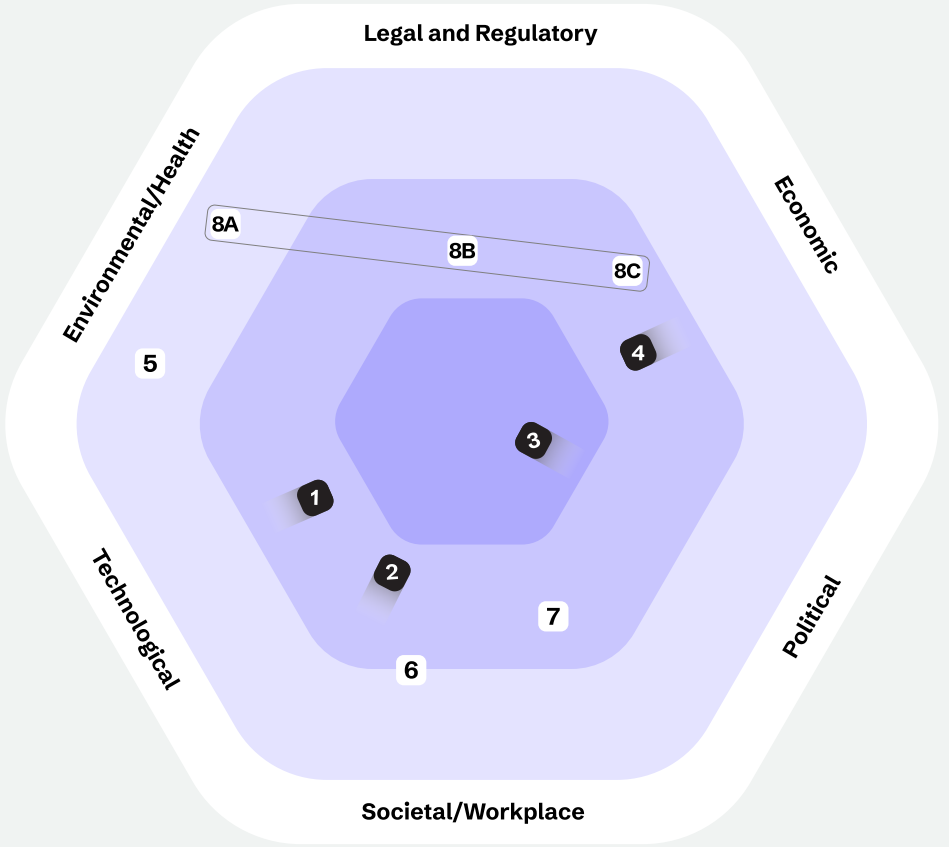
Heightened geopolitical tensions continue to amplify uncertainty in an already fragile global economy and place additional strain on Western government finances amid high debt-to-GDP ratios. Meanwhile, weakening climate resolve exacerbates physical climate threats over the longer term.

We also maintain a sharpened focus on emerging cyber risk trends, particularly the rapid advances in Artificial Intelligence (AI) technology that enable even more sophisticated social engineering, alongside the growing threat from Cybercrime as a service.

The following page provides more detail on the scenarios set out in the radar (right), the potential impact to Aviva and the mitigating actions in place.

CURRENT VIEW

Risk		Strategic pillars
1	**Artificial Intelligence** Artificial General Intelligence (AGI)	Growth, Customer, Efficiency, Sustainability
2	**Misinformation** Deep fake technology Weaponising technology	Customer, Efficiency
3	**Escalating Geopolitical Tensions** Trade wars China – Taiwan conflict Russia – Ukraine conflict Middle East conflict	Growth, Customer, Efficiency, Sustainability
4	**Global Debt Crisis** Next financial crisis	Growth, Customer, Efficiency, Sustainability
5	**Medical Advances** New generation of treatments	Growth, Customer, Efficiency
6	**Future Workforce** Evolving work culture	Growth, Customer, Efficiency
7	**Social Inequality** Increasing protection gaps	Growth, Customer
	Climate:	
8A	Physical	Customer, Sustainability
8B	Litigation	Growth, Customer, Sustainability
8C	Transition	Customer, Sustainability



High Velocity: Risks that could crystalise as events very rapidly

Near (<1yr) Medium (1-3yrs) Long (>3yrs)

Strategic pillars

Growth Customer Efficiency Sustainability

HIGH VELOCITY RISKS

1

Artificial Intelligence

Scenario: The emergence and adoption of artificial general intelligence (AGI).

Impact: Rapid changes to finance and insurance sectors, with impacts on and opportunity for the workforce. Current value propositions may be diminished with the availability of tools that 'level the playing field', impacting profitability and competitive advantage. Use of AGI may polarise sentiment and impact existing and future customer base.

Mitigation: Action in hand to strengthen the control framework for the current risks AGI presents as well as exploit the opportunities for process efficiency, better pricing and/or underwriting, product personalisation and improved customer service.

2

Misinformation

Scenario: Advances in AI technology has made content creation (video, audio, photos, and text) easier, cheaper, and more engaging, while social media accelerates its spread. This combination creates ideal conditions for misinformation and disinformation to thrive.

Impact: Misinformation and disinformation, amplified by deep-fake technology can be weaponised for fraud, harassment, defamation, and blackmail. At the extreme, they erode trust and can destabilise political and financial systems.

Mitigation: Proactive customer engagement to build trust, enhanced brand monitoring, and industry collaboration to address sector-wide challenges.

3

Escalating geopolitical tensions

Scenario: Global superpowers exerting dominance to pursue or defend national interest using military pressure, geo-economic coercion, and hybrid warfare. This sets off a profound shift to the world order that destabilises trade, strains alliances and sets a dangerous precedence for future conflicts.

Impact: Major supply chain disruption and claims supply chain inflation.

Increased cyber risk to operations. Global macroeconomic shock impacting solvency or new business.

Mitigation: Policy wording, underwriting boundaries, investment in cyber security controls, supply chain diversification, Financial Event Response Plan and Operational Resilience Framework.

4

Global debt crisis

Scenario: Next financial crisis with multiple potential triggers. Exacerbated by high levels of corporate debt issued at low interest rates requiring refinancing between 2026 to 2030 and sustainability of ever increasing sovereign indebtedness.

Impact: Credit defaults or downgrades impacting Aviva's solvency, Macroeconomic recessionary shock impacting new business.

Mitigation: Credit limit framework and credit hedging. Financial Event Response Plan. Ongoing stress and scenario testing. Deep downside scenarios in quarterly financial forecasting.

MEDIUM TERM AND LONGER TERM RISKS

5

Medical advances

Scenario: New generation of medical treatments (e.g. Advanced Therapy Medical Products, GLP-1 receptor agonists) bring unexpected mortality and morbidity experience.

Impact: Movements in mortality, morbidity and medical expense inflation result in deviations from expected claim patterns and annuity payments, leading to a requirement to strengthen reserves.

Mitigation: Detailed analysis of experience and factors that influence mortality informs our pricing and reserving policies. We buy longevity and mortality reinsurance to protect against adverse trends.

6

Future Workforce

Scenario: Continued demographic shifts, driven by baby boomer retirements, rapid tech-driven skill shifts in supply and employer demand, evolving culture, and competition for specialist expertise such as underwriters and financial advisers.

Impact: Talent shortages, widening skill gaps, and evolving cultural dynamics risk undermining operational resilience, driving up costs, and eroding competitiveness. If unaddressed, these challenges could slow transformation initiatives and weaken our industry leading position.

Mitigation: Investment in people, such as Aviva's Leadership Training Programme, robust succession planning, and leverage technology with effective talent management to maximise impact and value.

7

Societal inequality

Scenario: Increasing unaffordable cover for low-income groups resulting in protection gaps.

Impact: Increasing protection gaps (i.e. cover is unaffordable), risk of adverse public policy action to address insurance "poverty premium" and increasing fraudulent claims. This also creates opportunities for private insurance solutions where public healthcare and long-term social care is failing.

Mitigation: Addressed via Aviva's Social Action strategy. Financial Inclusion working group created to co-ordinate group wide approach to creating accessible propositions. Aviva's vulnerable customer plans and activity.

Strategic pillars

Growth Customer Efficiency Sustainability

CLIMATE RISKS

8A

Physical

Scenario: Greater than expected increase in acute or chronic physical hazards.

Impact: Reduction in returns from investments and insurance products that are exposed to weather-related losses (e.g. business interruption and increased claims). Supply chains disruption may affect companies profitability. Some real assets could become uninsurable.

Mitigation: Enhance product design, reinsurance, promote renewables and adaption initiatives. Monitor and manage exposure. Engage with suppliers to ensure they have Transition Plans. Build resilience through schemes such as 'Build Back Better'. Help customers in higher-risk zones to mitigate weather impacts.

8B

Litigation

Scenario: Changes in regulatory requirements and increased demand for climate disclosure, from customers and investors leads to inappropriate disclosures.

Impact: Damage to our reputation or franchise, if we fail to deliver on our ambitions or not do enough to protect customers, leading to financial losses or regulatory fines.

Mitigation: Implementation of robust governance and controls, develop clear pathways to achieve our ambitions. Comply with regulatory requirements and provide transparent disclosures.

8C

Transition

Scenario: Quicker or broader than expected climate policy implementation, stricter carbon pricing and market shifts.

Impact: Reduction in returns from investments in carbon-intensive sectors/ companies. Growth opportunities from climate-aligned investments. Disruption to the supply chain and to the insurance market affecting customers preferences, profitability, and pricing.

Mitigation: Monitor and manage exposure to high carbon-intensive sectors, invest in sustainable assets and underwrite companies with credible Transition Plans. Invest in Sustainable Assets. Respond to customers' needs and reward responsible actions. Engage with investees and suppliers to promote transition.

Going concern and longer-term viability statement

GOING CONCERN AND LONGER-TERM VIABILITY

A detailed going concern and longer-term viability review has been undertaken as part of the 2025 reporting process. The Group's business activities, together with the factors likely to affect its future development, performance and capital and liquidity positions are set out in the Strategic report, along with the Group's approach to risk and risk management. In addition, the Financial statements sections include notes on the Group's borrowings (note 45); its contingent liabilities and other risk factors (note 48); its capital management (note 50); management of its risks including market, climate, credit, and liquidity risk (note 52); and derivative financial instruments (note 53).

The going concern and longer-term viability review includes consideration of the Group's current and forecast solvency and liquidity positions over a three-year period and evaluates the results of stress and scenario testing. A three-year time horizon has been deemed an appropriate period for the assessment as it aligns to management's 2026-2028 business plan and to the period for which the Group establishes its internal and external targets. Stress and scenario testing (including reverse stress testing) is used to test the resilience of business plans and to inform decision-making.

These tests are driven by the Group's risk profile at a range of severities, as well as a range of other scenarios as part of the Group solvency and liquidity management processes.

The Group continues to maintain strong solvency and liquidity positions through a range of scenarios and stress testing. Particular areas of uncertainty include credit downgrades where a specific focus has been our commercial mortgage portfolio, which we continue to monitor closely and have taken several actions including debt restructuring. The Group's balance sheet exposure has been reviewed and actions taken to reduce the sensitivity to economic shocks.

Even in severe downside scenarios, no material uncertainty in relation to going concern and longer-term viability has been identified, due to the Group's strong solvency and liquidity positions providing considerable resilience to external shocks, underpinned by the Group's approach to risk management (see note 52).

It is fundamental to the Group's longer-term strategy that the directors manage and monitor risk, considering all key risks the Group faces, including longer-term insurance risks, so that it can continue to meet its obligations to policyholders. The Group is also subject to extensive regulation and supervision under the UK Solvency II regulatory framework.

Going concern

After making enquiries, the directors have a reasonable expectation that the Company and the Group as a whole have adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements (at least to 4 March 2027). For this reason, they continue to adopt, and to consider appropriate, the going concern basis in preparing the financial statements.

Longer-term viability statement

The directors have assessed the prospects of the Group in accordance with Provision 31 of the 2024 UK Corporate Governance Code, with reference to the Group's current position and prospects, its strategy, risk appetite, and the potential impact of the principal risks and how these are managed. Based on this assessment, the directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year assessment period to 31 December 2028.

Strategic Report

By order of the Board on 4 March 2026.

Amanda Blanc DBE

Group Chief Executive Officer

Governance Report

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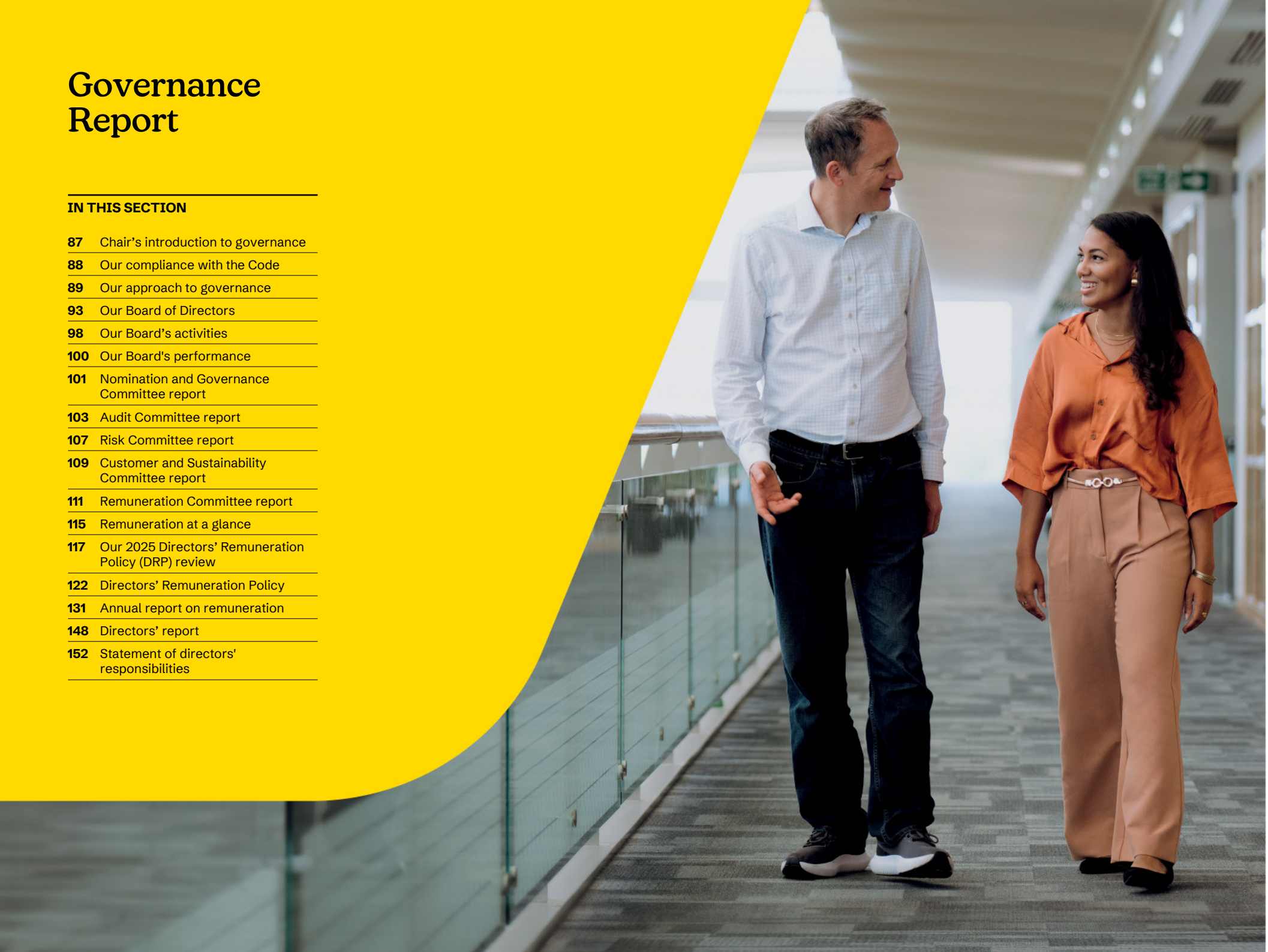


Chair's introduction to governance

George Culmer
Chair

GOVERNANCE AT AVIVA

Strong governance sits at the heart of everything we do at Aviva. It enables us to make good decisions, manage risk with discipline, and deliver sustainable success for our customers, shareholders, and wider stakeholders. It also underpins our ability to deliver our strategy and meet the expectations of those who rely on us.

As a Board, our role is clear: set the strategic direction, oversee risk and ensure our purpose, culture and values guide decisions across the Group. We take that responsibility seriously and remain committed to operating with transparency and accountability, whether this is through the Board itself or its committees.

STRATEGIC DELIVERY AND OVERSIGHT

This year, we've kept a sharp focus on delivering against our growth agenda. A key milestone was the successful acquisition and initial phase of integration of Direct Line — a significant step that strengthens our market position and supports long-term value creation. Alongside this, we have maintained disciplined capital allocation and resilience in a changing market environment.

BOARD PERFORMANCE

We commissioned an independent Board performance review to challenge ourselves and identify ways to keep improving. Having an external perspective is invaluable — it helps us ensure our governance framework remains fit for purpose in a rapidly evolving environment. For more information on the outcomes of the performance review, see page 100.

STAKEHOLDER ENGAGEMENT

Staying connected to our business and stakeholders is essential for good governance. This year, the Board has:

- Met shareholders in April at our General Meeting in London and Annual General Meeting in Bristol, providing an opportunity for direct dialogue.
- Taken part in a Customer Closeness Event, hearing first-hand what matters most to our customers.
- Held a Strategy Offsite in June, ensuring alignment on long-term priorities.
- Visited Sheffield in September, engaging with colleagues and local operations to strengthen business and community insights.
- Completed training on evolving topics such as climate and nature, and artificial intelligence (AI).

Culture remains a key focus for the Board. Through site visits, colleague engagement sessions and feedback from our workforce advisory channels, we monitor how our values are lived across the organisation and ensure Aviva remains a great place to work.

We also continued to develop the Evolution Council, welcoming new members, including colleagues from Direct Line, to bring fresh thinking on innovation and transformation. Listening to stakeholders remains a priority for us, and their views help shape our decisions and strengthen our governance framework.

BOARD COMPOSITION AND DIVERSITY

There have been no changes to Board membership in 2025, which brings stability and continuity. Our Board remains diverse in experience and perspective, enabling robust debate and effective challenge. We continue to monitor progress against gender and ethnic diversity targets set by the FCA and Parker Review, and we are committed to continuing to meet those standards.

COMPLIANCE WITH THE UK CORPORATE GOVERNANCE CODE

We remain fully committed to the principles and provisions of the UK Corporate Governance Code, ensuring clear responsibilities, strong risk oversight and meaningful stakeholder engagement.

LOOKING AHEAD

As we move into 2026, our focus will remain on delivering for customers and shareholders, integrating Direct Line effectively, and continuing to strengthen governance in a rapidly changing environment. We will keep challenging ourselves to stay ahead of emerging risks and opportunities, whether in technology, regulation or sustainability, so that Aviva remains resilient and future ready. During 2025, the Board enhanced its understanding of AI through a range of Board activities and engagements, and will continue to support and challenge the Group as it uses AI to drive efficiency and the customer experience.

Finally, I want to thank my fellow Board members for their dedication and professionalism, and all our colleagues across Aviva for the commitment they show every day to delivering for our customers.

George Culmer
Chair
4 March 2026

Read more on:

- **Our approach to governance:** page 89
- **Our Board's activities:** page 98
- **Our Board's performance:** page 100
- **Stakeholder engagement:** page 48
- **Our Board of Directors:** page 93
- **Our compliance with the Code:** page 88

Our compliance with the Code

Aviva is committed to the principles of the 2024 UK Corporate Governance Code (the Code), which is publicly available at **www.frc.org.uk**.

The Board can confirm that the Company was compliant with the Code throughout the financial year ended 31 December 2025, with the exception of Provision 29 which is not applicable until the next financial year.

The table below sets out where relevant information is disclosed about how the Company has applied the principles of the Code during the year.

Board leadership and company purpose	Pages
The Company is led by an effective Board whose role is to promote the long-term success of the Company and generate value for shareholders	93 100
The Board is responsible for establishing the Company's purpose, values, and strategy and ensures our culture is aligned to these	3 23 92
Governance reporting focuses on Board decisions and their outcomes in the context of our strategy and objectives	53
The Board ensures effective engagement with shareholders and stakeholders	50 91
The Board ensures that workforce policies and practices are consistent with the Company's values and support its long-term success and the workforce can raise any matters of concern	54 106

Division of responsibilities	Pages
The Chair leads the Board and is responsible for its overall effectiveness	89 100
The Board includes an appropriate combination of executive and non-executive directors and there is a clear division of responsibilities between the Board and the executive	91 93 102
Non-Executive Directors have sufficient time to meet their responsibilities. They provide challenge, guidance, and hold management to account	91 102
The Chief Corporate Governance Officer supports the Board in ensuring that it has the policies, processes, information, time, and resources it needs	90

Composition, succession and evaluation	Pages
Appointments to the Board are subject to a formal procedure and effective succession plans are maintained for Board and senior management. Both appointments and succession plans promote diversity, inclusion, and equal opportunity	101 102
The Board and its Committees have a combination of skills, experience, and knowledge. Consideration is given to the length of service of the Board as a whole and membership is regularly refreshed	93 97 102
The annual Board and Committee evaluation considers composition, diversity, and effectiveness. Individual evaluation demonstrates that each director continues to contribute effectively	100

Audit, risk and internal control	Pages
The Board has established procedures to ensure the independence and effectiveness of internal and external auditors and integrity of financial and narrative statements	104
The Board presents a fair, balanced, and understandable assessment of the Company's position and prospects	105
The Board has established procedures to manage risk and internal controls and determine the principal risks the Company is willing to take to meet strategic objectives	75 91 107

Remuneration	Pages
Remuneration policies and practices are supportive of strategy and promote long-term sustainable success	111
There is a procedure for developing executive remuneration policy and determining director and senior management remuneration	117
Directors exercise independent judgement and consider performance when authorising remuneration outcomes	135

Provision 29 preparations

The executive team has continued preparations to meet the requirements of Provision 29 of the 2024 Code which will apply to financial year beginning 1 January 2026, relating to the effectiveness of the risk management and internal control framework.

The Board's declaration on the effectiveness of material controls, under Provision 29, will be based on existing governance and risk management arrangements including the operation of the Group's operational risk and control management framework.

During 2025, a Steering Committee was created to support preparations, with progress made in developing our list of material controls - these are aligned to our principal risks and a number of other key risk areas referred to in Code guidance. Ownership of these Principal risks and the associated mitigating actions has been agreed with the Executive team.

Key elements of the associated activity will be subject to a 'dry run' assessment during 2026 over preparations in advance of the first formal declaration in financial year 2026.

Our approach to governance

GOVERNANCE FRAMEWORK

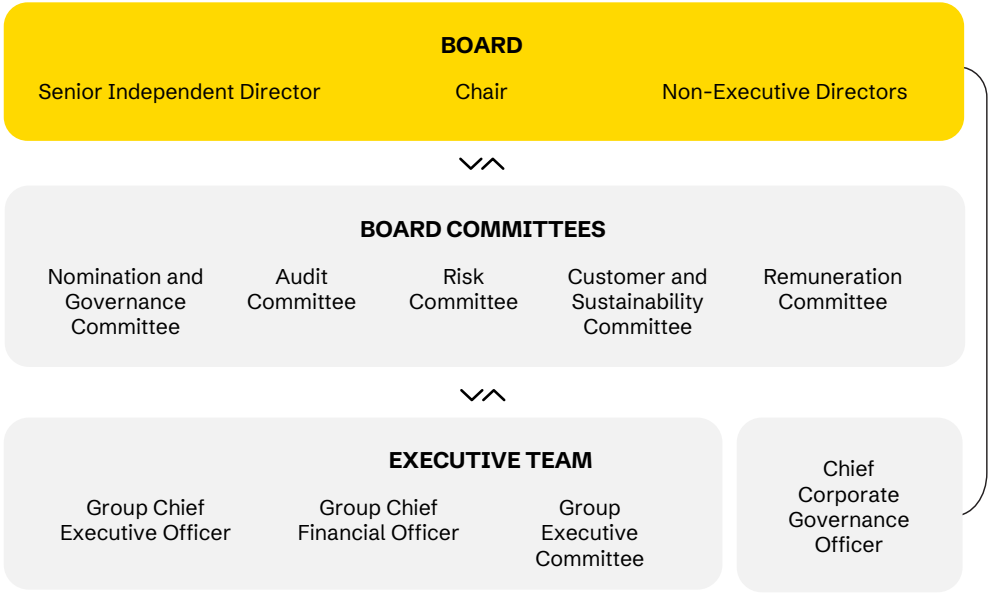
A strong system of governance throughout the Group is essential to achieving our purpose and delivering our strategy. Our governance framework and a clear division of responsibilities enables the Board to operate effectively, fulfil its responsibilities and provide valuable oversight.

Whilst the Board reserves certain responsibilities, day-to-day management of the Group has been delegated to the Group Chief Executive Officer, who is supported by the Group Executive Committee.

The Board has established five Board Committees which operate under their respective Terms of Reference, available online at **www.aviva.com/committees**.

The Board Committees collaborate closely on areas of shared responsibility. For example, the Audit and Risk Committees work together on matters relating to internal controls, with each Committee Chair serving as a member of the other Committee to ensure a well-coordinated and aligned approach.

To enable a strong and appropriate flow of information between the Board and the organisation, with clear boundaries, the Chairs of our four businesses - UK & Ireland General Insurance; Canada General Insurance; Insurance, Wealth and Retirement; and Aviva Investors - are Non-Executive Directors on the Board.



ROLES AND RESPONSIBILITIES

BOARD

Collectively responsible for promoting the long-term, sustainable success of the Company through seeking to generate value for shareholders while fulfilling responsibilities to all our stakeholders. This includes setting the Group's strategic priorities and monitoring management's performance against those priorities, setting the Group's risk appetite and ensuring effective controls are in place, monitoring compliance with corporate governance principles and upholding the purpose, culture, values, and ethics of the Company.

CHAIR

The Chair is tasked with the leadership of the Board, setting its agenda, ensuring its effectiveness, and enabling the constructive challenge of the performance and strategic plans of the Executive Directors by the Non-Executive Directors. The Chair meets with the Non-Executive Directors regularly without the Executive Directors present. The Chair also plays a key role in the effective communication with shareholders and working with the Board to establish our culture, purpose, and values.

SENIOR INDEPENDENT DIRECTOR

The Senior Independent Director's principal duties are to provide a sounding board for the Chair and serve as an intermediary to other directors and shareholders where necessary. The Senior Independent Director also leads on reviewing the performance of the Chair and meets with the Non-Executive Directors at least annually without the Chair present.

NON-EXECUTIVE DIRECTORS

Non-Executive Directors are expected to exercise independent judgement through constructive challenge and scrutiny of management's performance. They assist in the development of strategy and must satisfy themselves that financial controls and systems of risk management are robust. Non-Executive Directors are central in the appointment, removal, succession planning, and determination of appropriate levels of remuneration for Executive Directors.

ROLES AND RESPONSIBILITIES CONTINUED

BOARD COMMITTEES

Nomination and Governance Committee
Oversees Board composition, Board and senior executive succession, and Group corporate governance.

Read more in the Nomination and Governance Committee report: page 101

Audit Committee
Assesses the integrity of financial and non-financial and climate-related reporting and oversees the effectiveness of internal controls, internal and external auditors, and whistleblowing.

Read more in the Audit Committee report: page 103

Risk Committee
Provides oversight and advice to the Board in relation to the current and future risk exposures of the Group by reference to strategic developments and including determination of risk appetite, tolerance, and desired risk culture.

Read more in the Risk Committee report: page 107

Customer and Sustainability Committee
Oversees the Group's ambition to be a leading customer centric-company and Aviva's Sustainability Ambition.

Read more in the Customer and Sustainability Committee report: page 109

Remuneration Committee
Reviews the Group Remuneration Policy, compliance with the Policy, and the remuneration approach for relevant staff under any of the applicable regulatory regimes.

Read more in the Remuneration Committee report: page 111

EXECUTIVE TEAM

Group Chief Executive Officer
The Group CEO has overall accountability for the development and execution of the Group's strategy in line with the policies and objectives agreed by the Board, as well as the operational effectiveness and profitability of the Group. The Group CEO leads the Group Executive Committee.

Group Chief Financial Officer
The Group CFO is responsible for the financial affairs of the Group whilst supporting the Group CEO in the development and execution of the Group's strategy.

The Group Executive Committee
The Group Executive Committee is made up of senior executives who have accountability for their own business area or function, as delegated by the CEO.

Chief Corporate Governance Officer
The Chief Corporate Governance Officer is responsible for advising the Board on governance matters and ensuring compliance with applicable rules and regulations. She ensures good information flows within the Board and its committees and between senior management and Non-Executive Directors. She supports the Board in ensuring that it has the policies, processes, information, time, and resources it needs. All directors have access to the advice of the Chief Corporate Governance Officer.

INDUCTION, TRAINING AND DEVELOPMENT

The development of all employees is a central part of Aviva's culture. Our directors are highly supportive of this aim and are committed to their own ongoing professional development. During 2025, the directors participated in internal training sessions on subjects including artificial intelligence, sustainability (including climate and nature), operational resilience, Part VII transfers, the customer experience, Government policy updates, and business line showcases on Wealth retail, Health operations and transformation, and complaints. The Board also heard from an external guest speaker on geopolitics.

Targeted training sessions have also been incorporated into the Board and Committee plans for 2026.

The Board also receives regular briefings on a range of strategically important matters to ensure they are informed of developments in these areas.

All newly appointed directors are provided with a structured and tailored induction programme, taking into account their experience and capabilities and knowledge of Aviva. This covers, amongst other matters, the current financial and operational plan, meeting packs and minutes from recent Board and Committee meetings, stakeholder engagement, organisation structure charts, a history of the Group, role profiles, all relevant policies, procedures, and other governance materials. The induction also includes meeting key members of senior management and the external and internal auditors.

COMMUNICATION WITH SHAREHOLDERS

The Board places significant emphasis on maintaining open and constructive communication with shareholders. Executive Directors engage in an ongoing dialogue with institutional investors, fund managers, and analysts, coordinated with our Investor Relations team.

The Chair also meets with investors to discuss a broad range of topics and gain insight into their perspectives. Feedback from these engagements is regularly shared with the Board via reports from the Group CEO and Group CFO at Board meetings, as well as briefings from Investor Relations.

The Senior Independent Director is also available to meet with major shareholders to discuss any concerns that cannot be resolved through normal channels.

Our stakeholders: page 48

Shareholders are also given the opportunity to communicate with the Board at the Annual General Meeting.

Shareholder Services: page 335

CONFLICTS OF INTEREST

In accordance with the Companies Act 2006, the Company's Articles of Association allow the Board to authorise potential conflicts of interest that may arise and to impose such limits or conditions as are deemed necessary. The Board continues to monitor and note any actual or potential conflicts of interest that each director may have and decides whether these should be authorised.

Directors must disclose potential conflicts of interest as and when they arise, and confirm that the information held by the Company is correct on a bi-annual basis.

DIRECTORS' EXTERNAL APPOINTMENTS

During the year, the Board considered additional external listed appointments, taking into consideration time commitment and conflicts of interest. As required by the Code, significant appointments are outlined in this section.

In April 2025, Andrea Blance was appointed as a non-executive director and chair of the remuneration committee of Pennon Group plc. The Board reviewed and approved the appointment, particularly in relation to Andrea's time and any conflicts of interest.

INDEPENDENT ADVICE

All directors have access to the advice of the Chief Corporate Governance Officer in relation to the discharge of their duties on the Board and any Committees they may serve on. Furthermore, directors may take independent professional advice at the Company's expense. During the year, no directors sought to do so.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for setting the Group's risk appetite and ensuring that there is an appropriate system of risk governance in place.

To carry out this responsibility, the Board has established frameworks for risk management and internal control using a 'three lines of defence' risk governance model, which help the Group comply with the Financial Reporting Council's guidance on risk management, internal control and related financial and business reporting.

The Board delegates primary responsibility for overseeing the design and effectiveness of the Group's prudent and robust key controls to the Risk Committee, while the Audit Committee retains responsibility for the system of internal controls relating to Financial Reporting and to Non-Financial and Climate-related Reporting.

The Risk Committee, on behalf of the Board, continually assesses the Group's principal and emerging risks, and these are regularly reported to the Board.

ASSESSMENT OF EFFECTIVENESS OF RISK MANAGEMENT

Each business unit CEO is required to make a declaration that the Group's governance and system of internal controls are effective and are fit for purpose for their business and that they are kept under review throughout the year.

The effectiveness assessment draws on the regular cycle of assurance activity carried out during the year and is supported by the application of the Group's operational risk and control management framework. The details of any key failings or weaknesses are reported to the Audit and Risk Committees and to the Board on a regular basis. Any material risks not previously identified, key control weaknesses or non-compliance with the Group's risk policies or local delegations of authority must be highlighted as part of this process. This assessment is subject to Chief Risk Officer review and challenge both at local business unit and Group-level.

The Risk Committee monitors the operation of the Group's risk management and internal controls, and the Audit Committee monitors internal controls over financial reporting through regular reports. In March 2026, the Risk Committee carried out a full review of the systems of risk management and internal control for the financial year ended 31 December 2025, which remained effective. This review covered all key controls including financial, operational, and compliance controls and the risk management framework. The Audit Committee also reviewed internal controls over Financial Reporting and Non-Financial and Climate-related Reporting.

Our risks and risk management: page 75

CULTURE

Purpose, values, culture

Aviva's purpose is 'to be with you today for a better tomorrow'. This is underpinned by our values: commitment, community, confidence, and care – each of which support our desired culture. The Board is ultimately responsible for shaping and sustaining the Company's culture and ensuring it remains aligned to our purpose, strategy and values. In 2025, the Board continued to monitor cultural trends and behaviours while ensuring the desired culture remained embedded, and communicated consistently, across the Group.

How the Board monitors the embedding of culture

In December 2025, the Board received an update on culture though the annual culture diagnostic. The diagnostic focusses on six elements of culture and tracks colleague perception from the Voice of Aviva (VoA) survey and includes customer and people metrics. The Board reviews the diagnostic annually to aid its responsibility to monitor culture and to assist with formulating priorities to help further enhance and embed that desired culture. This year, the diagnostic demonstrated meaningful progress against the priorities for 2025, such as the acceleration of investment in leadership development through the execution of the Lead the Way Programme. The VoA showed a slight increase in colleague engagement levels on the prior year, demonstrating motivation and connection between our people and our values. 92% of our people now say that Aviva is a great place to work.

Using the 2025 culture diagnostic, management has established Group-wide priorities for 2026 - please see page 56.

The Culture Diagnostic

The six dimensions used to assess Aviva's culture reflect regulatory expectations and frame discussions with the Group Executive Committee and Board on how we measure and monitor our culture.

1. **Customer focus**
2. **Safe to speak up**
3. **Diversity of thinking**
4. **Accountability**
5. **Values**
6. **Leadership and direction**

Data sources

The data used to inform the analysis against the six dimensions is based on three key sources:

- Colleague perspectives on, and experiences of, our culture captured in the Voice of Aviva survey.
- Colleague behaviours across the employee lifecycle captured via HR data (such as senior leadership diversity, absence rates etc.).
- Colleague and customer metrics and feedback on their experiences of Aviva's service.

Board oversight

The Board's oversight extends beyond data and metrics, actively engaging with colleagues through regional site visits, and the Evolution Council—our principal employee engagement mechanism under the Code. Established in 2018, the Council meets seven times a year ahead of scheduled Board meetings, is chaired by the Board Chair, and attended by Non-Executive Directors on rotation. Insights from these sessions are reported back to the Board and play a vital role in shaping discussions on colleague experience and cultural development.

While monitoring cultural alignment, the Board oversees the embedding of the desired culture throughout the Group. This means ensuring that our purpose and values are not only articulated but consistently reflected in our people's behaviours and ways of working. The embedding of culture is demonstrated primarily through, among other things, Aviva's Values in Action, internal policies, and practices that guide behaviour, organisational-wide goal setting, leadership programmes that help our leaders drive the desired culture, and how we support our colleagues in staying healthy.

Values in Action

Values in Action (ViA) brings Aviva's purpose and values – Care, Commitment, Community and Confidence – to life by defining the behaviours that drive our culture and performance. ViA provides a clear framework for how colleagues "show up" every day, guiding decisions and actions that deliver for customers, shareholders, and communities. It sets expectations at all leadership levels, promotes accountability and inclusion, and underpins recognition programmes that celebrate those who exemplify our values. Through ViA, our culture is not just stated – it is lived and embedded at all levels.

Goal setting

The Board and executives recognise that goal setting is a vital mechanism for embedding Aviva's desired culture, aligned with our values. The annual goal-setting process ensures that every colleague's objectives are aligned with our purpose, strategic priories, and the ViA framework. Leaders are expected to ensure that recognition and development are linked to living our values through tailoring goals for their teams and promoting regular performance conversations.

Lead the Way Programme

In September 2025, our Lead the Way Programme was established for our 4,000+ leaders and will provide tailored development pathways for leaders at every level. The programme will also ensure that leadership behaviours consistently reflect Aviva's cultural expectations. The programme encourages leaders to role-model our values, drive positive engagement, and champion diversity and inclusion – as a result, colleagues experience a culture where our values are lived daily. The Board considered the proposed Lead the Way Programme in Q2 of 2025.

Private Medical Benefit xDL

In 2025, we introduced Private Medical Benefit to all UK colleagues (excluding Direct Line), reinforcing our commitment to wellbeing and inclusion. This initiative reflects our purpose by ensuring our people have access to timely, high-quality healthcare when they need it most, and it fosters a culture where colleagues feel supported, valued, and empowered to thrive. For more information on this benefit, see page 56.

Our Board of Directors

Committee membership key

- Nomination and Governance Committee
- Audit Committee
- Risk Committee
- Customer and Sustainability Committee
- Remuneration Committee
- (C) Chair

George Culmer
Chair

Appointed (C)
Non-Executive Director – Sep 2019
Senior Independent Director – Jan 2020
Chair – May 2020

Experience and competencies

George brings significant board-level exposure with over 20 years experience as a FTSE 100 Director, including Chief Financial Officer of Lloyds Banking Group plc and, prior to that, Chief Financial Officer of RSA Insurance Group plc. George has also worked at Zurich Financial Services and Prudential plc.

George has a deep understanding of insurance and wider financial services and insight into the challenges that affect Aviva's businesses and the implications for shareholders, which make him well placed to lead the Board in driving the strategy, culture, and values of the Group.

External appointments

- Senior Independent Director of Rolls-Royce Holdings plc
- Trustee of the Army Benevolent Fund

Dame Amanda Blanc
Group Chief Executive Officer (CEO)

Appointed
Non-Executive Director - Jan 2020
Group CEO - Jul 2020

Experience and competencies

Amanda has held senior executive roles across the insurance industry as Group Chief Executive Officer at AXA UK PPP & Ireland, and Chief Executive Officer, EMEA & Global Banking at Zurich Insurance Group. Amanda held executive leadership positions at Towergate Insurance Brokers, Groupama Insurance Company and Commercial Union. She served as Chair of the Insurance Fraud Bureau, President of the Chartered Insurance Institute, a member of the Prime Minister's Business Council, and Co-Chair of the UK Transition Taskforce.

Amanda's broad executive experience in the insurance industry makes her well qualified to lead Aviva. Amanda has greatly simplified Aviva and overseen a significant strengthening of Aviva's financial position.

Amanda is a director of Aviva Group Holdings Limited.

External appointments

- Senior Independent Director of BP plc
- Board member of the Association of British Insurers
- Member of the UK Government's British Infrastructure Taskforce

Charlotte Jones
Group Chief Financial Officer (CFO)

Appointed
Group CFO - Sep 2022

Experience and competencies

Charlotte has held a number of executive positions during her career, including Chief Financial Officer of RSA Insurance plc, Interim Chief Executive Officer of the RSA UK & International business, and Chief Financial Officer of Jupiter Fund Management plc. Before that, Charlotte was Head of Group Finance at Credit Suisse Group, Deputy Group Chief Financial Officer at Deutsche Bank Group and an audit partner at EY. Charlotte is a Chartered Accountant.

Charlotte is a highly experienced Chief Financial Officer with an impressive track record across the insurance, banking, and asset management industries. Charlotte's financial expertise and strategic decision-making skills play a fundamental role in driving Aviva towards its strategic goals.

Charlotte is a director of Aviva Group Holdings Limited, Aviva Insurance Limited and Direct Line Insurance Group Limited.

External appointments

- Member of the Sheffield University Management School Advisory Board

Cheryl Agius
Independent Non-Executive Director

Appointed
Non-Executive Director – May 2024

Experience and competencies

Cheryl is a qualified actuary with over 30 years' experience in the financial services industry. Cheryl was Chief Executive Officer of Saga plc's general insurance business and, prior to that, Chief Executive Officer of Legal & General Group plc's general insurance business. Cheryl held senior leadership roles in Legal & General's retirement division and was responsible for setting up the US retirement business.

Cheryl is Chair of Aviva Investors Holdings Limited and Aviva Investors Global Services Limited and previously served as a Non-Executive Director of Aviva Life Holdings UK Limited, Aviva Life & Pensions Limited and Chair of Aviva Equity Release UK Limited, all subsidiaries in the Aviva Group. Cheryl was also Chair of the Aviva Life Holdings UK Limited Conduct and Investment Committees.

Cheryl's extensive experience of both listed and regulated financial services companies and her knowledge of the Aviva Group make her a strong addition to the Board and Chair of the Aviva Investors business.

External appointments

- Chair and Trustee of British Coal Staff Superannuation Scheme

Our Board of Directors

Committee membership key

- Nomination and Governance Committee
- Audit Committee
- Risk Committee
- Customer and Sustainability Committee
- Remuneration Committee
- (C) Chair

Andrea Blance
Independent
Non-Executive Director

Appointed
Non-Executive Director - Feb 2022

Experience and competencies

Andrea is an experienced financial services leader and board member who has deep understanding of governance, the regulatory environment and risk management, making her a strong Chair of the Risk Committee.

Andrea spent her executive career at Legal & General Group plc where she held a range of senior leadership roles including Group Chief Risk Officer and Strategy & Marketing Director. More recently, Andrea has been Risk Committee Chair of Hargreaves Lansdown plc, Senior Independent Director and Remuneration Committee Chair of Vanquis Banking Group plc, Senior Independent Director and Audit Committee Chair of ReAssure plc, and Risk Committee Chair of Scottish Widows plc and Lloyds Banking Group Insurance.

External appointments

- Non-Executive Director and Remuneration Committee Chair of Pennon Group plc

Ian Clark
Independent
Non-Executive Director

Appointed
Non-Executive Director - Mar 2024

Experience and competencies

Ian is a chartered accountant with over 40 years' experience of working in the financial services industry. He has extensive executive experience, most notably as an equity partner at Deloitte where he led the strategy and corporate finance practice for the insurance sector. Prior to that, he was a partner at Bacon & Woodrow. Ian also has significant experience as a Non-Executive Director of regulated companies.

Ian is Chair of Aviva Insurance Limited and Direct Line Insurance Group Limited.

Ian has a strong knowledge of the General Insurance market, including the risks faced by the sector and of the regulatory regime in which it operates. This makes Ian a valuable addition to the Board and Chair of the UK & Ireland General Insurance business.

External appointments

- Non-Executive Director of EGV (Holdings) Limited
- Treasurer and member of the Court of the Worshipful Company of Insurers
- Trustee of African Revival

Patrick Flynn
Senior Independent
Director

Appointed
Non-Executive Director - Jul 2019
Senior Independent Director - Sep 2020

Experience and competencies

Patrick is an experienced finance executive and has significant experience in retail, financial and insurance services.

Patrick was previously Chief Financial Officer of ING, a European banking group. Prior to that, Patrick was Chief Financial Officer of HSBC Insurance. He also served as a Non-Executive Director of two listed former ING insurance companies. His experience thoroughly equips Patrick to chair the Audit Committee and to support the Chair as Senior Independent Director.

External appointments

- Non-Executive Director and Audit Committee Chair of NatWest Group plc

Shonaid Jemmett-Page
Independent
Non-Executive Director

Appointed
Non-Executive Director - Dec 2021

Experience and competencies

Shonaid is an experienced director and her business leadership and broad experience including in the financial services, sustainability and digital sectors make her a valuable addition to the Board and Chair of the Customer and Sustainability Committee.

Shonaid was previously Chair of MS Amlin and has held a number of senior roles during her executive career including as Chief Operating Officer of CDC Group, Global SVP Finance and Information at Unilever and a partner at KPMG. More recently, Shonaid Chaired Greencoat UK Wind PLC.

External appointments

- Chair of ClearBank Ltd
- Chair of Cordiant Digital Infrastructure Limited
- Non-Executive Director of QinetiQ Group Plc

Our Board of Directors

Committee membership key

- Nomination and Governance Committee
- Audit Committee
- Risk Committee
- Customer and Sustainability Committee
- Remuneration Committee
- (C) Chair

Mohit Joshi
Independent
Non-Executive Director

Appointed
Non-Executive Director – Dec 2020

Experience and competencies

Mohit is Chief Executive Officer and Managing Director of Tech Mahindra Limited, a leading provider of digital transformation, consulting and business re-engineering services and solutions. Prior to that he was President of Infosys Limited, where he led the financial services, healthcare and life sciences business verticals for the company and was the Chair of EdgeVerve, its software subsidiary. Mohit joined Infosys in 2000 after an initial career in banking and has over 24 years of professional experience working across the US, India, Mexico, and Europe.

Mohit is an established business leader in technology and transformation, adding significantly to the skills and expertise of the Board.

External appointments

- Chief Executive Officer and Managing Director of Tech Mahindra Limited

Pippa Lambert
Independent
Non-Executive Director

Appointed
Non-Executive Director – Jan 2021

Experience and competencies

Pippa was previously Global Head of Human Resources at Deutsche Bank where she was responsible for leading the development of a successful and progressive HR transformation programme, focused on improving the group's culture, diversity and inclusion and digital agendas.

Prior to that, Pippa was Group Head of Reward at the Royal Bank of Scotland plc (now NatWest Group plc) where she worked closely with the Board on the redevelopment and restructure of the bank's compensation and benefits programme. Pippa's experience makes her a valuable Chair of the Remuneration Committee and contributes significantly to the Board discussions in areas relating to people and reward matters.

External appointments

- Board Member and Remuneration Committee Chair of Zopa Bank Limited
- Trustee of Future Dreams Trust Limited

Jim McConville
Independent
Non-Executive Director

Appointed
Non-Executive Director – Dec 2020

Experience and competencies

Jim was previously Group Finance Director of The Phoenix Group, where he was responsible for all aspects of the Group's financial strategy and management and led the transition programme bringing Phoenix and Standard Life Assurance together. Prior to that he was Chief Financial Officer of Northern Rock from 2010 to 2012, and for many years worked for Lloyds TSB Group (now Lloyds Banking Group plc) in a number of senior finance and strategy related roles.

Jim is Chair of Aviva Life Holdings UK Limited and its subsidiary Aviva Life & Pensions UK Limited.

Jim's experience significantly adds to the knowledge and expertise of the Board and makes him a strong Chair of the IWR Business.

External appointments

- Director of The Royal Bank of Scotland International (Holdings) Limited and The Royal Bank of Scotland International Limited

Michael Mire
Non-Executive
Director

Appointed
Non-Executive Director – Sep 2013

Experience and competencies

Michael was most recently senior partner at McKinsey & Company where he worked for more than 30 years, and through his governmental experience, he brings a unique perspective and insight to the Board. His experience with the Department of Health and Social Care and the Care Quality Commission gives Michael insight into the Health and Protection market.

Michael also has a detailed understanding of the financial services sector, and a wealth of experience in business transformation and developing strategies for retail and financial services companies. This makes Michael a valuable member of the Board.

External appointments

- Non-Executive Director of the UK Government's Care Quality Commission

Our Board of Directors

Committee membership key

- Nomination and Governance Committee
- Audit Committee
- Risk Committee
- Customer and Sustainability Committee
- Remuneration Committee
- (C) Chair

T.Neil Morrison
Independent
Non-Executive Director

Appointed
Non-Executive Director - Jun 2024

Experience and competencies

Neil has over 40 years of experience in the insurance industry, most recently as a Managing Partner and Chair of Platform Insurance Management Inc., one of Canada's fastest growing insurance brokers.

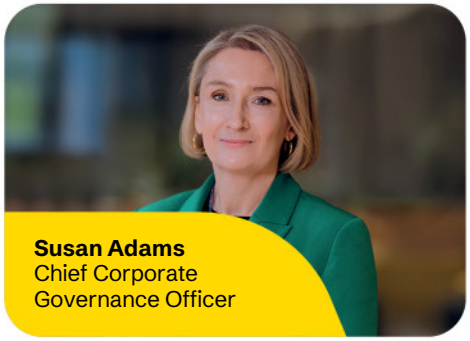
Neil's experience includes executive roles with Hub International Limited (US, Canada,Brazil & Caribbean). Prior to this, Neil was President & Chief Executive Officer of Hub International HKMB Ontario where Neil led a diverse executive team focused on delivering great customer service, organic revenue growth and retention, M&A, and strong margin contribution. Neil is a past Chair of the Insurance Institute of Canada, Worldwide Broker Network and BOXX Insurance Inc.

Neil is Chair of Aviva Canada Inc. and Director of Probitas 1492 (Pacific) Pty Ltd.

Neil's knowledge of Aviva's products and operations, the London market as a past Lloyd's coverholder, and the competitive and regulatory landscape Aviva operates within makes him a valuable addition to the Board and Chair of the Aviva Canada business.

External appointments

- Board Observer of InsurePay Inc.



Susan Adams
Chief Corporate
Governance Officer

Appointed
Group Company Secretary - Jan 2024
Chief Corporate Governance Officer - Apr 2025

Experience and competencies

Before joining Aviva, Susan was the Corporate Governance Director for Lloyds Banking Group plc, having previously been the Group Company Secretary and a member of the executive committee for challenger bank Monzo. Susan qualified as a lawyer in 1994. After working for several years in the financial services practice at international law firm Hogan Lovells, Susan moved to Standard Chartered Bank where she held a number of senior executive roles.

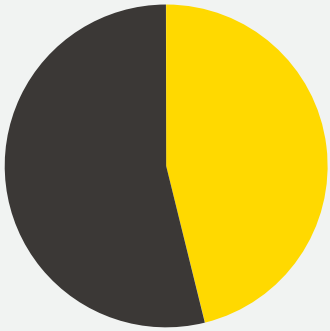
Susan is Company Secretary of Aviva plc.

External appointments

- Chair of Climate Outreach

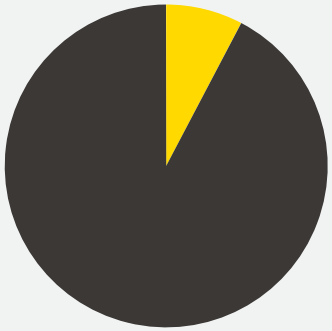
Biographies for our Board and Group Executive Committee can be found at www.aviva.com

Board composition as at 4 March 2026



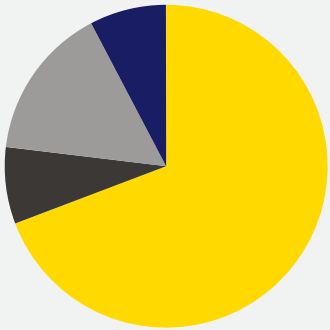
Gender

Female	6
Male	7



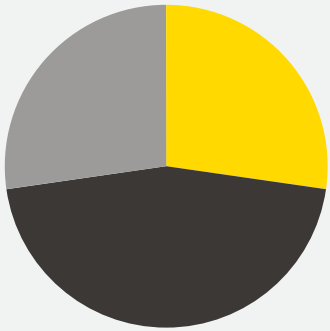
Ethnicity

Asian	1
White	12



Nationality

British	9
Indian	1
Irish	2
Canadian	1



Non-Executive Director tenure

0-3 years	3
3-6 years	5
6-9+ years	3

Read more in the Nomination and Governance Committee report: page 101

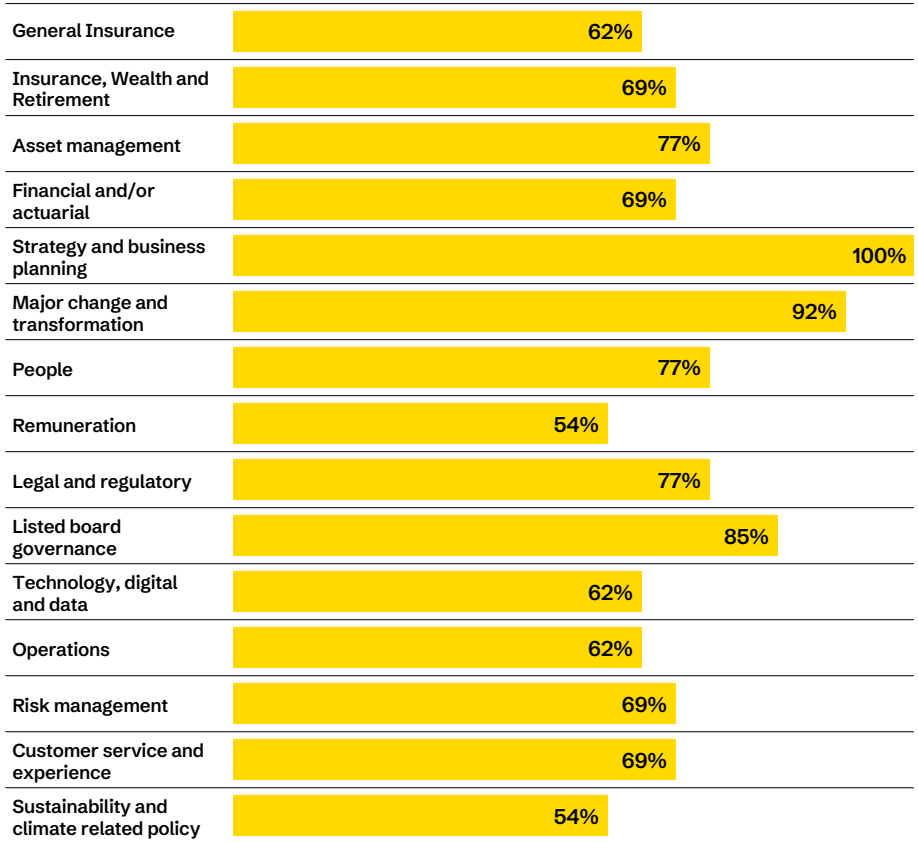
Read more in the Directors' report: page 148

BOARD SKILLS AND EXPERIENCE AS AT 4 MARCH 2026

The Code recommends that the Board and its Committees should have a combination of skills, experience and knowledge. The Nomination and Governance Committee, on behalf of the Board, evaluates Board composition with these factors in mind.

To assist the Board and Nomination and Governance Committee, a skills and experience matrix for our Board is maintained and is assessed at least annually.

Skills and experience



BOARD AND COMMITTEE MEETING ATTENDANCE IN 2025

During 2025, ten scheduled Board meetings were held, which included three Board strategy sessions.

The Non-Executive Directors regularly met without the Executive Directors or members of the Group Executive Committee present before scheduled meetings.

If any directors are unable to attend a meeting, they can communicate their opinions and comments on the matters to be considered via the Chair of the Board or the relevant Committee Chair.

Scheduled Board and Committee meetings

	Board[1]	Nomination and Governance Committee	Audit Committee	Risk Committee	Customer and Sustainability Committee	Remuneration Committee
Meetings held	**10**	**4**	**6**	**5**	**5**	**5**
George Culmer	10/10	4/4	-	-	-	-
Amanda Blanc	10/10	-	-	-	-	-
Charlotte Jones	10/10	-	-	-	-	-
Cheryl Agius[2]	10/10	4/4	5/5	5/5	5/5	-
Andrea Blance	10/10	4/4	6/6	5/5	-	5/5
Ian Clark	10/10	4/4	6/6	5/5	-	-
Patrick Flynn[3]	9/10	4/4	6/6	5/5	-	5/5
Shonaid Jemmett-Page[4]	10/10	4/4	6/6	4/5	5/5	-
Mohit Joshi[5]	8/10	3/4	-	4/5	-	-
Pippa Lambert	10/10	4/4	-	-	5/5	5/5
Jim McConville[6]	9/10	4/4	6/6	5/5	5/5	5/5
Michael Mire	10/10	4/4	-	-	5/5	-
Neil Morrison	10/10	4/4	-	5/5	-	-

1. This includes 7 formal Board meetings and 3 Board strategy sessions
2. Cheryl was appointed to the Audit Committee in February 2025
3. Patrick was unable to attend a Board meeting due to a prior commitment. This meeting was not part of the financial results cycle
4. Shonaid was unable to attend a Risk Committee meeting due to a prior commitment
5. Mohit was unable to attend two Board meetings, one Nomination and Governance Committee meeting and one Risk Committee meeting due to prior commitments
6. Jim was unable to attend one Board strategy session due to illness

Our Board's activities

Strategic pillars

Growth · Customer · Efficiency · Sustainability

JANUARY

Board and Committee Meetings, which included outcomes of the Board Effectiveness Review and setting 2025 Board Objectives.

The Board appointed Cheryl Agius, Independent Non-Executive Director, to the Audit Committee.

FEBRUARY

Board and Committee meetings, which included the approval of the 2024 Full Year Results and Annual Report, 2024 final dividend and our Transition Plan. Additionally, the Board reviewed supplier management and received an update on the Direct Line Regulatory Business Plan, part of the Change in Control application to the PRA.

MARCH

Board and Committee Meetings, which included the approval of the resolutions for the concurrent tender offer/ cancellation of Aviva's preference share capital to be put to shareholders, and associated shareholder communications, issuance of £500 million Fixed Rate Reset Perpetual Restricted Tier 1 Contingent Convertible Notes, and €600 million Tier 2 Fixed to Floating Rate Notes.

Bristol AGM Visit
The Board held the Annual General Meeting at Aviva's Bristol Office on 30 April 2025. Bristol was chosen to give local shareholders and employees the opportunity to attend in person to hear from the Board on the Company's performance and ask questions on the topics that matter to them.

Whilst in Bristol, the Board held a colleague Townhall to engage directly with our People.

APRIL

A Committee of the Board approved the Group's Solvency and Financial Condition Report.

The Board held an Advisory Vote meeting for Preference Shareholders, followed by a General Meeting for Ordinary Shareholders, to consider the proposed resolutions the concurrent tender offer/cancellation of Aviva's preference share capital.

The Board held the 2025 Annual General Meeting at Aviva's Bristol office. Whilst at the Bristol office, the Board engaged with our People via an office Townhall.

MAY

Board and Committee meetings, which included the approval of the Q1 2025 Trading Update and the Group Modern Slavery Statement. Additionally, the Board discussed post-acquisition integration plans for Direct Line, and reviewed Aviva's smart working policies.

The Board received training covering public policy and attended a 'Customer Closeness' event to engage directly with our Customers.

Customer Closeness Event
In May, the Board participated in a 'Customer Closeness' event with members of senior management to engage directly with IWR and GI customers.

Customers were invited to share their stories, detailing their real-life experiences with a range of Aviva's products and services, including personal health insurance, workplace pensions and house contents insurance. These stories provided our Directors with an understanding of what mattered most to a diverse range of customers. The event also gave the Board an opportunity to gain insight into our customers' interpretation of the Aviva brand, enhancing the Board's oversight of reputation.

Our Board's activities

Strategic pillars
Growth Customer Efficiency Sustainability

JUNE

The Board held its annual two-day strategy offsite to review progress against the delivery of our strategic priorities and to outline forward looking priorities.

A Committee of the Board approved documents to put into effect the completion of the transaction to acquire Direct Line, and corporate restructuring following the acquisition.

The Board received training on the geopolitical environment from an external speaker.

Strategy Offsite
In June 2025, the Board held its annual two-day strategy meeting at an offsite location to review progress against the delivery of our strategic priorities and to outline forward-looking priorities to deliver on our commitments to our shareholders and our wider stakeholders.

This provided opportunities for the Board to hear from our UK & Ireland General Insurance, Canada General Insurance, Insurance, Wealth and Retirement, and Aviva Investors businesses, with a focus on accelerating Aviva's momentum and positioning the Group for sustainable growth. The Board examined macroeconomic trends, technology shifts, and evolving customer behaviours, alongside a deep dive into the MyAviva vision and customer acceleration priorities. Transformation was a key topic, regarding the effective deployment of artificial intelligence tools to enhance efficiency and customer experience. The impact of the acquisition of Direct Line was considered as appropriate. An external speaker was also invited to discuss geopolitics with the Board.

AUGUST

Board and Committee Meetings, which included the approval of the 2025 Interim Results, 2025 interim dividend, and risk appetite framework. Additionally, the Board received a presentation from representatives of the PRA, and reviewed progress on Direct Line integration and the Board's annual objectives and actions from the internal Board Effectiveness Review.

The Board received sustainability related training, focusing on links between climate and nature and their relevance to Aviva's business.

SEPTEMBER

The Board visited our Sheffield offices over two days to gain a deeper understanding of our IWR business. Additionally, the Board engaged with our people via an office Townhall.

OCTOBER

Board meeting to discuss the draft 2026 - 2028 Group Financial Plan.

A Committee of the Board approved the redemption of €900m Tier 2 Fixed to Floating Rate Notes.

Sheffield office visit
The Board visited the Aviva offices in Sheffield for two days to meet colleagues and to gain a deeper understanding of our IWR business. The Board attended a number of interactive sessions that highlighted transformation initiatives in Wealth Retail and Health Operations businesses, and how artificial intelligence tools are being deployed to enhance customer experiences. The Board also had an opportunity to learn about the important social impact initiatives undertaken by local colleagues, including with the 'See It, Be It' charity that works with local schools on raising aspirations of children, and the Inclusive Recruitment initiative with Sheffield College.

There were a number of opportunities for directors to engage with our people, including a networking event for top local talent, and a colleague Townhall meeting where the Chair and Group CEO answered colleagues' questions.

NOVEMBER

Board and Committee meetings, including the approval of the Q3 2025 Trading Update and In Focus presentation, which included a spotlight on Direct Line integration, and a capital reduction of General Accident Limited, and review of the Baseline Exclusions Policy.

The Board held a session to review the plan to deliver the Group's strategy, including updates from business unit CEOs and on Aviva's transformation agenda.

The Board received training covering opportunities relating to digitisation and generative artificial intelligence.

DECEMBER

Board and Committee meetings, which included the approval of the 2026-2028 Financial Plan. Additionally, the Board received an update relating to culture and engagement, and operational resilience and cyber, and reviewed progress of the Direct Line integration.

2026 priorities
- Continue to support and challenge the delivery of Direct Line integration, and the change agenda.
- Ensure that the Group is appropriately positioned in terms of cyber resilience.
- Support and challenge the Group's artificial intelligence approach and initiatives.
- Deliver on the Board's stakeholder engagement plan, including with our colleagues, customers, shareholders.

Our Board's performance

BOARD AND COMMITTEE PERFORMANCE REVIEW CYCLE

YEAR 1: 2025 external performance review | **YEAR 2:** 2026 internal performance review | **YEAR 3:** 2027 internal performance review

2025 EXTERNAL BOARD PERFORMANCE REVIEW PROCESS

STAGE 1 Appointment of Manchester Square Partners (MSP)	STAGE 2 Scope setting	STAGE 3 Background familiarisation	STAGE 4 Interviews and observations	STAGE 5 Presentation of findings
MSP were engaged to conduct a comprehensive Board and Committee performance review, chosen for their deep expertise and personable, tailored approach. MSP has no other connection with Aviva plc.	A detailed methodology and scope was developed to reflect the Board's priorities and the strategic context in which it operates. This approach was designed to provide meaningful insight into areas of strength and opportunities for further enhancement.	MSP had access to 12 months of Board and Committee papers and received briefings from the Chair and Chief Corporate Governance Officer to deepen their understanding of the Board's priorities.	Individual interviews were held with all Board members, the Group Chief Risk Officer, and Chief Corporate Governance Officer. In addition, MSP attended Board and Committee meetings in November and December to observe.	MSP prepared a thorough report of the review findings, which was presented to the Board at its February 2026 meeting. The Committees reviewed outputs as applicable at their meetings in March.

PROGRESS AND OUTCOMES AGAINST PERFORMANCE REVIEW

Progress against 2024 performance review outcomes	On conclusion of the 2024 internal Board review, the formal actions that arose were presented to the Board and each Committee. The Board continued to focus on enhancing its oversight of key stakeholders (in particular, suppliers and communities) throughout 2025, which was a key focus area of the 2024 review.
Outcomes from the 2025 performance review	**Conclusion** The review concluded that the Aviva plc Board and its Committees are operating at a high level of effectiveness, with strong dynamics characterised by trust, openness, and constructive challenge. An inclusive and collegiate leadership approach was recognised as fostering open debate and diversity of thinking, alongside a strong focus on behaviours, culture, and the delivery of performance, all of which were recognised as being supported by first class corporate governance. Decision-making was assessed as effective, with matters brought to the Board at an early stage and developed iteratively, and the Board's Committees and subsidiary Boards were found to be functioning well and providing effective oversight and support. **Ongoing focus** The evaluation identified a few areas for ongoing focus as the business moves into its next phase of growth. These included ensuring the Board and the organisation have the appropriate skills, capacity, and capability for the future, particularly in areas such as technology, artificial intelligence and wealth management, alongside continued emphasis on talent development and succession planning. The review also highlighted the importance of maintaining the high levels of curiosity, ambition and challenge alongside new views and perspectives into the debate. The Board has considered these themes and will continue to keep them under review as part of its forward agenda. The Board considers the current balance of skills and experience to be appropriate and will continue to consider Board composition, skills, and capabilities with the future in mind, supported by ongoing learning and development as appropriate.

Nomination and Governance Committee report

George Culmer
Chair of the Nomination and Governance Committee

MEMBERSHIP

- **George Culmer (Chair)**
- Cheryl Agius
- Andrea Blance
- Ian Clark
- Patrick Flynn
- Shonaid Jemmett-Page
- Mohit Joshi
- Pippa Lambert
- Jim McConville
- Michael Mire
- Neil Morrison

The purpose of the Nomination and Governance Committee (the Committee) is to:

1. Keep the Company's, and its material subsidiaries from time to time, (the Group) governance arrangements under review and to make appropriate recommendations to the Board to ensure that such arrangements are consistent with best corporate governance standards and practices;
2. Consider and make recommendations to the Board in respect of appointments to that Board and ensure that effective plans are maintained to result in a diverse pipeline of succession to the Board and senior management positions, based on merit and objective criteria and which promote diversity, inclusion and equal opportunity; and
3. Consider and make recommendations in respect of membership and chairing of the Board's Committees, and of appointments of Non-Executive Directors to the boards of the Company's material subsidiaries.

Our Board of Directors: page 93

The Committee's detailed responsibilities are set out in the Terms of Reference, available online at www.aviva.com/about-us/board-committees/nomination-and-governance-committee/

2025 HIGHLIGHTS

- Reviewed succession strategies for Board and senior leadership.
- Strengthened and refined the process for mapping and reviewing directors' skills and experience.
- Reviewed the Board Diversity, Equity, and Inclusion Statement, and monitored progress against diversity targets across the Company.
- Considered the Aviva plc Board and committee composition.
- Maintained oversight and reviewed governance arrangements and board composition across material subsidiaries.

2026 PRIORITIES

- Continue to focus on succession planning at Board and senior executive level to ensure there is a strong and diverse pipeline.
- Continue to oversee and strengthen subsidiary governance.

I am pleased to present the Nomination and Governance Committee report for the year ended 31 December 2025.

BOARD COMPOSITION

On behalf of the Board, the Committee undertakes a thorough review of the Board's structure, size, and composition to ensure it continues to support the Company's long-term success. This includes maintaining the right balance of skills, knowledge, experience, and diversity, aligned with our strategic priorities and risk appetite. Tenure of directors is also considered to ensure effective succession planning.

The Committee confirmed that the Board's current structure and composition remain well-suited to deliver on our strategy. Board composition was also assessed as part of the externally-facilitated performance review process of the Board and its Committees, which is outlined on page 89.

BOARD INDEPENDENCE

The independence of the Board is fundamental in ensuring that Non-Executive Directors can properly fulfil their responsibility to provide constructive challenge and scrutiny of management's performance.

In line with the UK Corporate Governance Code 2024 (the Code), over half of the Board members, excluding the Chair, are independent non-executive directors, and the Chair was independent on appointment.

The Committee assesses the independence of each Non-Executive Director upon appointment and on an annual basis, against the criteria set out in the Code, and makes recommendations to the Board.

The Committee recommended to the Board that all Non-Executive Directors, other than Michael Mire due to his tenure on the Board, met the independence criteria set out in the Code and were free from any relationship or circumstance that could affect, or appear to affect, their independent judgement. The Committee concluded that Michael continues to contribute strongly to Board discussions, drawing on his extensive experience in strategy and transformation, and recognises that his insight and constructive challenge contribute positively to the Board. It was therefore recommended that Michael remain on the Board.

DIRECTORS' TIME COMMITMENT

Another factor that is vital to the effective operation of the Board is our directors having sufficient time to meet their responsibilities.

When appointing new directors to the Board, the Committee considers the time commitments of prospective directors' existing appointments to ensure that they have sufficient time to dedicate to Aviva.

The Committee assesses each director's external appointments and demand on their time annually and makes recommendations to the Board. In February 2026, the Committee recommended to the Board that all directors continued to demonstrate that they have sufficient time to devote to their role with Aviva.

SUBSIDIARY BOARD APPOINTMENTS

The Committee is responsible for reviewing proposed Non-Executive Director changes to the boards of material subsidiaries against key governance principles. During the year, the Committee considered proposals for individuals as Non-Executive Director appointments to several material subsidiaries and confirmed their suitability for the roles in question.

SUCCESSION PLANNING

The Code places an emphasis on succession planning and the Committee continues to build on its existing processes to strengthen its focus in this area.

The Committee reviewed the succession plans for the Group CEO and Group CFO to ensure that the internal and external talent pipeline was robust and diverse.

The development of the Group Executive Committee (ExCo) is also monitored to ensure that there is an appropriate pipeline of senior executives and potential future Executive Directors with the required skills and experience.

During 2025, the Committee received updates on composition of the Group ExCo and considered the development plans and talent profiles of these individuals in line with the Group's succession plans.

The development plans designed to prepare successors for ExCo roles were also considered. Internal talent development and developing a pipeline of potential future leaders remained an area of focus for the Committee during the year.

The Committee also considered Non-Executive Director succession planning, recognising the current and future business needs.

The Committee considers initiatives to enhance, strengthen and diversify the talent pipeline across the wider Group and members of the Committee remain involved in various initiatives, including the Ethnically Diverse Leadership programme and cross-company mentoring programmes with senior leaders.

DIVERSITY, EQUITY AND INCLUSION

The Board is committed to having a diverse and inclusive leadership team which provides a range of perspectives and insights and the challenge needed to support good decision making. Diversity at Aviva includes, but is not limited to, gender, ethnicity, skills and experience, geographic and socio-economic and educational backgrounds, disability, and sexual orientation.

These are set out in our Board Diversity, Equity and Inclusion Statement (the Statement), which supports the Committee's approach to succession planning. This includes achievement of our commitment of 40% female representation among our senior leaders (the most senior 5% of Aviva employees). The Committee reviews the Statement annually, before recommending it to the Board, to ensure it reflects developments in the diversity, equity and inclusion regulatory landscape and progress against targets. The Statement, which aligns to the overall Group diversity, equity and inclusion strategy, is available on the Company's website at www.aviva.com/corporate-governance.

In accordance with Listing Rule 6.6.6R(9), the representation of women on the Board as at 31 December 2025 was 46.2%, with both the Group CEO and Group CFO positions being held by women, as are the roles of Chairs of the Risk, Customer and Sustainability and Remuneration Committees. The Board is pleased to have met the Parker Review Committee's target for all FTSE 100 boards to have at least one director from an ethnic minority background.

Numerical data on the sex and ethnic background of the Board and Group Executive Committee required by Listing Rule 6.6.6(10) can be found in the Directors' report.

In accordance with the Code, the gender balance of the Group Executive Committee and their direct reports as at 31 December 2025 was 43% female and 57% male.

Further details on diversity in the workforce and wider senior leadership population can be found in the Strategic report, together with Aviva's diversity, equity and inclusion objectives and strategy.

CORPORATE GOVERNANCE

The Chief Corporate Governance Officer provides updates to the Committee as appropriate on governance matters.

During 2025, the Committee continued to focus on the embedding of the Subsidiary Governance Principles, to support the Committee's oversight of the oversight of the Group's subsidiaries' governance arrangements.

BOARD PERFORMANCE

The performance of the Board is vital to the success of the Group. The Board undertakes a rigorous review process each year to assess how it, its Committees, and individual directors are performing. This year, the Board undertook an externally-facilitated performance review and the full results can be found at page 100.

The Committee discussed the results of the review as it related to it, and confirmed to the Board that it remains effective. It further confirmed that Board composition remains effective.

George Culmer
Chair of the Nomination and Governance Committee

Audit Committee report

Patrick Flynn
Chair of the
Audit Committee

The purpose of the Audit Committee (the Committee) is to oversee:

1. The integrity of the financial disclosures within the Annual Report and Accounts, Q1 Results, Half Year Report, Q3 Results, Solvency and Financial Condition Report, and related announcements and other documents for publication (together, Financial Reporting) of the Company and its subsidiaries (the Group);
2. The integrity of the non-financial and climate-related disclosures within the Annual Report and Accounts, Climate-related Financial Disclosure, and Reporting Criteria (together, Non-Financial and Climate-related Reporting);
3. The adequacy and effectiveness of the system of internal controls over financial and non-financial reporting of the Group;
4. The independence and effectiveness of the internal and external auditors; and
5. The integrity, independence, and effectiveness of the Group's whistleblowing procedures.

Our Board of Directors: page 93

The Committee's detailed responsibilities are set out in the Terms of Reference, available online at www.aviva.com/about-us/board-committees/audit-committee

MEMBERSHIP

- **Patrick Flynn (Chair)**
- Cheryl Agius
- Andrea Blance
- Ian Clark
- Shonaid Jemmett-Page
- Jim McConville

2025 HIGHLIGHTS

- Reviewed and recommended for approval by the Board the Annual Report and Accounts, Half Year Report, Results Announcements, Q1 Trading Update and In Focus and Q3 Trading Update.
- Oversaw and assessed the effectiveness of internal controls over financial reporting that support the integrity of Aviva's financial disclosures.
- Reviewed the disclosures and judgements for the Direct Line acquisition, with a focus on the acquisition balance sheet accounting and accounting policy alignment.
- Oversaw the successful transition to EY as the Group's new external auditor during 2025.
- Reviewed and recommended for approval by the Board the Climate-related Financial Disclosure and related reports.
- Reviewed the Climate metrics and related disclosures in the 2025 Transition Plan.
- Reviewed and evaluated the Group's whistleblowing procedures, including the effectiveness of the 'Speak Up' programme.
- Oversaw progression towards the requirements under Provision 29 of the revised 2024 Corporate Governance Code in anticipation of implementation during 2026.
- Oversaw the external quality assurance review of internal audit.

2026 PRIORITIES

- Oversee the approach taken by management to develop Provision 29 requirements under the 2024 revised Corporate Governance Code (the Code).
- Reserve adequacy and key judgemental actuarial assumptions.
- Review the Direct Line acquisition balance sheet.
- The further development of Financial Reporting Controls Framework (FRCF) controls and reliance on automated controls.
- The integration of the Direct Line internal audit and whistleblowing capabilities and processes into those of Aviva.

I am pleased to present the Audit Committee report for the year ended 31 December 2025.

FINANCIAL REPORTING

The Committee assessed the accuracy and integrity of the financial disclosures presented in the 2025 Financial Year Annual Report and Accounts, Half Year Report and Results Announcement, Q1 Trading Update, the In Focus and Q3 Trading Update, and the 2024 Solvency and Financial Condition Report, along with related documents, and recommended their approval to the Board. Additionally, the Committee reviewed key areas that underpin financial reporting. The Committee also reviewed the changes made to the full year 2025 Results Announcement to improve communication with the users of the financial disclosures.

Insurance liabilities
The Committee reviewed the assumptions used in the calculation of the Best Estimate Liability component of the insurance liabilities required under International Financial Reporting Standards (IFRS) and Technical provisions under Solvency II (SII) across our Insurance, Wealth and Retirement (IWR) and General Insurance (GI) businesses.

The Committee reviewed the longevity, persistency, expense, mortality, morbidity, and residential and commercial property growth assumptions used for the quarterly trading updates, and 2025 Half Year and Full Year financial statements.

The process for the setting of longevity assumptions is a significant area of review as these assumptions can have a material impact on Aviva's IFRS and SII results. During 2025, the Committee continued to work closely with the Audit Committee of the Group's IWR subsidiary, Aviva Life Holdings UK Limited, to review the detailed analysis and to validate changes observed in recent mortality experience and the resulting impact on the existing longevity assumptions. The Committee also reviewed the process for setting assumptions in GI.

The Committee reviewed the controls associated with the IFRS and SII reserving process, including the sign off procedures and control framework for movements in IFRS reporting and SII results.

Key accounting judgements and disclosures
The Committee undertook review of IFRS and SII accounting assumptions and judgements throughout the year, including results of annual impairment assessment of goodwill and intangibles. In addition, the Committee reviewed the basis of preparation of IFRS Return on Equity and IFRS Operating earnings per share.

The Committee reviewed the judgements applied by the management for Group's disclosure of provisions, contingent liabilities and other risk factors, including amounts allowed for and disclosures.

Direct Line acquisition
During the year, the Committee has reviewed the judgements and accounting treatments of the Direct Line acquisition balance sheet. Three extra meetings were held during the year to discuss these aspects. The main areas of focus have been judgements regarding the valuation of software, brand, customer and distribution agreement intangibles, insurance liabilities and the finalisation of the goodwill balance. In addition, the Committee reviewed accounting of acquired claims in settlement on the Direct Line acquisition.

Corporate reporting and regulatory developments
The Committee monitors reporting and regulatory developments, and the implementation of new requirements. In 2025, this has focused on Provision 29 requirements and update on future standards including IFRS 18.

GOING CONCERN AND LONGER-TERM VIABILITY

The Code requires the Board to confirm whether it is appropriate to prepare the Half Year Report and Annual Report and Accounts on a going concern basis, and to explain how it has assessed the Company's prospects and its reasonable expectation that the Company will continue to operate and meet its liabilities as they fall due over the assessment period.

The Committee supports the Board in this assessment and, in March 2026, reviewed the going concern and longer-term viability analysis, subsequently recommending it to the Board for approval.

NON-FINANCIAL AND CLIMATE-RELATED REPORTING

The Committee reviewed the principal climate-related disclosures within the Annual Report and Accounts and reviewed the Climate-related Financial Disclosure, and related reports and recommended them to the Board for approval.

The Committee reviewed the application of critical climate-related policies, practices, methods and judgements to calculate the metrics, including those in the 2025 Transition Plan. The Committee focused on the continued development of the climate reporting control environment which supports non-financial disclosures.

The Committee noted the developing nature of climate metrics measurement standards. Particularly in relation to the estimation of Scope 3 financed emissions in the context of continued challenges towards the measurement of Scope 3 emissions and associated complexity, due to limited and unsophisticated data and methodologies and inherent potential for double counting across entities in the same value chain.

The Committee noted that emissions estimates and other climate metrics should be read acknowledging these are in the initial stages of development and subject to change as standards emerge and underlying data sources become more complete and developed. The Committee continues to recognise that climate measurement standards are not at the same level of maturity as financial accounting standards. In addition, enhancements to availability of data and control frameworks will be required to align with IFRS financial statements. Currently, industry wide, the attestation provided by an auditor is to a weaker level than applies to IFRS financial statements.

INTERNAL CONTROLS OVER FINANCIAL REPORTING, NON-FINANCIAL AND CLIMATE-RELATED REPORTING

The Committee reviewed management reports aligned to the quarterly reporting cycle to confirm that financial controls operated within acceptable parameters, with no identified weaknesses that could materially affect reported results. These reviews also supported the Committee's evaluation of the effectiveness of internal controls over Financial Reporting. In addition, the Committee reviewed management reports to confirm operating effectiveness of controls over non-financial reporting and climate-related disclosures.

As outlined in 'Our approach to governance' section, the Committee received updates on the assessment of financial reporting control deficiencies and detailed remediation testing outcomes. The Committee continued to provide challenge and guidance to strengthen the organisation's risk-aware culture and maintain a robust internal control framework.

INTERNAL AUDIT

The Committee received detailed quarterly reports from the Internal Audit function, which included updates on core metrics, key findings, and the status of management actions to address identified issues. These reports also highlighted trends in audit opinions, with a continued low proportion of unsatisfactory or minimum-rated reports and provided insight into the evolving control environment across the Group.

In addition to its regular oversight, the Committee reviewed and approved the Internal Audit plan and budget, ensuring sufficient resources and expertise to support both ongoing activities and the integration of Direct Line. Updates to the Internal Audit Charter were also approved to maintain alignment with evolving standards.

The Committee conducted its annual assessment of the independence and effectiveness of the Internal Audit function, drawing on regular reporting, stakeholder feedback, and private sessions with the Group Chief Audit Officer. The Committee concluded that the Internal Audit function continued to operate effectively and independently, and that the quality and expertise of the team remained appropriate for the enlarged Group.

In early 2025, the Committee also approved the appointment of PwC to conduct the 2025 external quality assurance review of Internal Audit, with results presented in the November 2025 meeting. The external review concluded the Group's Internal Audit function was highly effective with robust and established methodologies, resulting in high quality audits.

Private sessions with the Group Chief Audit Officer, held without management present, provided further assurance on the function's independence and priorities.

FAIR, BALANCED AND UNDERSTANDABLE

The Code requires the Board to present a fair, balanced, and understandable assessment of the Company's position and prospects. The Committee reviewed the Annual Report and Accounts, Half Year Report, Q1 Trading Update and the In Focus Presentation, and Q3 Trading Update to support the Board's conclusion that taken as a whole, these reports were fair, balanced, and understandable and provided the information necessary for shareholders to assess the Group's position, performance, business model, and strategy. The Committee's recommendation of the directors' statement in the Annual Report and Accounts is supported by the process set out in the diagram.

Production
There is a robust process to ensure each section of the Annual Report and Accounts is signed off by an appropriate member of management and the Report is overseen by the Group Financial Controller to ensure consistency across the document.

Verification
An extensive verification process to ensure factual accuracy of statements and numerical data is undertaken and a style guide is applied to the Report.

Internal review
The Report is reviewed by management, the Group Executive Committee, the Disclosure Committee, and each of the Board Committees review sections relevant to their area of focus.

External review
The External Auditor reviews the Report to ensure consistency and compliance with relevant legal and regulatory requirements and presents the results of their audit to the Committee.

Recommendation
The Committee recommended that the fair, balanced, and understandable statement could be made in the Statement of Directors' Responsibilities, which was approved by the Board in March 2026.

EXTERNAL AUDIT

The Committee is responsible for monitoring the External Auditor, Ernst and Young LLP (EY), who was appointed as auditor to the Group on 2 May 2024 and is completing its second year-end audit. EY was appointed Auditor of the Company following a competitive tender process, and the Committee continues to consider the independence, objectivity, and the effectiveness of the external audit process. At the end of March 2025, EY presented their report on the audit of the Group's 2024 Solvency and Financial Condition Report (SFCR) and issued an unmodified audit opinion.

The Committee received reports from EY covering their review of the Half Year financial results, the audit of the Full Year financial results, and their assurance work on non-financial and climate-related reporting, as well as agreed-upon procedures for the Q1 and Q3 Trading Updates and updates on their audit work on the Direct Line acquisition balance sheet. The Committee carefully reviewed the content of these reports which included a risk assessment, audit strategy for significant risks, materiality, conclusions on key judgements, paying particular attention to the level of professional scepticism and challenge applied by the External Auditor to management's assumptions. Where appropriate, the Committee requested that management respond to the auditor's challenges and monitors management's responses to ensure that any issues raised are satisfactorily addressed.

The Committee completed a review of the effectiveness of the first year-end audit and reviewed the key themes from the debrief of the first-time audit process for 2024 between management and EY. The Committee also reviewed reports on audit quality from EY to assist in assessing the quality of external audit services provided to the Group and received a demonstration on use of technology in the audit from EY. Following, the first-year audit, audit quality indicators were agreed with EY which were closely monitored by the Committee in their second year audit of the Group. The Committee and management maintained regular engagement with EY, and the audit partner attended every Committee meeting. The Audit Committee Chair and the audit partner met multiple times throughout the year, without management present, to discuss audit matters independently.

The Committee monitors the External Auditor Business Standard to ensure no firm, other than EY undertakes audit and audit-related services other than in exceptional circumstances. The Committee also monitors non-audit services (including audit-related and other assurance services) provided by the auditor. The Committee has put in place a structure to review and approve the provision of all services by the auditor and receives annual reports on these services provided and the fees charged for those services.

In addition, the Committee received communications from EY on the steps taken to ensure independence related to the Direct Line entities.

The Committee also gained assurance that the fees remain well below the 70% non-audit services fee cap. The Committee can confirm that any non-audit services provided met the auditor independence requirements, therefore the Committee can confirm that the external auditor remains independent.

In 2025 the Group paid EY £34 million (2024: £25 million paid to EY) for audit and audit-related assurance services, including towards the Direct Line acquisition in 2025. EY were paid £2 million (2024: £2 million paid to EY) for other assurance services, giving a total fee to EY of £36 million. Further information on auditors' remuneration is set out in note 12.

In March 2026, the Committee recommended to the Board that EY be reappointed as external auditor for the financial year ended 31 December 2026 and the Board endorsed the recommendation and proposed the reappointment of EY at the Annual General Meeting to be held on 6 May 2026.

When making the recommendation to the Board, the Committee confirmed that the recommendation was free from influence by a third party and that no contractual term of the kind mentioned under Article 16(6) of the Audit Regulation had been imposed on Aviva.

WHISTLEBLOWING

In my role as Committee Chair, I continue to act as the whistleblowers' champion for the Group. As a Committee, we are responsible for overseeing the integrity, independence, and effectiveness of the Group's whistleblowing policies.

Throughout 2025, the Committee received regular reports on the operation of the Speak Up service, including the number of cases reported, the proportion classified as whistleblowing, the number of substantiated cases, and summaries of actions taken. The Committee noted that the Speak Up service remained compliant with all relevant rules and regulations, with no breaches of confidentiality reported during the year. The Committee continues to support the Speak Up team and regularly reviews opportunities to further enhance the service.

The Committee takes into account Voice of Aviva scores, reflecting the confidence colleagues have in using and relying on the Speak Up function.

OTHER MATTERS

The Committee reviewed quarterly updates on the Group's current and emerging legal and regulatory issues, as well as any potential implications for Aviva's financial statements.

Regular reports were also received on the progress of implementing Provision 29 of the revised 2024 Corporate Governance Code, which applies to the financial year starting on or after 1 January 2026. This requires the Board to publish declaration of the effectiveness of material controls at the balance sheet date. Throughout 2025, the Committee has received progress updates from an internal working-group on the population of material controls and their alignment to the Group's principal risks. The Committee continues to provide input and guidance to the working group in anticipation of the implementation in the next financial year.

COMMITTEE COMPLIANCE

The Nomination and Governance Committee reviewed the Committee's composition against the experience, competence, and independence requirements set out in the Code and the FCA Disclosure Guidance and Transparency Rules (the DTRs). All Committee members met the financial experience, competence, and independence standards required by both the Code and the DTRs.

The Company complies with the Audit Committees and the External Audit: Minimum Standard (the Minimum Standard). Details of the activities undertaken to fulfil the Minimum Standard are provided throughout this report.

The Company is compliant with the requirements of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014.

No member of the Audit Committee had any connection with EY as the Company's external auditors during the year.

Patrick Flynn
Chair of the Audit Committee
4 March 2026

Risk Committee report

Andrea Blance
Chair of the Risk Committee

The purpose of the Risk Committee (the Committee) is to provide oversight and advice to the Board in relation to the current and future risk exposures of the Company and its subsidiaries (the Group), by reference to strategic developments and including determination of risk appetite, tolerance, and desired risk culture.

Our Board of Directors: page 93

The Committee's detailed responsibilities are set out in the Terms of Reference, available online at https://www.aviva.com/about-us/board-committees/risk-committee/

MEMBERSHIP

- **Andrea Blance (Chair)**
- Cheryl Agius
- Ian Clark
- Patrick Flynn
- Shonaid Jemmett-Page
- Mohit Joshi
- Jim McConville
- Neil Morrison

2025 HIGHLIGHTS

- Reviewed and recommended the revised Risk Appetite Framework, including Risk Strategy, Group Risk Appetites, and Preferences to the Board for approval.
- Monitored external risk factors and assessed the most significant emerging risk scenarios with the potential to affect the implementation of the Group's strategy.
- Reviewed the results and analysis of the Prudential Regulatory Authority (PRA) Life Insurance Stress Tests exercise.
- Reviewed and approved the outcome of the Group Risk Identification Process, confirming the appropriateness of the risk categories currently included in the Internal Model.
- Monitored the Group's capital and liquidity position with respect to alignment with risk appetite limits, considering impacts of changing macroeconomic conditions, and the acquisition of Direct Line.
- In conjunction with the Customer and Sustainability Committee, oversaw the continued compliance of the Group with the Financial Conduct Authorities' (FCA) Consumer Duty through monitoring of Consumer Duty related risks.
- Reviewed the management of change delivery and transformation risk across the Group.
- Approved the scenarios for Group-wide stress testing to support the financial plan and the Group recovery plan.
- Reviewed the Group Second Line Assurance Plan for 2026.
- Reviewed Aviva's cyber security controls framework and conducted a review of the effectiveness of operational data risk control environment.

2026 PRIORITIES

- Monitor the impacts and associated risks arising from changes to the macroeconomic and geopolitical environment, regulatory landscape, and from global climate change.
- Oversee the current and projected future risk exposures of the Group, including determination of risk appetites and tolerances.
- Provide effective oversight of the management of key areas of financial and non-financial risk, including cyber, data, artificial intelligence (AI), reputation, third party suppliers and people risks.

I am pleased to present the Risk Committee report for the year ended 31 December 2025.

OVERSIGHT AND MANAGEMENT OF RISK

The Committee supports the Board in the oversight and management of risk throughout the Group. The Committee provides oversight and advice to the Board on the current and future risk exposures of the Group and future risk strategy, having regard to the Group's strategic objectives, culture and values.

The Committee oversees the development and implementation of the Group's risk management framework (RMF), risk strategy, risk policies and business standards, including the process for identifying, managing and overseeing risk, and makes recommendations of amendments to the Board as required.

The review and recommendation to the Board of the Group's risk appetites and tolerances is a core responsibility of the Committee. The Committee monitors compliance with all agreed risk appetites, risk tolerances, risk policies, and business standards as well as desired risk culture, and reviews management's remedial actions as appropriate.

The Committee reviews the methodology and oversees the governance of the internal model used in determining the Group's capital requirements and associated stress testing. This includes the key assumptions, methodologies and areas of expert judgement deployed, activities undertaken to validate the outputs of the model, and any developments to the model that are required to ensure that it continues to reflect the risk profile of the Group.

The Group Own Risk and Solvency Assessment (ORSA) is an ongoing assessment of the risks the Group is exposed to, and of the capital resources available to ensure that the Group is able to sustain its business over the Plan's horizon. The Committee's review of the Group's ORSA process covers the proposed stress tests and scenarios to be used to evaluate the adequacy of the Group's capital resources, and the profile of risks within the Group's strategic plan, how these may change over the planning period and the Group's overall capacity for the risks identified.

In March 2026, the Risk Committee carried out a full review of the systems of risk management and internal control for the financial year ended 31 December 2025, and recommended to the Board that these remained effective. This review covered all key controls including financial, operational, and compliance controls and the RMF.

GROUP CRO REPORT

The Committee receives and reviews a report from the Group CRO at each meeting which highlights key information impacting the Group-wide risk profile, as well as providing an assessment of the current and forward-looking Group risk exposures (CRO Report).

The Committee is provided with information on risk appetites and tolerances. This includes assessments of actual positions relative to the Group's risk appetite statements, and quantitative analysis of the Group's exposures to financial and operational risks, including risk-based capital requirements in relation to the core risks within the Group's businesses.

To support the Committee's oversight of the remit and performance of the Risk Function, the CRO Report sets out key activities undertaken by the Risk Function to support the Group's strategic objectives, the outputs of regular risk monitoring activities undertaken, and details of any current and specific financial, non-financial or regulatory and compliance risk matters.

Analyses of risks that may impact the Group's business are set out in the CRO Report, such as risks arising from shifts in the geopolitical environment and legislative and regulatory change. Regulatory developments that may have a material impact on the Group, or its customers, are detailed in the CRO Report, in addition to engagements undertaken with regulators in the jurisdictions in which Aviva operates.

The CRO Report details the Group's position against Aviva's Sustainability Ambition, including in relation to the Group's external commitments, supporting the Committee's monitoring of risks relating to climate against associated risk appetites.

ADDITIONAL MATTERS CONSIDERED

During 2025, the Committee considered a wide range of risks facing the Group, both current and forward-looking, across all key areas of risk management, in addition to risk appetite. The Committee undertook a number of strategic risk reviews and deep dives aligned to key financial and non-financial risk themes.

The Committee monitored the impacts of the change in the US administration, the introduction of US trade tariffs and global trade negotiation effects on our markets generally, and the insurance market as a whole. This included receiving information on the planning and mitigation actions that our markets implemented to protect customers' interests.

The Committee reviewed the Group transformation risk profile and the associated change execution and delivery risks, including the material Groupwide thematic drivers to our change delivery risk. A key focus for the Committee has been the monitoring of the Direct Line integration programme.

The Committee reviewed the controls in place for the management of third-party supplier risk, and actions taken to enhance operational resilience.

In conjunction with the Customer and Sustainability Committee, the Committee monitored ongoing compliance with the FCA's Consumer Duty, supported by regular updates on customer outcomes in relation to conduct risk policy.

The Committee carried out a deep dive review of cyber security, covering an overview of the cyber security threat landscape and details of Aviva's cyber security controls framework. A further review of the effectiveness of the operational data risk and associated control environment across the Group was undertaken, including improvements delivered and future development plans.

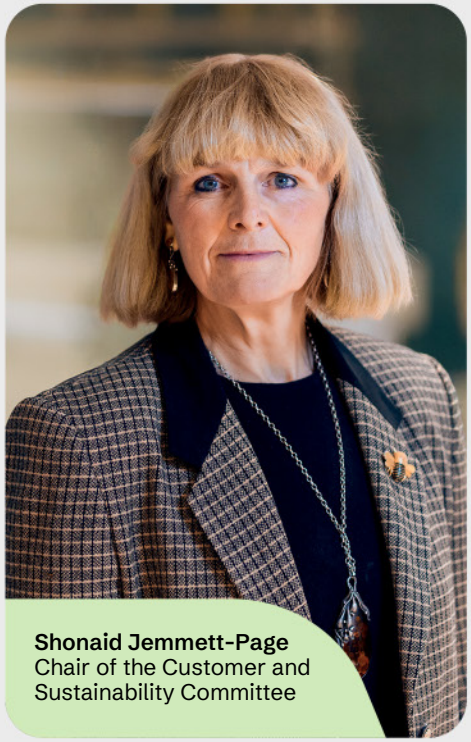
The Committee reviewed the approach to stress testing for the 2026-2028 Plan, including the downside and deep downside scenario calibrations, and the Group Recovery Plan.

The Committee monitored progress of the Second Line Assurance Plan which was based on targeted in-depth reviews of agreed market plans overlaid with Group second and third line assurance activity.

To support the Committee's oversight of the Risk function, the Committee received a showcase from the Risk function, focusing specifically on the deployment of analytics tools.

Andrea Blance
Chair of the Risk Committee
4 March 2026

Customer and Sustainability Committee report



Shonaid Jemmett-Page
Chair of the Customer and Sustainability Committee

MEMBERSHIP

- **Shonaid Jemmett-Page (Chair)**
- Cheryl Agius
- Pippa Lambert
- Jim McConville
- Michael Mire

The purpose of the Customer and Sustainability Committee (the Committee) is to assist the Board in its oversight of customer and sustainability issues and the Committee is responsible for:

1. Overseeing the Company's and its subsidiaries ambition to be a leading customer-centric company; and
2. Overseeing Aviva's Sustainability Ambition, within the overarching context of One Aviva.

Our Board of Directors: page 93

The Committee's detailed responsibilities are set out in the Terms of Reference, available online at www.aviva.com/about-us/board-committees/customer-and-sustainability-committee/**.**

2025 HIGHLIGHTS

- Undertook deep dives in relation to various aspects of customer journeys, including Aviva's digital roadmap and health claims transformation programme.
- Monitored the progress in transforming customer experience and engagement, and performance against customer targets and objectives.
- Monitored the impact of the Direct Line integration on customer metrics and customer experience, including a deep dive on Direct Line Customer and Digital Experience performance.
- Monitored the progress of Aviva's Sustainability Ambition and tracked performance against key metrics and targets.
- Received targeted deep dives on sustainability in the GI and IWR businesses, Social Action, and Carbon Removals.
- Reviewed and recommended to the Board the decision that Aviva should no longer pursue formal Science-Based Target initiative (SBTi) validation for our science-based targets, and consequently to also withdraw the validation of the five targets previously provided by the SBTi in 2022.
- Reviewed the Baseline Exclusions Policy ahead of Board approval later in the process.
- Reviewed the 2025 Transition Plan and recommended the Plan to the Board for approval.
- Continued to review the impact of the FCA's Consumer Duty from a customer experience perspective.

2026 PRIORITIES

- Continue to focus on the integration of Direct Line customers, serving more customers' needs, continuing to build stronger customer experiences and deeper relationships.
- Continue to review the customer agenda and the progress of the customer strategy.
- Continue to monitor good customer outcomes.
- Continue to oversee progress against our sustainability ambition, including our work on social action and communities, including a deep dive on our Canadian business.

I am pleased to present the Customer and Sustainability Committee report for the year ended 31 December 2025.

CUSTOMER

During 2025, the Committee provided oversight of our customer strategy to be a leading customer-centric company. This included continuous review of the customer dashboard, which provided insight into key customer metrics, material trends, growth, experience, and engagement. There was strong performance across all customer metrics in 2025 and delivery against our priorities of growth, serving more needs and continuing to improve customer experience and engagement. This was a result of a more focused approach to customers, with ongoing digital improvements and enhanced customer support. Driving engagement on MyAviva will continue to be a key area of focus as we look to build deeper customer relationships.

The Committee oversaw the progress made in digital capabilities to support customer journeys and enhance customer support. As a result, there was significant progress made on customers' expectations for simple, easy to use digital services. This was demonstrated by a continued improvement in Online Experience Scores (OES). The Committee reviewed clear plans to unlock One Aviva through customer-centric digital experiences, building on our digital capabilities, aiming to drive sales and increase engagement.

The Committee undertook a deep dive on customer marketing and progress to transform our data and marketing capabilities and unlock opportunities to drive customer growth. The focus remained on fixing critical fundamentals while also introducing innovation for better targeting. Data and marketing roadmaps have therefore been synergistic; establishing the core data foundations and data-led customer intelligence and exploiting these with personalised, omni-channel customer engagement. This created the opportunity to continue building and scaling capabilities in data and marketing, while developing more impactful campaigns through a joined up One Aviva approach.

The Committee also undertook a deep dive on improvements made to the Health claims journey in 2025, which enabled Aviva to support customers in a more efficient and sustainable way. This aims to improve their experience, progressively aligning to health modernisation. As a result, there was an overall reduction in customer effort by >25% since 2022 and a strong uplift in customer satisfaction as measured by OES and Transactional Net Promoter Scores (TNPS). This supported an increase in new customers and claim utilisation, using a series of insight-based customer-centric digital improvements. The use of data analytics and a dedicated offshore digital claims support centre of excellence helped to significantly improve digital offerings.

The Committee monitored the impact of the Direct Line integration on customer metrics and customer experience, including receiving a deep dive on Direct Line Customer and Digital Experience performance.

The Committee also continued to receive updates on Consumer Duty MI and monitored customer outcomes through the product lifecycle, particularly the impact on vulnerable customers. The reporting included case studies with examples of delivering improved customer outcomes. The Committee also received deep dives on actions taken in relation to storms, progress against transformation programmes and Pensions Consolidation, which delivered good customer outcomes.

SUSTAINABILITY

The Committee tracked progress against Aviva's Sustainability Ambition (ASA) and the work undertaken on the three pillars: Climate Action, Social Action, and Sustainable Business. The Committee monitored progress on the ASA, which included Key Performance Indicators and the Sustainability Ambition scorecard.

The Committee also reviewed Group sustainability and climate reporting, including the Climate-related Financial Disclosure report in preparation for the climate disclosures summary being voted on (on an advisory basis) at the 2026 Annual General Meeting. In addition, the Committee reviewed the Sustainability section of the Annual Report.

The Committee reviewed Aviva's social action strategy, which focused on the difference we make to society and received a deep dive on progress and priorities. This included how we are delivering impact through our partnership with Citizens Advice, a proposed new integrated proposition for grant making and an update on our 'Place' model. Good progress had been made leveraging our propositions, investments, community partnerships and voice. this was increasing our visibility and influence, helping boost employee engagement, improving customer outcomes, growing brand trust and business opportunities. In 2025, we helped some of Aviva's vulnerable customers increase income and employee participation in volunteering was at a record high, which boosted pride and wellbeing. There is more to do, and we have a clear set of priorities for 2026 to deliver value for our communities, business, and the UK to make the Direct Line integration simple and easy.

The Committee reviewed the work of the Aviva Foundation and received an impact report on the work Aviva is doing to help people from some of the most vulnerable parts of the UK.

The Committee also received updates on the progress of Aviva's sustainability governance activity, including reviewing our refreshed Business Ethics Code, and our performance in external sustainability benchmarks and indices.

Further information on our integrated responsibility and sustainable business approach can be found on the Company's website at: **www.aviva.com/sustainability**.

IWR AND GI BUSINESSES

During the year, the IWR and UKGI businesses presented deep dives to the Committee on their progress and priorities on the sustainability agenda. This included analysing the challenges in the market but also opportunities the structural trends presented where we can prioritise efforts. The presentations provided the Committee with information on how UKGI and IWR contributed to the overall Group performance and Sustainability Ambition. The Committee will receive a deep dive on the Canadian business in 2026.

Shonaid Jemmett-Page
Chair of the Customer and Sustainability Committee
4 March 2026

Remuneration Committee report

Pippa Lambert
Chair of the Remuneration Committee

MEMBERSHIP

- **Pippa Lambert (Chair)**
- Andrea Blance
- Patrick Flynn
- Jim McConville

The purpose of the Remuneration Committee (the Committee) is to:

1. Review and make recommendations to the Board on the Group's overall remuneration policy and practice (the Group Remuneration Policy) and the remuneration policy for the Company's Directors (the Directors' Remuneration Policy);
2. Oversee the implementation of and review compliance with the Group Remuneration Policy and the Directors' Remuneration Policy (the Policy), and to review performance and approve relevant remuneration arrangements; and
3. Review the remuneration approach for individuals identified as relevant staff under any of the regulatory regimes applicable to the Company or its subsidiaries (together, the Group) including the Solvency II Directive as implemented in the UK, applicable Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA) remuneration requirements and associated guidance (Remuneration Regulated Employees).

Our Board of Directors: page 93

The Committee's detailed responsibilities are set out in the Terms of Reference, available online at www.aviva.com/about-us/board-committees/remuneration-committee/

2025 HIGHLIGHTS

- Review of the Policy and extensive engagement with our major shareholders.
- Senior management objectives, pay decisions, annual bonus and Long Term Incentive Plan (LTIP) target setting.
- Considered executive remuneration arrangements in the context of evolving market practice and Aviva's priorities.
- Oversight of remuneration arrangements in connection with Merger and Acquisition (M&A) activity.
- Ensured the broader colleague reward proposition remained competitive.
- Share plan operations and performance testing.
- Governance and regulatory matters.

More details are provided in the Annual report on remuneration.

The Committee's decisions are taken in the context of the Reward Governance Framework, which sets out the key policies, guidelines and internal controls and is summarised in the Annual report on remuneration.

Annual report on remuneration: page 131

2026 PRIORITIES

- Implementation of the new Policy.
- Ensuring the broader colleague reward proposition remains fair and competitive.
- Maintaining active oversight of remuneration arrangements in connection with M&A activity to support our broader strategy.

The Directors Remuneration Report (DRR) is presented in three parts in addition to this letter:

Remuneration at a glance - Key aspects of interest to shareholders

Remuneration at a glance: page 115

The Policy - Outlines the proposed remuneration framework that will apply to our Executive Directors (EDs) and Non-Executive Directors (NEDs) subject to approval at our Annual General Meeting (AGM) in May 2026

Directors' Remuneration Policy: page 122

Annual report on remuneration - Further detail on how the 2024 Policy has been applied in 2025, remuneration outcomes in respect of 2025 and how the proposed new Policy will be implemented in 2026

Annual report on remuneration: page 131

On behalf of the Board, I am pleased to present the DRR for 2025.

2025 Company performance

Aviva has continued to deliver exceptionally strong performance in 2025 extending our track record of delivery, and enabling sustained dividend growth. The integration of Direct Line is well underway, and we continue to make excellent strategic progress.

This performance was reflected in the strong outperformance against the majority of financial measures under our 2025 annual bonus driven by:

- Cash remittances exceeding target levels underpinned by strong business unit operating capital generation.
- Operating Own Funds Generation (OFG) and IFRS Operating Profit outperformance driven by rate discipline, scale and investment returns.
- Efficiency measures ahead of target.

Performance against our non-financial measures was also outstanding.

- Continued focus on customer experience resulted in customer measures exceeding targets, with strong results in both Transactional Net Promoter Score (TNPS) and Online Experience Score (OES) reflecting our continued focus in these areas and investment in digital capabilities.
- Continued focus on colleague engagement and robust risk management, ensuring we are well positioned to deliver securely and effectively. Aviva employee engagement ahead of market norms at 92% reflecting our strong leadership alignment and high-performance culture. Above target assessment against our qualitative and quantitative risk scorecard measures.

Supporting our people

Oversight of remuneration across the wider colleague population remains a priority for the Committee.

- We are proud to pay all of our Aviva UK colleagues at least the Real Living Wage, plus an additional 8% to enable colleagues to benefit from our 14% matching pension contribution and save for their retirement.
- In addition, we continue to review our broad reward packages across markets, balancing global alignment with local market competitiveness.
- During 2025, we introduced Company funded Private Medical Benefit (PMB) for all Aviva UK colleagues. This further enhances our already very strong colleague value proposition and supports our colleagues with improved health and wellbeing.
- The Committee also supported the award of £500 of Free Shares to all of our colleagues globally, to recognise the milestone acquisition of Direct Line.
- The maturity of the 2020 Save As You Earn, which launched with a £2.20 option price, saw nearly 6,000 colleagues double their savings in 2023. For 2,000 colleagues who were part of the five-year scheme, they tripled their savings when the scheme matured in December 2025.

For 2026, the UK salary budget was 4%. A lower budget was applied for the senior management population.

Policy Review and Shareholder Consultation

As highlighted in our 2024 DRR, while our current Policy formally runs until 2027, the Committee has undertaken a comprehensive review of remuneration during 2025. The Committee considered this timing to be appropriate for Aviva and our shareholders, to ensure alignment between our business and talent strategy, rather than the timing of our review being driven by the regulatory cycle.

Since 2020, Aviva has evolved into a diverse, capital-light business, making it a materially different company from a few years ago. With ambitious growth plans, 2025 was the right time to review our remuneration framework to ensure it remains appropriate and supports our strategy and future aspirations.

Accordingly, we are submitting a new Policy to shareholders for approval at our 2026 AGM, a year earlier than the typical cycle.

In carrying out our review, we engaged with shareholders representing c.52% of our register. The feedback from shareholders was invaluable and is reflected in the proposed Policy.

Following careful consideration, the review concluded that while our overall framework remains fit for purpose, there is a need to address the current market positioning for both ED roles. As a result, we are proposing changes to our annual bonus and LTIP opportunity for 2026 onwards. Further context and rationale for the proposed Policy changes can be found on page 118.

I look forward to the continued constructive engagement with shareholders and proxy voting agencies as we present our revised Policy for approval at the 2026 AGM.

REMUNERATION OUTCOMES FOR 2025

Our 2025 remuneration outcomes reflect another year of exceptional performance, as set out below.

2025 annual bonus

The formulaic outcome from the annual bonus scorecard was 94.7% of maximum (at 189.3%). The Committee carefully considered this outcome in the context of broader performance and a quality of earnings assessment, taking input from the Audit and Risk Committees, to ensure the scorecard outcome was reflective of overall performance and aligned with the experience of shareholders. Following this review, the Committee determined that no adjustments were required to the formulaic bonus scorecard outcome. During the year, our financial targets (Cash Remittances, Solvency II Own Funds Generation (Solvency II OFG) and Group adjusted operating profit) were rebased to recognise the acquisition of Direct Line.

In line with the Policy, the Committee also considered the individual performance of the Group Chief Executive Officer (CEO) and Group Chief Financial Officer (CFO) to determine whether individual adjustments to the scorecard outcome were required.

Amanda Blanc's exceptional leadership has once again been instrumental in delivering another year of strong performance for Aviva. Her achievements in 2025 include delivering the Group's 2026 financial targets for Group adjusted operating profit and Solvency II OFG, one year early, continued progress in reshaping Aviva into a majority capital-light business, and sustained focus on improving customer experience. In addition, the acquisition of Direct Line was completed, and Amanda continues to oversee integration at pace.

Financially, Aviva delivered another year of very strong results, with growth in Cash Remittances, Operating Profit and Solvency II OFG ahead of targets. Shareholder value strengthened, with Aviva outperforming the FTSE 100 and European peers. Amanda advanced the strategic pivot, with the Direct Line acquisition establishing Aviva as the UK's leading Personal Lines insurer and excellent progress on the integration of Probitas and AIG's UK Protection business. She also maintained focus on customer growth and experience with strong TNPS and OES.

Amanda has continued to strengthen leadership and culture across the Group, building a high-performing executive team, introducing a Chief Operating Officer (COO) function, and launching the Lead the Way programme for 4,000 leaders. Aviva employee engagement reached 92%, reflecting the trust and confidence inspired by her clear, visible, and purpose-led leadership.

Externally, Amanda continues to represent Aviva across a wide range of industry bodies and public forums, including the Association of British Insurers (ABI) Board and the British Infrastructure Taskforce, and was recognised as one of Forbes' World's Most Powerful Women in 2025.

This exceptional performance is reflected in Amanda's annual bonus for 2025 of 100% of maximum (at 200% of salary).

Charlotte Jones has continued to provide very strong stewardship over the Finance function, contributing significantly to Aviva's financial performance throughout 2025.

She supported the delivery of very strong financial results, while maintaining a resilient balance sheet and disciplined approach to capital management. Charlotte delivered the recommended offer for the Direct Line acquisition and led all critical Change in Control activities to completion within six months. She also continues to oversee regulatory engagement, ensuring delivery of capital and operational synergies, and providing strong governance of the Part VII transfer and major model change activities linked to Direct Line.

Charlotte also strengthened Aviva's market position through a more compelling equity story and strong investor engagement. She oversaw delivery of high quality financial and regulatory reporting with positive external recognition.

She continued to build a high-performing finance function, progressed succession in key roles and achieved record employee engagement.

Externally, Charlotte is a member of the PRA Practitioner Panel & Chair of the Insurance Practitioner Panel and plays an important role in working with the government on shaping Solvency UK and LIST reforms.

This exceptional performance is reflected in Charlotte's annual bonus for 2025 of 100% of maximum (at 150% of salary).

2023-25 LTIP

The formulaic vesting outcome was 81.1%, reflecting exceptionally strong performance against Total Shareholder Return (TSR), Solvency II Return on Equity (Solvency II RoE) and Cumulative Cash Remittances. The Committee determined that no adjustments were required to the formulaic vesting outcome.

Remuneration elements

Fixed pay | Annual bonus | LTIP

REMUNERATION IN 2026

As set out in more detail on page 117, our proposed new Policy seeks to ensure that our approach remains appropriate and incentivises and rewards ongoing exceptional performance. Increases proposed to the variable pay opportunity of our EDs will be matched with a corresponding rise in their shareholding requirement.

Reflecting on the consultation process, the Committee found the feedback received extremely helpful. We are pleased that shareholders have responded positively to the proposed changes, recognising the strategic rationale behind our objectives. Having carefully considered and discussed all feedback, the Committee is confident that the approach originally proposed to shareholders remains appropriate.

Alongside the Policy, the Committee has reviewed the performance measures to align with refreshed priorities and new three-year targets. These measures are designed to be appropriate for our diversified, capital-light business and allow for comparability with our European multi-line peers. The Committee will ensure targets remain stretching, particularly in light of the increase in incentive opportunities.

For both the annual bonus and the LTIP, we will maintain the existing weighting between financial and non-financial measures. However, we are updating the measures themselves to reflect the current shape of Aviva and our future strategic priorities. In doing so, we have considered the integration of the Direct Line acquisition and its expected contribution to performance. These changes ensure that our measures and targets remain relevant, ambitious, and aligned with the business we are today and the growth ambitions we have for the years ahead, whilst continuing to drive sustainable value for shareholders.

Salary

Amanda and Charlotte will receive a salary increase of 3%.

The percentage increases for our EDs are below the overall increase in the UK salary budget of 4%.

2026 annual bonus and 2026-28 LTIP

For Amanda and Charlotte, the 2026 opportunities are as set out below, reflecting the opportunities under our proposed Policy (subject to approval at our 2026 AGM). This is set out on pages 122 to 126 and includes updates to the Annual Bonus Plan (ABP) and LTIP rules to reflect the proposed Policy, latest corporate governance expectations, investor guidance and market practice.

	Annual bonus		LTIP
	Target opportunity	Maximum opportunity	Maximum opportunity
Group CEO	125%	250%	500%
Group CFO	100%	200%	325%

2026 FOCUS AREAS

In addition to implementing the proposed new Policy, the Committee will focus on ensuring that remuneration fairly rewards and is aligned with business performance and strategy particularly in the context of recent M&A activity.

CONCLUSION

We have continued to deliver very strong year-on-year results demonstrating the benefits of our capital-light and diversified businesses. As a Committee, we have sought to make decisions which effectively drive and reward results, while continuing to align with UK best practice remuneration, institutional investor and governance expectations. Our proposed Policy seeks to ensure that remuneration at Aviva continues to motivate and retain key executives to drive our continued success while remaining aligned with shareholder experience.

I hope that this report is clear and informative, and I look forward to seeing shareholders at the forthcoming AGM.

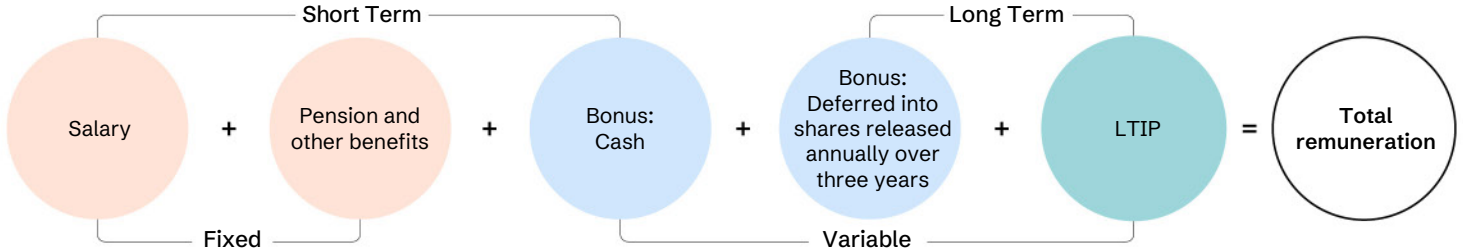
Pippa Lambert
Chair of the Remuneration Committee
4 March 2026

Remuneration at a glance

Strategic pillars
Growth · Customer · Efficiency · Sustainability

Remuneration elements
Fixed pay · Annual bonus · LTIP

1. What are the elements of our Executive Directors' remuneration?



2. How did we determine performance-based pay in 2025 and how does it align to strategy?

Component: 2025 Annual bonus

Measure	Outcome	Maximum
Cash remittances		50.0%
Solvency II OFG		40.0%
Group adjusted operating profit		30.0%
Efficiency measures	13.8%	20.0%
Risk scorecard	25.5%	30.0%
Employee engagement		10.0%
OES		10.0%
TNPS		10.0%
2025 Annual bonus outcome	**189.3%**	**200%**

Component: 2023-25 LTIP

Measure	Outcome	Maximum
Relative TSR (rTSR)	31.4%	40.0%
Cumulative cash remittances	23.4%	25.0%
Solvency II RoE		15.0%
Reduction in CO_2 intensity of shareholder assets and with profit funds		7.5%
Relational Net Promoter Score (RNPS)	0.0%	
Ethnically diverse employees in senior leadership roles	1.3%	2.5%
Females in senior leadership roles		2.5%
2023 LTIP vesting outcome	**81.1%**	**100%**

Remuneration elements
Fixed pay | Annual bonus | LTIP

3. Remuneration policy and implementation for 2026

Fixed pay

Group CEO: £1,269,000 (3% increase) **Group CFO:** £772,500 (3% increase)

Pension contribution rate aligned to wider workforce (14% of basic salary)
Benefits are in line with the Policy

Annual bonus[1]	LTIP[1]
Group CEO - maximum of 250% of salary Group CFO - maximum of 200% of salary	Group CEO - maximum of 500% of salary Group CFO - maximum of 325% of salary
Operation:	**Operation:**
1/2 paid in cash, 1/2 deferred into shares	3 year performance period followed by 2 year holding period

2026	2027	2028	2029	2026 - 2028	2029 - 2030	2031
1/2 paid in cash	1/2 deferred into shares released in equal tranches			**3 Year Performance Period**	**2 Year Holding Period**	**Released**

Measures **Financial measures (70% of total):** **20%** Cash remittances **20%** Group adjusted operating profit **20%** Solvency II OFG **10%** Efficiency measures	**Measures** **Financial measures (80% of total):** **40%** rTSR **25%** IFRS Operating Earnings Per Share (EPS) **15%** IFRS RoE
Strategic measures (30% of total) Including: Risk scorecard, People scorecard, OES and TNPS	**Strategic measures (20% of total):** **12.5%** Customer scorecard **7.5%** CO_2 Intensity reduction vs 2019 baseline

Shareholding requirements[1]

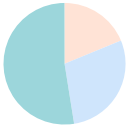
Group CEO – 500% of salary Group CFO - 325% of salary

Post-cessation shareholding requirements apply for two years

Directors' Remuneration Policy: page 122

1. Annual bonus, LTIP and shareholding requirements for 2026 are subject to new Policy approval

4. How much did we pay our Executive Directors' in 2025?



Chief Executive Officer
Amanda Blanc

	£000
Salary, pension and other benefits	1,406
Annual bonus	2,464
LTIP	5,895
Total	**9,764**

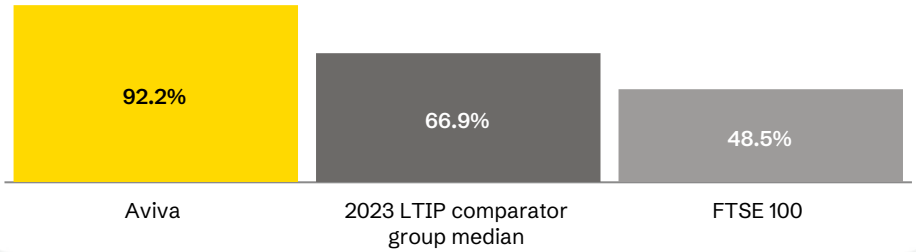
Chief Financial Officer
Charlotte Jones

	£000
Salary, pension and other benefits	858
Annual bonus	1,125
LTIP	2,484
Total	**4,466**

Due to rounding, the totals above may be higher than the sum of the individual elements

5. Performance against our peer group and the FTSE 100 - rTSR

3 year rTSR Performance



6. Wider workforce remuneration

Salary
4% UK salary increase budget for 2026

We remain committed to ensuring competitive and fair reward for our wider workforce

More detail can be found in table 23

Pension
Aviva pays all UK colleagues at least the Real Living Wage, plus 8% enabling colleagues to benefit from our 14% matching pension contribution and save for their retirement

Living pension accreditation
Achieved in March 2023

Health and wellbeing
Introduction of company funded PMB for all our Aviva UK colleagues as well as access to physio support and critical illness cover

Our 2025 Directors' Remuneration Policy (DRP) review

Our Remuneration Policy was last renewed at the 2024 AGM. It was largely a rollover of the previous version approved by shareholders in 2021 and received a strong level of support.

As highlighted in our 2024 DRR, the Committee conducted a comprehensive review of Aviva's remuneration in 2025 and as a result is putting forward a new Policy for shareholder approval at our 2026 AGM, a year ahead of the Policy's 2027 expiry. The Committee considers the new Policy to be the right thing for Aviva and our stakeholders. As we have migrated to a diversified and capital-light business model, Aviva is now a materially different company. This is the right time to ensure that the current remuneration framework remains appropriate. Completing the review now ensures alignment with our business and talent strategy, rather than being driven by the regulatory timetable.

Throughout the Policy review, the intention of the Committee has been to ensure that remuneration at Aviva remains fit for purpose, supports the business ambitions that we have communicated to the market, is appropriately competitive, and aligns reward outcomes with business performance and the shareholder experience.

SHAREHOLDER ENGAGEMENT

As part of the review, we consulted extensively with our largest 30 shareholders, representing c.52% of our share capital, as well as the main proxy agencies. The Committee found the feedback received during the process to be helpful and constructive and the insights gathered were central in shaping our thinking and guiding the final proposals. Our approach to the consultation is illustrated opposite.

WIDER WORKFORCE CONTEXT

During our discussions, the Committee has also been mindful of broader colleague remuneration. We have consistently supported Aviva's commitment to initiatives such as being a Real Living Wage employer and achieving Living Pension accreditation. During 2025, we introduced company funded PMB for all Aviva UK colleagues and awarded c.38k colleagues globally a Free Share Award to mark the milestone acquisition of Direct Line, ensuring all our people can share in the success of Aviva. These actions highlight the Committee's commitment to fostering a fair and rewarding environment for all colleagues, reflecting a balanced approach to remuneration across the entire organisation.

CONCLUSIONS

Our review concluded that the overall remuneration framework at Aviva continues to work well. As such, we are not proposing any material changes to the structure of remuneration. However, we did find a need to address the current market positioning for both the CEO and CFO roles. As a result, we are proposing changes to our annual bonus and LTIP opportunity for 2026 onwards.

We are also proposing some (non-Policy) changes to ensure continued alignment of our incentive metrics with our business and strategic goals. The following pages set out further details of the review.

CONSULTATION TIMELINE SUMMARY

2025 AGM

May - July 2025
Reviewed our existing policy to determine if it was appropriate to amend for EDs whilst giving consideration to peers, performance and future ambitions.

August 2025
Remuneration Committee meeting to make final decision on whether to make Policy amendments this year.

September 2025
Wrote to shareholders introducing the 2026 Policy review. Engaged with our largest 30 shareholders representing c.52% of our share capital as well as the main proxy agencies.

October 2025
Responded to feedback provided by our shareholders. Held meetings with shareholders and proxy agencies who requested further discussion.

November 2025
Follow-up letter to our largest 30 shareholders and the main proxy agencies, providing feedback from first round of consultation and setting out more details following consideration of shareholder feedback.

December 2025
Remuneration Committee meeting to discuss current status of consultation and planned proposals.

January 2026
Close out letter issued to our largest 30 shareholders and the main proxy agencies, setting out the final proposals after considering feedback provided during consultation.

February 2026
Remuneration Committee meeting to confirm committee are comfortable with final proposals.

March 2026
2026 Policy proposed to shareholders in the 2026 Annual report on remuneration.

We will continue to engage with our shareholders in the lead up to our 2026 AGM

2026 AGM
Shareholders vote on 2026 Policy and DRR

CONTEXT FOR THE POLICY REVIEW

1. Outstanding performance and value creation for our shareholders

Over the last several years, Aviva has delivered exceptional and sustained performance. Our senior executive team have been central to this story, led by our outstanding CEO. During the Policy review, the Committee recognised the need for remuneration at Aviva to be compelling and market competitive when set within this performance context. To draw out some highlights since Amanda's appointment:

- Aviva has delivered TSR of +253%. This represents upper quartile performance against similarly sized FTSE companies and is significantly ahead of the FTSE 100 Financial Services index. We have also outperformed each of our key European Insurance peers.
- Amanda has brought focus to Aviva's portfolio, rebuilt our financial strength, and transformed business performance. Amanda and the senior executive team are recognised for their strong leadership by both internal and external stakeholders, and their continued tenure and motivation are essential to lead the next phase of our strategic growth.
- Aviva has delivered strong profitability with robust cash and capital generation, supported by sustained organic growth and strategic acquisitions including Direct Line, Probitas, and AIG's UK Protection business. This has substantially increased Aviva's scale and market share across our business lines, supporting our transition to a large-cap multi-line model. Combined with an enhanced market perception and associated re-rating, this has seen our market capitalisation increase from approximately £11 billion to over £20 billion, representing c.80% growth.
- In addition, we have returned over £10 billion to shareholders through capital returns and dividends over the same period, resulting in total shareholder value growth of approximately £20 billion.
- Building on this progress, we were delighted to complete our acquisition of Direct Line in July 2025. This move speaks to our strategy of being the UK's leading 'go-to' diversified insurer across insurance, wealth & retirement, with leading businesses in Canada and Ireland.
- Our momentum continued through 2025, with the delivery of another strong set of results. Operating profit is up 25% year on year, we continue to grow cash and capital generation, and our share price was up over 40% over the course of the year.

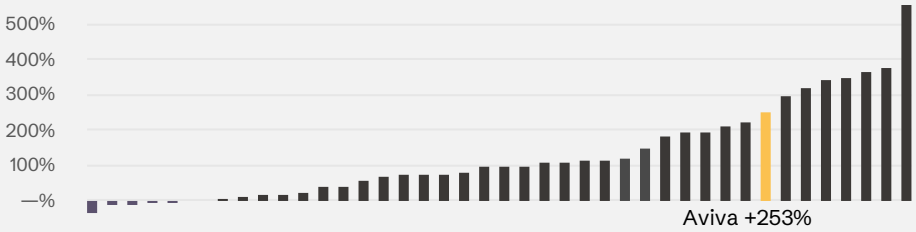
2. Pay has not kept up with performance

Throughout this period of outstanding performance, the Committee has demonstrated a track record of setting highly stretching targets under our incentive plans. This remains fundamental to our thinking and is aligned with the performance-orientated culture that Amanda has implemented. While it is the right ethos for Aviva and our shareholders, it does have consequences for the level of remuneration that executives ultimately realise. The Committee is mindful of the fact that, despite the exceptional performance outlined in the previous section, neither the annual bonus, nor the LTIP has paid out in full once over the last five years. Detailed analysis performed during the Policy review also demonstrated that, in aggregate, annual bonus pay-outs at Aviva over the last four years have been lower than both the broader market and our peers when factoring in relative performance.

Overall, the Committee's view is that these outcomes have not fully reflected the extent of the transformation delivered:

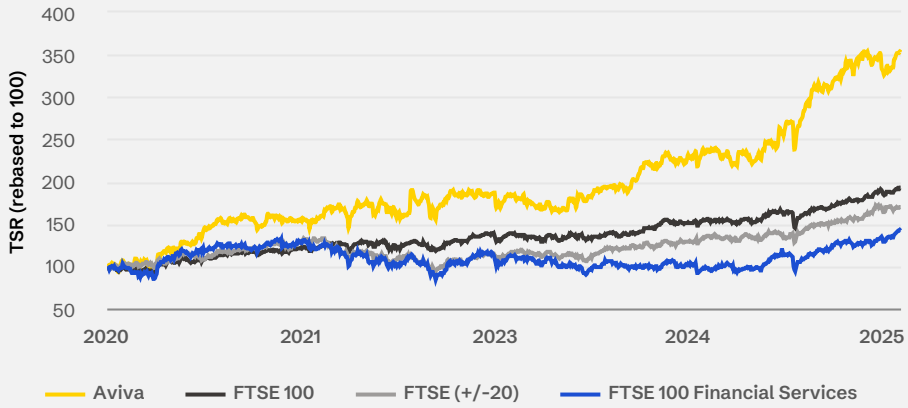
- Aviva has delivered upper quartile performance against the FTSE +/-20 group (c. 87th percentile).
- Amanda's average single figure over the four-year period 2021-24 was £5.7 million. This places her remuneration at the 69th percentile, which is below upper quartile.

TSR performance over the period since Amanda Blanc's appointment in July 2020 compared to similarly sized FTSE companies



	TSR performance since July 2020	Shareholder value created since July 2020
Aviva	**253 %**	**£22,503m**
Upper quartile	194 %	£26,139m
Median	100 %	£8,453m
Lower quartile	23 %	£3,578m

Aviva Relative Index performance vs selected peers since July 2020



3. Ability to compensate at upper quartile levels for upper quartile performance

As we look forward, the Committee's view is that it is important that where sustained upper quartile performance is delivered, the remuneration framework enables EDs to be rewarded at aligned upper quartile levels. While market positioning is never the primary factor driving the Committee's decision-making, it has been an important reference point in considering what constitutes a fair remuneration opportunity for our EDs.

The Committee has thought carefully about its approach to market positioning in putting forward these proposals. In doing so, we have assessed positioning against a range of reference points to ensure that we consider a balance of different perspectives and practice. Our primary reference point has been FTSE companies of a similar size to Aviva (+/-20 companies either side), which broadly equates to the FTSE 11-50. This group reflects companies that are typically similar to Aviva in terms of financial size, organisational size (e.g. employee numbers), and operational scale. They also sit within the same UK corporate governance environment and are subject to the same expectations from institutional investors.

We have also considered data for several other groups as secondary reference points. This includes FTSE 100 Financial Services firms and competitors within the UK and European Insurance sector. These groups, particularly the latter, more closely reflect who we compete with, both operationally day-to-day, and from a talent perspective, so provide another important lens. We recognise that, in both cases, care is needed in interpreting positioning given the variation in size within these groups. For example, Aviva is larger than most of our direct UK peers.

Conversely, while our performance is earning us the right to be compared to the leading European composite insurers, these companies remain larger than Aviva. In both cases we have not simply targeted a specific positioning against these groups but rather have used them as an additional 'sense check' to guide our thinking.

Lastly, the Committee is mindful that the pay acceleration that has been seen in the FTSE over the last couple of years has mainly been concentrated in companies with a significant US presence. As such, the Committee also considered positioning against the FTSE group detailed above, but specifically excluding those companies with significant US operations.

The charts on page 120 highlight current positioning for the CEO and CFO against these groups. Viewed holistically and being mindful of our desire to reward fairly for sustained outperformance, the Committee considers that the current positioning for both EDs is increasingly unsustainable.

4. Strategic alignment

As well as the question of quantum, the Committee was also keen to ensure that the annual bonus and LTIP metrics continue to support and incentivise the delivery of our key business and strategic priorities. Looking ahead, we remain focused on executing our strategy to accelerate capital-light growth, unlock customer advantage, gain operating leverage through technology and AI, and continue to deliver on our sustainability commitments. To support this ambition, it is critical that the remuneration framework continues to align with and drive the delivery of our key financial and strategic priorities.

We have met our 2026 financial targets for Group adjusted operating profit and Solvency II OFG, a year ahead of schedule and have raised our expectations on the benefits of the acquisition of Direct Line by increasing expected cost synergies to £225 million and confirming significant capital benefits of at least £500 million.

We have new three-year targets for 2026-28 of 11% Compound Annual Growth Rate (CAGR) IFRS Operating EPS growth, greater than 20% IFRS RoE by 2028 and more than £7 billion of cash remittances. We believe these targets reflect the scale of the opportunity we have and are appropriate for our diversified capital-light business.

These new targets also allow more comparability with our European multi-line peers who have similar externally reported metrics.

Remuneration elements

Fixed pay | Annual bonus | LTIP

PROPOSED CHANGES

Reflecting on the wider context, the Committee is proposing the following changes for 2026 onwards.

1. Increase annual bonus and LTIP opportunities to ensure that upper quartile reward is available for delivering sustained out-performance.
2. Increase the level of within and post-cessation shareholding requirements to align with the new LTIP opportunity.
3. Refine the annual bonus and LTIP metric framework to align with business and strategic priorities.
4. Updates to the ABP and LTIP rules to reflect the proposed Policy, latest corporate governance expectations, investor guidance and market practice.

Remuneration elements
Fixed pay | Annual bonus | LTIP

1. Incentive opportunities
To ensure that upper quartile reward is achievable for delivering sustained out-performance, we are proposing to increase the overall incentive opportunity by 36% of salary for the CEO and by 40% of salary for the CFO.

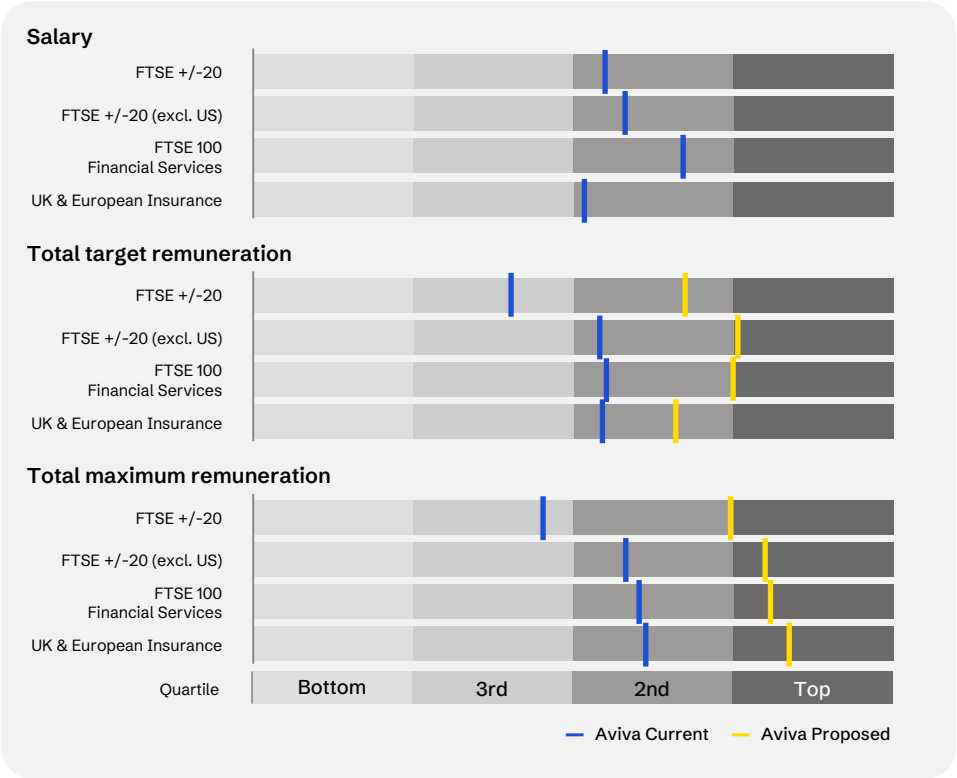
Most of the increase for both roles will be delivered through the LTIP to ensure that EDs will only receive significant pay-outs for continuing to deliver long-term, sustained performance. We would also highlight that this is the first increase in incentive opportunities under the Policy in over a decade.

The combined impact of the proposed changes would be an increase in total target remuneration of c. 26% and c. 15% for the CEO and CFO, respectively. While the Committee recognises that this is a significant increase, we firmly believe that it is in the interests of all our stakeholders that the remuneration for our EDs is appropriately competitive against our relevant markets. The chart below illustrates the impact of the changes on overall positioning for the CEO and CFO role.

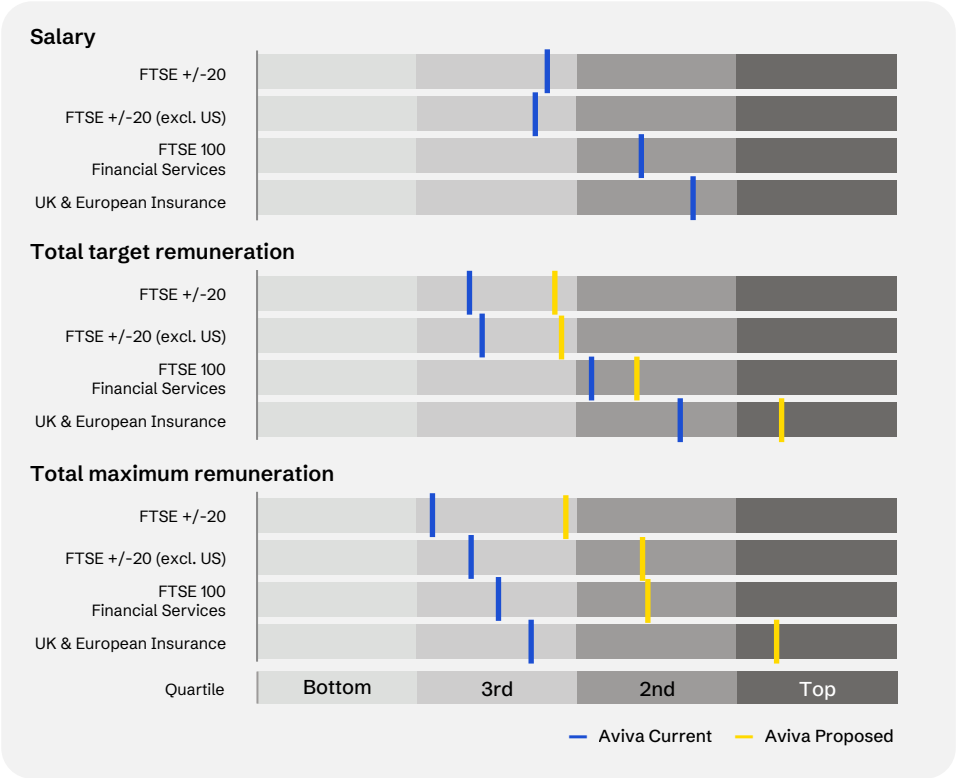
CEO	Proposed		Current	
	Target	Maximum	Target	Maximum
Annual bonus (as a % of salary)	125.0%	250.0%	100.0 %	200.0 %
LTIP (as a % of salary)	250.0%	500.0%	175.0 %	350.0 %

CFO	Proposed		Current	
	Target	Maximum	Target	Maximum
Annual bonus (as a % of salary)	100.0%	200.0%	100.0 %	150.0 %
LTIP (as a % of salary)	162.5%	325.0%	112.5 %	225.0 %

Remuneration benchmark analysis - CEO



Remuneration benchmark analysis - CFO



2. Shareholding requirements
In light of the revised incentive opportunities, the Committee determined it appropriate to increase our within and post-cessation shareholding requirements to align with the new LTIP award levels (CEO – 500%, CFO – 325%), a measure designed to reinforce shareholder alignment.

3. Incentive metrics
The Committee has reviewed the annual bonus and long term incentive metrics to ensure alignment with refreshed business priorities.

For the Annual bonus, our proposed approach maintains the 70% financial and 30% non-financial split. The current financial metrics all remain in place but with rebalanced weightings and an increased weighting towards operating profit, reflecting Aviva's shift to a capital-light model. The employee engagement metric is the only non-financial measure to be changing in 2026, with the metric being broadened into a People scorecard.

In respect of the 2026 - 2028 LTIP, our proposed approach maintains the 80% financial and 20% non-financial split. Reflecting the revised external targets recently announced, Cash Remittances is replaced by IFRS Operating EPS, and the RoE metric moves to an IFRS basis. The increased weighting on the Customer scorecard reflects the strategic importance of customer growth including through the Direct Line acquisition. The leadership diversity metric's removal follows the broadening of the People measure in the ABP. rTSR retains the greatest weighting, reflecting shareholder and executive alignment. As we have developed into a diversified capital-light business, the Committee wishes to reflect that we are increasingly being compared to European multi-line peers.

As such, we have included Allianz, AXA, and Zurich in the comparator group for the 2026 award. To reflect that these firms have more globally distributed businesses than Aviva and to ensure that the overall balance and emphasis of each company in the group is appropriate, the three companies have been weighted relative to UK focused comparators. We will keep the approach under review and adjust for future awards as appropriate.

When setting incentive targets, the Committee ensures they are sufficiently challenging (particularly in the context of increased incentive opportunities), align with the updated strategic direction, and effectively support the proposed changes to the Policy.

Summary - Our approach for 2026

Remuneration elements: Fixed pay | Annual bonus | LTIP

2025 Implementation (for reference) Base salary, Pension 14% of salary	Proposed approach for 2026 Base salary, Pension 14% of salary
Annual bonus as a % of salary up to a max of: • 200% for CEO • 150% for CFO *50% deferred in shares and paid in equal tranches over three years*	Annual bonus as a % of salary up to a max of: • 250% for CEO • 200% for CFO *50% deferred in shares and paid in equal tranches over three years*
LTIP as a % of salary up to a max of: • 350% for CEO • 225% for CFO *Three-year performance period and additional two-year hold*	LTIP as a % of salary up to a max of: • 500% for CEO • 325% for CFO *Three-year performance period and additional two-year hold*
Annual bonus measures: *70% Financial measures* • 25% - Cash remittances • 20% - Solvency II OFG • 15% - Group adjusted operating profit • 10% - Efficiency measures *30% Strategic measure* • Employee engagement, Risk scorecard, OES and TNPS	Annual bonus measures: *70% Financial measures* • 20% - Cash remittances • 20% - Group adjusted operating profit • 20% - Solvency II OFG • 10% - Efficiency measures *30% Strategic measures* • People Scorecard, Risk scorecard, OES and TNPS
LTIP measures: *80% Financial measures* • 40% - rTSR • 25% - Cumulative cash remittances • 15% - Solvency II RoE *20% Non-financial measures* • 7.5% - Customer Scorecard • 7.5% - CO_2 Intensity reduction • 2.5% - Ethnically diverse senior leaders • 2.5% - Females in senior leadership roles	LTIP measures: *80% Financial measures* • 40% - rTSR • 25% - IFRS Operating EPS • 15% - IFRS RoE *20% Non-financial measures* • 12.5% - Customer Scorecard • 7.5% - CO_2 Intensity reduction
Shareholding requirements as a % of salary: • 300% for CEO • 225% for CFO *Post-cessation requirements apply for two years*	Shareholding requirements as a % of salary: • 500% for CEO • 325% for CFO *Post-cessation requirements apply for two years*

Directors' Remuneration Policy

Remuneration elements

Fixed pay | Annual bonus | LTIP

The proposed Remuneration Policy for Directors is set out in accordance with the requirements of the Companies Act 2006 (as amended) and the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) and is subject to shareholder approval at the 2026 AGM on 6 May 2026. If approved, it will apply immediately, for up to three years.

The key changes between this Policy and the current Policy as approved at the 2024 AGM are detailed below and noted in the tables that follow.

ALIGNMENT OF GROUP STRATEGY WITH EXECUTIVE REMUNERATION

The Committee considers that alignment between Group strategy and ED remuneration is critical. The Policy provides market competitive remuneration and incentivises EDs to achieve the annual business plan and the longer-term strategic objectives of the Group. Significant levels of deferral, and within and post-employment shareholding requirements, align EDs' interests with those of shareholders and aid retention of key personnel. As well as rewarding the achievement of objectives, variable remuneration can be zero if performance thresholds are not met. Remuneration payments to Directors can only be made if they are consistent with the approved Policy.

Table 1 provides an overview of the Policy for EDs. The Policy for NEDs is in table 3.

Table 1 Key aspects of the Policy for Executive Directors

Element		
Basic salary	**Purpose** To provide core market related pay to attract and retain the required level of talent. **Operation** Annual review, with changes normally taking effect from 1 April each year. The review is informed by: • Individual and business performance. • Levels of increase for the broader employee population. • Relevant pay data including market practice among relevant FTSE listed companies of comparable size to Aviva in terms of market capitalisation, large European and global insurers, and UK financial services companies.	**Maximum opportunity** There is no maximum increase within the Policy. However, basic salary increases take account of the average basic salary increase awarded to the broader employee population. Different levels of increase may be agreed in certain circumstances at the Committee's discretion, such as: • An increase in job scope and responsibility. • Development of the individual in the role. • A significant increase in the size, value, or complexity of the Group. **Assessment of performance** Any movement in basic salary takes account of the performance of the individual and the Group. **Note:** No change proposed over current Policy.

Remuneration elements
Fixed pay | Annual bonus | LTIP

Element		
Annual bonus *Proposed changes*	**Purpose** To reward EDs for achievement against the Company's strategic objectives and for demonstrating the Aviva values and behaviours. Deferral provides alignment with shareholder interests and aids retention of key personnel. **Operation** Awards are based on performance in the year. Targets are normally set annually and pay-out levels are determined by the Committee based on performance against those targets and a quality of earnings assessment and risk review. **Form and timing of payment** • 50% of any bonus is payable in cash at the end of the year. • 50% of any bonus awarded is deferred into shares which vest in three equal annual tranches. Additional shares are awarded at vesting in lieu of dividends paid on the deferred shares. **Malus and clawback** Cash and deferred awards are subject to malus and clawback. Details of when these may be applied are set out in the notes below.	**Maximum opportunity** 250% of basic salary for Group CEO 200% of basic salary for other EDs **Outcome at threshold and on target** Performance is assessed against multiple measures. Threshold performance against a single measure would result in a bonus payment of no more than 25% of basic salary. 125% of basic salary is payable for on target performance for Group CEO and 100% for other EDs. **Assessment of performance** Performance is assessed against a range of relevant financial, employee, customer, and risk targets designed to incentivise the achievement of our strategy, as well as individual strategic objectives as set by the Committee. Although financial performance is the major factor in considering overall expenditure on bonuses, performance against non-financial measures including progress towards our strategic priorities and behaviours in line with our values, will also be taken into consideration. **Discretion** See notes to this table page 125. **Note:** Proposed revised Policy increases maximum opportunity.

Element		
Long-term incentive plan *Proposed changes*	**Purpose** To reward EDs for achievement against the Company's longer-term objectives; to align EDs' interests with those of shareholders and to aid the retention of key personnel and to encourage focus on long-term growth in enterprise value. **Operation** Shares are awarded annually which vest dependent on the achievement of performance conditions. Vesting is subject to an assessment of quality of earnings, the stewardship of capital and risk review. **Performance period** Three years. Additional shares are awarded at vesting in lieu of dividends on any shares which vest. **Additional holding period** Two years. **Malus and clawback** Awards are subject to malus and clawback. Details of when these may be applied are set out in the notes below.	**Maximum opportunity** 500% of basic salary for Group CEO 325% of basic salary for other EDs **Performance measures** Awards will vest based on a combination of financial, rTSR and strategic performance measures. The Policy provides for a minimum aggregate weighting of 80% for financial measures and rTSR and for up to 20% to be based on strategic performance measures. We would engage with shareholders before changing measures or weighting in future years. For the 2026 awards the measures and weightings will be: Financial measures: • 40% rTSR • 25% IFRS Operating EPS • 15% IFRS RoE Strategic measures: • 12.5% Customer scorecard • 7.5% CO_2 intensity reduction **Vesting at threshold** Threshold vesting for all measures is 20%. **Discretion** See notes to this table page 125. **Note:** Proposed revised Policy increases maximum opportunity.

Remuneration elements
Fixed pay | Annual bonus | LTIP

Element		
Pension	**Purpose** To provide a market competitive level of provision for post-retirement income. **Operation** EDs are eligible to participate in a defined contribution plan up to the annual limit. Any amounts above annual or lifetime limits are paid in cash.	**Maximum opportunity** If suitable employee contributions are made, the Company contributes 14% of basic salary for all EDs, aligned to the rate available to the majority of the UK workforce. **Note:** No change proposed over current Policy
Benefits	**Purpose** To provide EDs with a suitable but reasonable package of benefits as part of a competitive remuneration package. This involves both core executive benefits, and the opportunity to participate in flexible benefits programmes offered by the Company (via salary sacrifice). This enables us to attract and retain the right level of talent necessary to deliver the Company's strategy. **Operation** Benefits are provided on a market related basis. The Company reserves the right to deliver benefits to EDs depending on their individual circumstances, which may include a cash car allowance, life insurance, private medical insurance and access to a company car and driver for business use. In the case of non-UK executives, the Committee may consider additional allowances in line with standard relevant market practice. EDs are eligible to participate in the Company's broad based employee share plans on the same basis as other eligible employees.	**Maximum opportunity** Set at a level which the Committee considers appropriate against comparable roles in companies of a similar size and complexity to provide a reasonable level of benefit. Costs would normally be limited to providing a cash car allowance, private medical insurance, life insurance, and reasonable travel benefits (including the tax cost where applicable). In addition, there may be one-off or exceptional items on a case-by-case basis, which would be disclosed in the DRR. **Note:** No change proposed over current Policy

Element		
Relocation and mobility	**Purpose** To assist with mobility across the Group to ensure the appropriate talent is available to execute strategy locally. **Operation** EDs who are relocated or reassigned from one location to another receive relevant benefits to assist them and their dependants in moving home and settling into the new location.	**Maximum opportunity** Dependent on location and family size, benefits are market related and time bound. They are not compensated for performing the role but to defray costs of a relocation or residence outside the home country. The Committee would reward no more than it judged reasonably necessary, in the light of all applicable circumstances. **Note:** No change proposed over current Policy
Shareholding requirements *Proposed changes*	**Purpose** To align EDs' interests with those of shareholders. **Operation** A requirement to build a shareholding in the Company equivalent to 500% of basic salary for the Group CEO and 325% for other EDs. This shareholding is normally to be built up over a period not exceeding five years (subject to the Committee's discretion where personal circumstances dictate).	Post-cessation shareholding requirements also apply to EDs being the lower of 500% of basic salary for the Group CEO and 325% for other EDs, or the holding on termination of employment, for two years post-cessation. **Note:** Proposed revised Policy increases shareholding requirement.

NOTES TO THE TABLE:

Performance measures
For the annual bonus, performance measures are chosen to align to the Group's key performance indicators and include financial, strategic, risk, employee, and customer measures. Achievement against individual strategic objectives is also taken into account.

LTIP performance measures are chosen to provide an indication of both absolute and relative return generated for shareholders. In terms of target setting, a number of reference points are taken into account each year including, but not limited to, the Group's business plan and external market expectations of the Company. Maximum payouts require performance that significantly exceeds expected performance under both the annual bonus and the LTIP.

Quality of earnings assessments
Throughout the year, the Committee engages in a regular quality of earnings assessment. A quality of earnings assessment sign-off is the final step in determining annual bonus scorecard outcomes and is performed before vesting is determined against financial measures under the LTIP.

As a minimum, at any Committee meeting where LTIP vesting or annual bonus scorecard decisions are considered, the Financial Controller or equivalent prepares a report to the Committee on the quality of earnings reflected in the results being assessed, against performance targets. Extensive information from the audited accounts is used to explain the vesting and scorecard outcomes – ranging from movements in reserves, capital management decisions, consistency of accounting treatment and period to period comparability. The Financial Controller or equivalent attends the Committee meeting to answer any questions that any member of the Committee may choose to ask.

Any vesting decision or confirmation of awards is made after this process has been undertaken.

Malus and clawback
The circumstances when malus (the forfeiture or reduction of unvested shares awarded under the annual bonus and LTIP) and clawback (the recovery of cash and share awards after release) may apply include (but are not limited to) where the Committee considers that the employee concerned has been involved in or partially/wholly responsible for:

- A materially adverse misstatement (as defined by the Board) of the Company's financial statements, or a misleading representation of performance;
- A significant failure of risk management and/or controls;
- A scenario or event which causes material reputational damage to the Company;
- A scenario or event which causes material corporate failure;
- Any regulatory investigation or breach of laws, rules or codes of conduct;
- Misconduct which, in the opinion of the Committee, ought to result in the complete or partial lapse of an award;
- Conduct which resulted in significant loss(es) or summary termination of employment;
- Failure to meet appropriate standards of fitness and propriety;
- A material error (as defined by the Board) in the calculation of a financial or strategic measure used to determine the outcome of variable pay, or any other error or material misstatement that results in overpayment to employees;
- Any circumstances determined by the Board that mean the underlying financial health of the Group or member of the Group has significantly deteriorated, resulting in severe financial constraints which preclude or limit the ability to fund variable pay; and
- Any other circumstance required by local regulatory obligations or that, in the Board's opinion, justifies the reduction or repayment of variable pay.

The clawback period runs for two years from the date of payment in the case of the cash element of any annual bonus.

For deferred bonus elements and LTIP awards, the overall malus and clawback period is five years from the date of grant.

Discretions
The discretions the Committee has in relation to the operation of the ABP and LTIP are set out in the plan rules. In relation to the outcomes under these plans, the Committee has unfettered discretion to adjust upward or downward (including to nil) the mechanical outcome where it considers that:

- The outcome does not reflect the underlying financial or strategic performance of the participant or the Group over the relevant period;
- The outcome is not appropriate in the context of circumstances that were unexpected or unforeseen at the award date;
- There exists any other reason why an adjustment is appropriate; and/or
- It is appropriate to do so, taking into account a range of factors, including the management of risk and good governance and, in all cases, the experience of shareholders.

Other discretions include, but are not limited to, the ability to set additional conditions and the discretion to change or waive those conditions. Such discretions would only be applied in exceptional circumstances, to ensure that awards properly reflect underlying business performance. Any use of the discretions and how they were exercised will be disclosed, where relevant, in the DRR and, where appropriate, be subject to consultation with Aviva's shareholders.

Change in control
In the event of a change in control, unless a new award is granted in exchange for an existing award, or if there is a significant corporate event like a demerger, awards under the LTIP would normally vest to the extent that the performance conditions have been satisfied as at the date of the change in control, and unless the Committee decides otherwise, would be pro-rated to reflect the time between the date of grant and the change in control event. Awards under the ABP would normally vest on the date of the change in control and may vest if there is a significant corporate event.

Consistency of executive Policy across the Group
The Policy for our EDs is designed as part of the remuneration philosophy and principles that underpin remuneration for the wider Group. Remuneration arrangements for colleagues below the EDs take account of the seniority and nature of the role, individual performance, and local market practice. The components and levels of remuneration for different colleagues may therefore differ from the Policy for EDs.

Any such elements are reviewed against market practice and approved in line with internal guidelines and frameworks.

Differentiation in reward outcomes based on performance and behaviour that is consistent with the Aviva values is a feature of how Aviva operates its annual bonus for its senior leaders and managers globally.

A disciplined approach is taken to moderation across the Company in order to recognise and reward the key contributors. The allocation of LTIP awards also involves strong differentiation, with expected contribution and ability to collaborate effectively in implementation of the strategy driving award levels.

Legacy payments
The Committee reserves the right to make any remuneration payments and payments for loss of office (including exercising any discretions available to it in connection with such payments) notwithstanding that they are not in line with the Policy set out above, where the terms of the payment were agreed (i) before May 2014 (the date the Company's first Policy came into effect), (ii) before the Policy set out above came into effect, provided that the terms of the payment were consistent with the Policy in force at the time they were agreed, or (iii) at a time when the relevant individual was not a director of the Company and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a director of the Company. For these purposes, 'payments' includes the Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are 'agreed' at the time the award is granted.

Approach to recruitment remuneration
On hiring a new ED, the Committee would align the proposed remuneration package with the Policy in place for EDs at the time of the appointment.

In determining the actual remuneration for a new ED, the Committee would consider the package in totality, taking into account elements such as the skills and experience of the individual, local market benchmarks, remuneration practice, and the existing remuneration of other senior executives.

The Committee would ensure any arrangements agreed would be in the best interests of Aviva and its shareholders. It would seek not to pay more than necessary to secure the right candidate.

Where considered appropriate the Committee may make awards on hiring an external candidate to 'buyout' remuneration arrangements forfeited on leaving a previous employer. In doing so, the Committee would take account of relevant factors including any performance conditions attached to these awards, the form in which it was paid (e.g. cash or shares) and the timeframe of awards.

Buyout awards would be awarded on a 'like for like' basis compared to remuneration being forfeited and would be capped to reflect the value being forfeited. The Committee considers that a buyout award is a significant investment in human capital by Aviva, and any buyout decision will involve careful consideration of the contribution that is expected from the individual.

The maximum level of variable pay which could be awarded to a new ED, excluding any buyouts, would be in line with the Policy set out above and would therefore be no more than 750% of basic salary for the Group CEO (250% of basic salary annual bonus opportunity and 500% of basic salary as the face value of a LTIP grant) and 525% of basic salary for other EDs (200% of basic salary annual bonus opportunity and 325% of basic salary as the face value of a LTIP grant).

All other elements of remuneration will also be in line with the Policy set out above.

Should the Company have any prior commitments outside of this Policy in respect of an employee promoted internally to an ED position, the Committee may continue to honour these for a period of time. Where an ED is appointed from within the organisation, the normal policy of the Company is that any legacy arrangements would be honoured in line with the original terms and conditions. Similarly, if an ED is appointed following Aviva's acquisition of, or merger with, another company, legacy terms and conditions may be honoured.

On appointing a new NED, the Committee would align the remuneration package with the Policy for NEDs, outlined in table 3, including fees and travel benefits.

ILLUSTRATION OF THE POLICY

The charts below illustrate how much EDs could earn under different performance scenarios in one financial year:

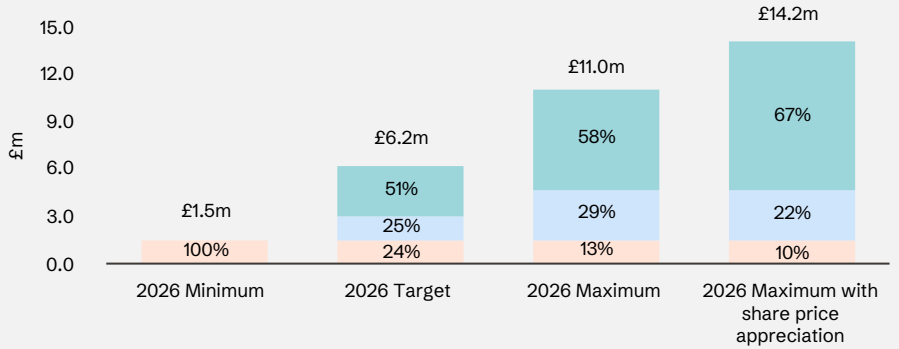
- Minimum – basic salary, pension or cash in lieu of pension and benefits, no bonus and no vesting of the LTIP.

- Target - basic salary, pension or cash in lieu of pension, benefits, and:
- A bonus of 125% and a LTIP of 500% of basic salary (with notional LTIP vesting at 50% of maximum) for the Group CEO.
- A bonus of 100% and a LTIP of 325% of basic salary (with notional LTIP vesting at 50% of maximum) for the Group CFO.

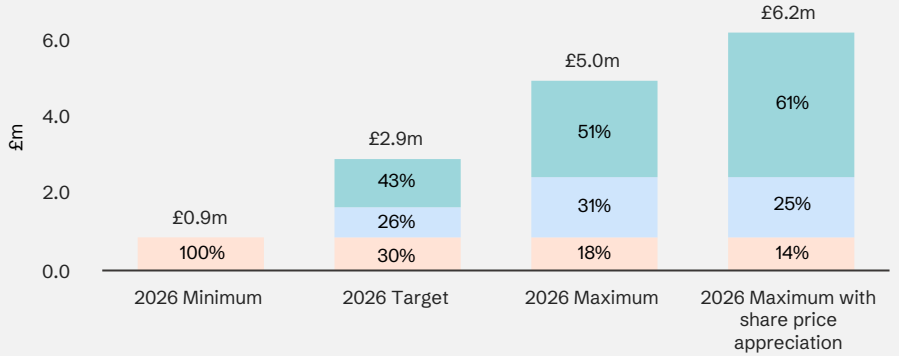
- Maximum – basic salary, pension or cash in lieu of pension, benefits, and:
- A bonus of 250% and a LTIP of 500% of basic salary (with notional LTIP vesting at maximum) for the Group CEO.
- A bonus of 200% and a LTIP of 325% of basic salary (with notional LTIP vesting at maximum) for the Group CFO.

- Maximum with share price appreciation – indicative maximum remuneration, assuming a notional LTIP vesting at maximum and share price appreciation of 50% on the LTIP.

Potential earnings by pay element - Amanda Blanc



Potential earnings by pay element - Charlotte Jones



Notes to the charts

1. The charts are illustrative only and the actual value EDs could earn is subject to business performance and share price movement to the date of vesting of the LTIP and of the deferred share element of the annual bonus.
2. Fixed pay consists of basic salary, pension as described in table 5, and estimated value of benefits provided under the Policy, excluding any one-offs. Actual figures may vary in future years.
3. The value of the deferred element of the annual bonus assumes a constant share price and does not include additional shares awarded in lieu of dividends that may accrue during the vesting period.
4. The value of the LTIP assumes a constant share price (with the exception of the maximum with share price increase scenario) and does not include additional shares awarded in lieu of dividends that may accrue during the vesting period.
5. The LTIP is as proposed to be awarded in 2026, which would vest in 2029, subject to the satisfaction of performance conditions. The shares would then be subject to a further two-year holding period.

Employment contracts and letters of appointment
ED employment contracts and NED letters of appointment are available for inspection at the Company's registered office during normal hours of business, and at the place of the Company's 2026 AGM on 6 May 2026 from 09.00am until the close of the meeting.

The key employment terms and conditions of the current EDs, and those who served during the year, as stipulated in their employment contracts, are set out in the table below.

Table 2 Executive Directors' key conditions of employment

Provision	Policy	
Notice period		
By the ED	6 months.	
By the Company	12 months, rolling. No notice or payment in lieu of notice to be paid where the Company terminates for cause.	
Termination payment	Pay in lieu of notice up to a maximum of 12 months' basic salary. Any payment is subject to phasing and mitigation requirements. An ED would be expected to mitigate the loss of office by seeking alternative employment. Any payments in lieu of notice would be reduced, potentially to zero, by any salary received from such employment.	
Remuneration and benefits	The operation of the annual bonus and LTIP is at the Company's discretion.	
Expenses	Reimbursement of expenses reasonably incurred in accordance with their duties.	
Holiday entitlement	30 working days plus public holidays.	
Private medical insurance	Private medical insurance is provided for the ED and their family. The ED can choose to opt out of this benefit or take a lower level of cover. However, no payments are made in lieu of reduced or no cover.	
Other benefits	Other benefits include participation in the Company's staff pension scheme, life insurance and, where applicable, access to a Company car and driver for business related use.	
Sickness	100% of salary for the first 52 weeks and up to £150,000 per annum for a further 5 years.	
Non-compete	During employment and for nine months after leaving (less any period of garden leave) without the prior written consent of the Company.	
Contract dates	**Director**	**Date current contract commenced**
	Amanda Blanc	6 July 2020
	Charlotte Jones	5 September 2022

POLICY ON PAYMENT FOR LOSS OF OFFICE

There are no pre-determined ED special provisions for compensation for loss of office. The Committee has the ability to exercise its discretion on the final amount actually paid. Any compensation would be based on basic salary, pension entitlement and other contractual benefits during the notice period, or a payment made in lieu of notice, depending on whether the notice is worked.

Where notice of termination of a contract is given, payments to the ED would continue for the period worked during the notice period. Alternatively, the contract may be terminated, and phased monthly payments made in lieu of notice for, or for the balance of, the 12 months' notice period. During this period, EDs would be expected to mitigate their loss by seeking alternative employment. Payments in lieu of notice would be reduced by the salary received from any alternative employment, potentially to zero. The Company would typically make a reasonable contribution towards an ED's legal fees in connection with advice on the terms of their departure.

There is no automatic entitlement to an annual bonus for the year in which loss of office occurs. The Committee may determine that an ED may receive a pro rata bonus in respect of the period of employment during the year loss of office occurs based on an assessment of performance. Where an ED leaves the Company by reason of death, disability or ill health, or any other reason determined by the Committee, there may be a payment of a pro rata bonus for the relevant year at the discretion of the Committee.

The treatment of leavers under the ABP and LTIP is determined by the rules of the relevant plans. Good leaver status under these plans would be granted in the event of, for example, the death of an ED. Good leaver status for other leaving reasons is at the discretion of the Committee, taking into account the circumstances of the individual's departure, but would typically include planned retirement, or their departure on ill health grounds.

In circumstances where good leaver status has been granted, awards may still be subject to malus and clawback in the event that inappropriate conduct of the ED is subsequently discovered post departure, and retirees are subject to post-activity restrictions which allow the Committee to reduce or recover awards if certain employment is taken elsewhere. If good leaver status is not granted, all outstanding awards will lapse.

In the case of LTIP awards, where the Committee determines an ED to be a good leaver, vesting is normally based on the extent to which performance conditions have been met at the end of the relevant performance period, and the proportion of the award that vests is pro-rated for the time from the date of grant to final date of service (unless the Committee decides otherwise). Any decision not to apply this would only be made in exceptional circumstances and would be fully disclosed. It is not the practice to allow such treatment.

CONSIDERATION OF WIDER EMPLOYEE PAY AND SHAREHOLDER VIEWS

When determining the Policy and arrangements for our EDs, the Committee considers:

- Pay and employment conditions elsewhere in the Group to ensure that pay structures are suitably aligned and that levels of remuneration remain appropriate. The Committee reviews levels of basic salary increases for other employees and executives based on their respective locations. It reviews changes in overall bonus pool funding and long-term incentive grants. The Committee considers feedback on pay matters from sources including the employee opinion survey and employee forums. The Committee also takes into account information provided by the people function and external advisers and the Committee Chair has in place a programme of consultation and meetings with employee forums including trade unions, Your Forum and the Evolution Council to discuss remuneration.
- In its ongoing dialogue with shareholders, the Committee seeks shareholder views and takes them into account when any significant changes are being proposed to remuneration arrangements and when formulating and implementing the Policy. For example, there was detailed engagement with our largest shareholders regarding the proposed Policy throughout 2025.

NON-EXECUTIVE DIRECTORS

The table below sets out details of our Policy for NEDs.

Table 3 Key aspects of the Policy for Non-Executive Directors

Element		
Chair and NEDs' fees	**Purpose** To attract individuals with the required range of skills and experience to serve as a Chair or as a NED. **Operation** NEDs receive a basic annual fee in respect of their Board duties. Further fees are paid for membership and, where appropriate, chairing Board committees. The Chair receives a fixed annual fee. Fees are reviewed annually taking into account market data and trends and the scope of specific Board duties. NEDs are able to use up to 100% of their post-tax base fees to acquire shares in Aviva plc. The Chair and NEDs do not participate in any incentive or performance plans or pension arrangements and do not receive an expense allowance. NEDs are reimbursed for reasonable expenses, and any tax arising on those expenses is settled directly by Aviva. To the extent that these are deemed taxable benefits, they will be included in the DRR, as required. NEDs may be provided with benefits, if deemed appropriate including health and wellbeing benefits.	**Maximum opportunity** The Company's Articles of Association provide that the total aggregate remuneration paid to the Chair of the Company and NEDs will be determined by the Board within the limits set by shareholders and detailed in the Company's Articles of Association.
Chair's travel benefits	**Purpose** To provide the Chair with suitable travel arrangements for them to discharge their duties effectively.	The Chair has access to a company car and driver for business use. Where these are deemed a taxable benefit, the tax is paid by the Company.
NED travel and accommodation	**Purpose** To reimburse NEDs for appropriate business travel and accommodation, including attending Board and committee meetings.	**Operation** Reasonable costs of travel and accommodation for business purposes are reimbursed to NEDs. On the limited occasions when it is appropriate for a NED's spouse or partner to attend, such as a business event, the Company will meet these costs. The Company will meet any tax liabilities that may arise on such expenses.

The NEDs, including the Chair of the Company, have letters of appointment which set out their duties and responsibilities. The key terms of the appointments are set out in the table below.

Table 4 Non-Executive Directors' key terms of appointment

Provision	Policy
Period	In line with the requirement of the Code, all NEDs, including the Chair, are subject to annual re-election by shareholders at each AGM.
Termination	By the director or the Company at their discretion without compensation upon giving one month's written notice for NEDs and three months written notice for the Chair of the Company.
Fees	Reviewed annually, as set out in table 22.
Expenses	Reimbursement of travel and other expenses reasonably incurred in the performance of their duties.
Time commitment	Each director must be able to devote sufficient time to the role in order to discharge responsibilities effectively.

Committee membership key

Nomination and Governance Committee · Audit Committee · Risk Committee
Customer and Sustainability Committee · Remuneration Committee · (C) Chair

Director	Appointment date[1]	Appointment end date[2]	Committee
George Culmer	25 September 2019	AGM 2026	C
Cheryl Agius	21 May 2024	AGM 2026	
Andrea Blance	21 February 2022	AGM 2026	C
Ian Clark	11 March 2024	AGM 2026	
Patrick Flynn	16 July 2019	AGM 2026	C
Shonaid Jemmett-Page	20 December 2021	AGM 2026	C
Mohit Joshi	1 December 2020	AGM 2026	
Pippa Lambert	1 January 2021	AGM 2026	C
Jim McConville	1 December 2020	AGM 2026	
Michael Mire	12 September 2013	AGM 2026	
Neil Morrison	17 June 2024	AGM 2026	

1. The dates shown reflect the date the individual was appointed to the Aviva plc Board
2. All appointment end dates are the 2026 AGM, in accordance with the NEDs' letters of appointment

Annual report on remuneration

Remuneration elements

Fixed pay | Annual bonus | LTIP

This section of the report sets out how Aviva has implemented its Policy during 2025.

This is in accordance with the requirements of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended).

SINGLE TOTAL FIGURES OF REMUNERATION FOR 2025

The table below sets out the total remuneration for 2025 and 2024 for each of our EDs.

Table 5 Total 2025 remuneration – Executive Directors (audited information)

	Executive Directors				Total emoluments of Executive Directors	
	Amanda Blanc		Charlotte Jones			
	2025 £000	2024 £000	**2025 £000**	2024 £000	**2025 £000**	2024 £000
Basic salary[1]	**1,204**	1,110	**746**	728	**1,950**	1,838
Benefits[2]	**55**	71	**20**	15	**75**	85
Pension[3]	**147**	137	**91**	90	**238**	226
Total fixed pay	**1,406**	1,317	**858**	832	**2,264**	2,150
Annual bonus[4]	**2,464**	2,194	**1,125**	1,014	**3,589**	3,208
LTIP[5]	**5,895**	4,320	**2,484**	1,770	**8,378**	6,090
Total variable pay	**8,359**	6,514	**3,609**	2,784	**11,967**	9,298
Total[6]	**9,764**	7,831	**4,466**	3,616	**14,231**	11,448

1. Basic salary received during the relevant year
2. The benefits disclosure includes the cost, where relevant, of private medical benefit, life insurance, accommodation, travel and car benefits. All numbers disclosed include the tax charged on the benefits, where applicable.
3. Pension contributions consist of employer defined contribution benefits, excluding salary exchange contributions made by the employees, plus cash payments in lieu of pension. Amanda and Charlotte received cash payments equivalent to a pension contribution of 14%, reduced for the effect of employers' National Insurance contributions when paid as cash. No ED has a prospective entitlement to benefit in a defined benefit scheme.
4. Bonus payable in respect of the financial year including any deferred element at the face value at the date of award. EDs are required to defer half of any bonus awarded into Aviva shares. The deferred share element is granted under the ABP and will vest in equal tranches on the first, second and third anniversary of the award date, subject to continued employment.
5. The value of the LTIP award for 2025 relates to the 2023 award, which had a three-year performance period ended 31 December 2025. 81.1% of the award will vest in March 2026. An assumed share price of 664.30 pence has been used to determine the value of the award based on the average share price over the final quarter of the 2025 financial year. The amount of the value of the LTIP that is attributable to share price appreciation (the appreciation being the difference between the face value at the date of award and the vested value of the award) is £2,265,344 for Amanda and £954,522 for Charlotte. The LTIP amounts shown in last year's report in respect of the LTIPs awarded in 2022 were calculated with an assumed vesting share price of 472.98 pence. The actual share price at vesting was 555.00 pence, and the table has been updated to reflect this change. The estimated value of the award was £3.7 million; the actual value was £4.3 million (increase of £638,421).
6. The EDs have not received any items in the nature of remuneration other than those disclosed in table 5. Due to rounding, the totals above may be higher than the sum of individual elements.

ALIGNMENT WITH THE UK CORPORATE GOVERNANCE CODE

The Committee is mindful of the UK Corporate Governance Code's six principles when it determines remuneration policy. The Committee's view is that the Remuneration Framework at Aviva is well-aligned with these areas.

1. Clarity
- Our remuneration framework is structured to support the financial and strategic objectives of the Company, aligning the interests of our EDs with those of shareholders and wider stakeholders.
- We are committed to transparent communication with all our stakeholders, including shareholders –further details of our engagement process for the Policy are set out under the consideration of wider colleague pay and shareholder views section.

2. Risk

Our reward structure ensures risk events are reflected in remuneration outcomes through:

- Opinion from Risk on appropriate performance measures and targets. Risk, performance management and consequence management inputs are considered before awards are made.
- Overarching discretion is retained to adjust formulaic outcomes to properly reflect any risk events.
- Deferral of annual bonus (over three years) and LTIP (over five years, including a two-year holding period for EDs), subject to malus and clawback provisions which mitigates against future risk.
- Our within and post-employment shareholding requirement aligns to the successful delivery of the company's long-term strategy.

3. Simplicity
- We operate a simple remuneration framework, comprising fixed pay elements, along with short- and long-term variable elements.
- This structure provides clear line of sight for both executives and shareholders.
- The annual bonus and LTIP are focused on our strategic priorities, rewarding performance against key measures of success for the business.

4. Proportionality
- There is clear alignment between the performance of the Company and the rewards available to EDs.
- Incentive elements are closely aligned to our strategic goals, transparent and robustly assessed, with the Committee having full discretion to adjust outcomes to ensure they align with overall Aviva performance.

5. Predictability
- The Policy sets out the possible future value of remuneration which EDs could receive, including the impact of share price appreciation of 50 % – see under the illustration of the Policy for further details.

6. Alignment to culture
- We are committed to effective stakeholder and colleague engagement.
- As part of this, the Committee regularly reviews data and insights relating to pay and broader employment conditions in the workforce and takes these into account when considering executive remuneration.

Key

- Element of the Reward Governance Framework managed as part of the business of the Committee
- Element of the Reward Governance Framework managed mainly under delegated authority from the Committee

REWARD GOVERNANCE FRAMEWORK

Terms of reference, policies and guidelines

Terms of reference	**Remuneration Committee terms of reference** Sets out the Committee's scope and responsibilities, including authorities which may be delegated but which still retain Committee oversight			
	Subsidiary board remuneration committee terms of reference Sets out the subsidiary remuneration committees' scopes and responsibilities			
Overarching policy	**Aviva Remuneration Policy** Approved by the Committee, applies to all employees in entities within Aviva Group	**Directors' Remuneration Policy** Approved by shareholders, applies to directors of Aviva Group plc		
Supporting policies	**Identification of remuneration regulated employees**	**Variable pay and risk adjustment** (includes bonus, LTIPs, buyout, retention, recognition awards and funding)	**Malus and clawback**	**Shareholding requirement policy**
Internal guidelines and non-Remuneration Committee approved policies (examples)	**Benchmarking**	**Bonus deferral**	**Buyouts and guarantees**	
	Global mobility	**Retention awards**	**Secondments**	

Control and assurance

Remuneration business standard
Assurance framework to attest reward operations are conducted within the Aviva Remuneration Policy, Directors' Remuneration Policy and supporting policies

Reward approvals framework
Approval requirements to ensure Reward operations are conducted within the Aviva Remuneration Policy, Directors' Remuneration Policy and supporting policies

VIEWS

Shareholders
In its ongoing dialogue with shareholders and proxy advisory bodies, the Committee actively seeks their views, ensuring that feedback received is discussed at Committee meetings and ultimately feeds into the development of new proposals. The Committee is grateful for Shareholder engagement with the proposed Policy ahead of the 2026 AGM as it provided useful feedback on the proposed changes.

Our colleagues
The Committee has sight of colleague views through the colleague engagement survey (Voice of Aviva), input from the People function during Committee meetings, colleague forums and the Evolution Council, chaired by the Board Chair. Specifically for the last two channels:

- The Committee Chair met with Your Forum (a fully elected employee forum representing UK colleagues) and members of Unite the Union. Discussions included matters of interest to colleagues and members covering areas such as the Committee's role and areas of focus for the Committee over the past 12-months including:
  - Monitoring business performance
  - Investment in our people including PMB and the Free Share Award
  - Market practices
  - Regulatory updates
  - Ongoing M&A activity
  - The Committee's work in relation to recruitment and retention
  - Monitoring new government initiatives
- The Evolution Council consists of a diverse group of high calibre colleagues from across the business who discuss a range of topics related to the Group strategy, values, culture, and performance.

When determining the Policy and arrangements for EDs, the Committee also reviews pay and employment conditions elsewhere in the Group to ensure reward structures are suitably aligned and that levels of remuneration remain appropriate. Other considerations include:

- Changes in remuneration (salary, benefits, and bonus) of UK colleagues compared with that of directors (see table 12).
- The ratio of CEO pay to that of colleagues (see tables 15 and 16).
- Annual gender and ethnicity pay gaps. We release our UK Pay Gap Report 2025 in March 2026. The report also includes details of actions we are taking to drive change and close the gap. The report will be available at **www.aviva.com/about-us/diversity-equity-and-inclusion/**
- Any material changes to benefit and pension provision for colleagues more widely.

REMUNERATION CONSULTANTS

During the year, the Committee received advice on executive remuneration matters from Deloitte LLP. Deloitte LLP were approved by the Committee and appointed as their advisers in 2012 following a competitive tender process. The Committee regularly reviews and satisfies itself that the advice received from Deloitte LLP is independent and objective.

The Committee notes Deloitte LLP is a member of the Remuneration Consultants Group and adheres to its Code of Conduct. During the year, Deloitte LLP also provided advice to the Group on various taxation, risk, compliance, and other consulting advisory services.

Tapestry Compliance Limited, appointed by the Company, provided legal and regulatory advice on share incentive plan related matters, including on senior executive remuneration matters and views on shareholder perspectives.

During the year, Deloitte LLP were paid fees totalling £267,450 and Tapestry Compliance Limited were paid fees totalling £29,359 for their advice to the Committee on these matters. Fees were charged on a time plus expenses basis.

The Committee reflects on the quality of the advice provided and whether it properly addresses the issues under consideration as part of its normal deliberations. Deloitte LLP and Tapestry Compliance Limited have no other connections with Aviva or individual directors and therefore the Committee is satisfied that the advice received during the year was objective and independent.

Remuneration elements

Fixed pay | Annual bonus | LTIP

2025 ANNUAL BONUS OUTCOMES

The chart below summarises how our annual bonus[1] operated for 2025.

Step I - Bonus scorecard

Financial measures[2]

- **25%** Cash remittances
- **20%** Solvency II OFG
- **15%** Group adjusted operating profit
- **10%** Efficiency measures

Strategic measures

- **15%** Risk scorecard
- **5%** Employee engagement
- **5%** OES
- **5%** TNPS

Step II - Individual performance

The bonus scorecard outcome from step I may then be modified based on:

- Individual contribution and achievements;
- Individual contribution in driving progress against Group strategic objectives;
- The leadership they have exhibited; and
- How the individual has demonstrated Aviva's values.

Individual adjustments are not determined in a formulaic manner. The Committee reviews overall performance against each individual's objectives and applies judgement as to whether any adjustment is warranted. In recent years adjustments have ranged from -17.5% to +35%.

1. This approach is used as the basis for determining bonuses for colleagues across the Group. For Aviva Investors, bonus funding is primarily based on profitability.
2. Performance against financial measures subject to a quality of earnings assessment

STEP I - BONUS SCORECARD

The table below sets out performance against financial and strategic measures under the bonus scorecard. The overall scorecard outcome percentage applies to all EDs.

Table 6 2025 performance against bonus scorecard for Executive Directors' bonuses (audited information)

Measure	Weighting	Minimum (50%)	Target (100%)	Maximum (200%)	Actual	Outcome
Financial measures (70% of total)						
Cash remittances[1]	**25.0%**	**£1,950m**	**£2,010m**	**£2,070m**	**£2,077m**	**50.0%**
Solvency II OFG[1]	**20.0%**	**£1,704m**	**£1,845m**	**£1,987m**	**£2,317m**	**40.0%**
Group adjusted operating profit[1]	**15.0%**	**£1,785m**	**£1,935m**	**£2,085m**	**£2,203m**	**30.0%**
Efficiency measures[2]	**10.0%**		**Scorecard Outcome**			**13.8%**
Total financial measures	**70.0%**					**133.8%**
Strategic measures (30% of total)						
Risk scorecard[3]	**15.0%**	**7.5%**	**15.0%**	**30.0%**	**25.5%**	**25.5%**
Employee engagement	**5.0%**	**81.0%**	**83.0%**	**87.0%**	**92.0%**	**10.0%**
OES	**5.0%**	**63.4%**	**67.4%**	**71.4%**	**73.5%**	**10.0%**
TNPS	**5.0%**	**42.0**	**46.0**	**50.0**	**53.9**	**10.0%**
Total strategic measures	**30.0%**					**55.5%**
Scorecard outcome	**100.0%**					**189.3%**

1. Targets for Cash remittances, Solvency II OFG and Group adjusted operating profit uplifted to recognise the acquisition of Direct Line
2. Aggregate measure reflecting efficiency objectives for our major business areas. Outcome reflects target or better performance across the majority of businesses.
3. The risk scorecard objectively assesses and reports on how effectively first line Aviva employees and senior management manage risk and controls. The risk scorecard considered risk behaviours, outcomes and a second line check and challenge. The Group out-turn rating reflects ongoing progress with strengthening the risk and control environment and desired risk culture throughout Aviva.

Remuneration elements

Fixed pay | Annual bonus | LTIP

STEP II - INDIVIDUAL PERFORMANCE

The Committee assessed Amanda and Charlotte on their individual performance in the year which is set out below.

AMANDA BLANC

Amanda Blanc has led Aviva to achieve another year of exceptional performance and transformation, delivering targets one year early and strengthening our position as a market leader. Her key achievements include:

- Continuing to drive strong financial results with 2026 Group targets of £2 billion Operating Profit and £1.8 billion OFG delivered one year early, and remaining on track to deliver the cumulative cash remittance target by end of 2026 – all without any contribution from the acquisition of Direct Line. New three-year Group targets have been set.
- Outperforming peers and the FTSE 100 with Aviva's share price having increased by over 40% in 2025, with TSR since July 2020 ahead of our European insurance peers.
- Pivoting to majority capital-light, accelerated by the Direct Line acquisition, which was completed within 6 months of the offer being recommended. This deal has established Aviva as the leading UK Personal Lines insurer, expanding customer reach and enhancing shareholder distributions. Amanda oversaw execution of the integration at pace which saw £50 million of cost synergies and £150 billion of capital synergies in 2025, whilst ensuring both businesses continued to deliver for customers.
- Integrating Probitas to Aviva and launching seven new product lines, plus delivering synergies from the integration of AIG's UK Protection business with successful delivery of the Part VII transfer.
- Growing our customer base to 25.2 million total customers (consisting of almost 22 million UK customers) and UK multi-product holders to 7.2 million, making Aviva one of the UK's largest customer franchises.
- Enhancing our customer experience evidenced through above-target TNPS and OES scores and connecting and scaling our Wealth proposition through the integration of MyWorkplace into MyAviva and launching Guided Retirement.
- Simplifying Aviva's IT estate by 20% vs 2023 and continued the roll-out of AI and Gen-AI use cases such as Medical Underwriting and Claims summarisation, ready to scale up across the Group.
- Building a high-performing executive team including introducing a new Group COO function, and launching the flagship Lead the Way programme for 4,000 leaders.
- Driving Aviva employee engagement to 92%, well above the FS norm, through highly visible leadership and increasing trust in the Group ExCo +10ppt vs FS norm. Aviva continues to be recognised by Great Place to Work, placing in the top 5 in all markets.
- Advancing our sustainability ambition with the launch of Aviva's second Climate Transition Plan, setting interim 2030 goals, and confirming £10 billion of investment in sustainable assets since 2019.
- Amanda continues to represent Aviva on the ABI Board, the British Infrastructure Taskforce, and was named among Forbes World's Most Powerful Women in 2025.

CHARLOTTE JONES

Charlotte Jones has shown exceptional leadership of the Finance function, playing a pivotal role in Aviva's strong financial performance and continued progress against our strategic priorities. Key achievements include:

- Continuing to support the delivery of strong financial results; achieving the 2026 external targets one year ahead of schedule and setting new external targets for 2028, while maintaining a strong balance sheet and disciplined approach to capital management.
- Delivering the recommended offer for the acquisition of Direct Line and leading critical change in control activities at pace.
- Leading on effective regulatory engagement, delivery of capital and operational synergies and oversight of the Part VII transfer and major model change activities related to Direct Line.
- Building on strong investor momentum and strengthening Aviva's market position, through the continued evolution of Aviva's equity story and strong investor engagement, encompassing over 200 shareholder interactions and further diversification of the shareholder base.
- Hosting the Direct Line "In Focus" investor session, generating positive investor feedback and improving market understanding of the value creation opportunities arising from the acquisition.
- Delivering high quality financial and regulatory reporting with strong external recognition for the clarity and robustness of Aviva's approach.
- Advancing the quality and credibility of our non-financial reporting, partnering closely with Group Sustainability to provide critical financial and technical expertise to shape a robust Climate Transition Plan.
- Embedding new external auditors while delivering meaningful fee efficiencies, demonstrating strong governance, and effective cost management and supplier oversight.
- Continuing to build a high performing finance function, achieving record engagement scores, improving leadership capability, and strengthening talent pipelines through targeted development and recognition.
- Deepening regulatory and industry engagement, chairing the Insurance Practitioner Panel, and representing Aviva externally through active contributions to Solvency UK and LIST reforms, ISSB Climate Standard amendments, and the CFO Forum.

The Committee considered that in light of Amanda and Charlotte's performance during the year, it was appropriate to apply an individual adjustment of 35.0% to Amanda's annual bonus outcome and 30.0% to Charlotte's annual bonus outcome.

Table 7 2025 bonus outcomes for Executive Directors (audited information)[1]

	Amanda Blanc	Charlotte Jones
Bonus scorecard (0% – 200%)	189.3%	189.3%
Individual adjustment	35.0%	30.0%
Final outcome (capped)	**200.0%**	**200.0%**
Target opportunity (% of salary)	100.0%	100.0%
Maximum opportunity for 2025 (% of salary)[1]	200.0%	150.0%
Final bonus outcomes		
% of salary[2]	200.0%	150.0%
% of maximum	100.0%	100.0%
£ amount	**£2,464,000**	**£1,125,000**

1. The CEO has a maximum bonus opportunity, inclusive of any individual adjustment, of two times target (i.e. 200% of salary) while the CFO has a maximum opportunity, inclusive of any individual adjustment, of one and a half times target (150% of salary). For 2025, as the calculated bonus outcomes for both the CEO and CFO exceeded their respective maximum opportunities, the final bonuses have been capped accordingly.
2. The bonus scorecard for EDs can range from 0% to 200%. When the final outcome is above 100%, the resulting final bonus outcome, as a percentage of salary, is on a '1% for 1%' basis for the CEO and on a '2% for 1%' basis for other EDs; e.g. a final outcome of 140% would result in a bonus of 140% of salary for the CEO and 120% of salary for other EDs. When below 100%, scaling is '1% for 1%', such that a final outcome of 80% would result in a bonus of 80% of salary for all EDs, including the CEO.

DISCRETION

The Committee is conscious of the expectations for them to review incentive outcomes (annual bonus and LTIP) against individual and company performance, together with any wider circumstances, and to exercise independent judgement and discretion in relation to remuneration outcomes. Taking into account the impact of the outcome of the quality of earnings assessment, the Committee is of the view that these outcomes appropriately reflect the overall performance of Aviva during the year and align with the experience of shareholders and no discretion was exercised.

2023 LTIP VESTING IN RESPECT OF PERFORMANCE PERIOD 2023-2025

On a formulaic basis, the 2023 LTIP award vested at 81.1% of maximum which has been reviewed and approved by the Committee. The outcome reflects very strong performance.

Table 8 2023 LTIP award – performance conditions (audited information)

Measure			Threshold (20% vest)[1] / Outcome	Maximum (100% vest) / Vesting
rTSR[2]	40%	Target:	Median	Upper Quintile
		Aviva performance:	**4.4 out of 13**	**31.4%**
Cumulative cash remittances[3]	25%	Target:	£5.5bn	£6.0bn
		Aviva performance:	**£5.96bn**	**23.4%**
Solvency II RoE[3]	15%	Target:	15%	17%
		Aviva performance:	**19.8%**	**15.0%**
Reduction in CO_2 intensity[4]	7.5%	Target:	12.5%	17.5%
		Aviva performance:	**41.0%**	**7.5%**
RNPS gap reduction	7.5%	Target:	8	11
		Aviva performance:	**-1.8**	**—%**
Ethnically diverse employees in senior leadership roles[5]	2.5%	Target:	12%	14%
		Aviva performance:	**12.8%**	**1.3 %**
Females in senior leadership roles[6]	2.5%	Target:	38%	41%
		Aviva performance:	**42.0%**	**2.5%**
Total	**100.0%**		**Final outcome**	**81.1%**

1. Threshold vesting is 20% for each performance measure independently
2. Aviva's rTSR performance was assessed against that of the following companies: Admiral Group, Allianz, AXA, Direct Line Group, Hargreaves Lansdown, Hiscox, Intact Financial, Legal & General, Lloyds Banking Group, M&G, Phoenix Group, Quilter and Zurich Insurance. The performance period for the rTSR performance condition was the three years beginning 1 January 2023. For the purposes of measuring the rTSR performance condition, the Company's TSR and that of the comparator group is based on the 90-day average TSR for the period immediately preceding the start and end of the performance period. Given the acquisition by Aviva, the Direct Line Group closing TSR performance has been calculated using the average Return Index for the 30-day period up to and including the 27 November 2024 (1 day prior to acquisition announcement).
3. Any vesting of the Solvency II RoE and Cumulative cash remittances elements of the LTIP are subject to a Solvency II shareholder cover ratio that meets or exceeds the minimum of the stated working range (range: 160% to 180%)
4. Reduction in CO_2 intensity of shareholder and with-profits fund assets over the three-year performance period is aligned to Aviva Group's target of being Net Zero by 2040
5. Percentage of colleagues in senior leadership roles in the UK, Ireland and Canada who identify their ethnicity as anything other than 'white'
6. Percentage of colleagues in senior leadership roles in the UK, Ireland and Canada who are female

Remuneration elements
Fixed pay | Annual bonus | LTIP

QUALITY OF EARNINGS ASSESSMENT - 2025 REMUNERATION DECISIONS

The Committee discussed those items that impacted the overall results in 2025 e.g. foreign exchange, acquisitions and disposals, life assumption and modelling changes, prior year reserve development, and other items that are non-recurring in nature. This process provides the Committee with an understanding of the core profitability of the business taking these factors into account.

Malus and clawback

As part of the annual pay review process, the Committee has considered whether any recovery or withholding under the malus and clawback provisions of Aviva's incentive plans is required by any current circumstances.

No incidents concerning the EDs are currently subject to action under Aviva's Malus and Clawback policy (2024: No incidents).

Share awards granted to EDs during the year are set out below.

Table 9 Awards granted during the year (audited information)

	Date of award	Award type[1]	Face value (% of basic salary)[2]	Face value (£)[2]	Threshold performance (% of face value)[3]	Maximum performance (% of face value)	End of performance period	End of vesting / holding period
Amanda Blanc	17 Mar 2025	LTIP	350%	4,312,000	20%	100%	31 Dec 2027	17 Mar 2030
	17 Mar 2025	ABP	89%	1,097,036	N/A	N/A	N/A	17 Mar 2028
Charlotte Jones	17 Mar 2025	LTIP	225%	1,687,999	20%	100%	31 Dec 2027	17 Mar 2030
	17 Mar 2025	ABP	68%	506,964	N/A	N/A	N/A	17 Mar 2028

1. ABP and LTIP awards have been granted as conditional share awards. The LTIP is a conditional right to receive shares, which vest at the end of a three-year performance period, with an additional two-year holding period. ABP represents half of the 2024 bonus, which is deferred into shares and vests in three equal annual tranches. Shares issued in lieu of dividends accrue on the awards during the vesting period.
2. Face values for the awards granted on 17 Mar 2025 have been calculated using the average of the middle-market closing price of an Aviva ordinary share on the three consecutive business days immediately preceding the date of the main grant for employees, of 544.00 pence
3. Threshold vesting is 20% for each performance measure independently. This means less than 20% may vest overall.

Targets for LTIP awards made in 2025

Three-year targets are set annually within the context of the Company's strategic plan. The 2025 targets were reviewed and approved by the Committee and are provided below.

Table 10 2025 LTIP performance targets (audited information)

		Vesting	Below threshold	Threshold		Maximum	Above maximum
Measure	Weighting		0%	20%	20-100%	100%	100%
rTSR[1]	40%			Median		Upper quartile	
Cumulative cash remittances[2,4,5]	25%			£6.15bn		£6.65bn	
Solvency II RoE[2]	15%			15.0%		17.0%	
CO_2 Intensity reduction vs 2019 baseline[3]	7.5%			56.0%		66.0%	
Customer Scorecard: Customer Numbers (millions)[4,5]	3.75%			25.5		25.9	
Customer Scorecard: Multi Product Holding (MPH) (millions)[4,5]	3.75%			7.30		7.50	
Ethnically diverse employees in senior leadership roles[4,5,6]	2.5%			13.1%		14.6%	
Females in senior leadership roles[4,5,7]	2.5%			41.5%		43.5%	

1. Aviva's rTSR performance will be assessed against that of the following companies: Admiral, Hiscox, Intact Financial, Legal & General, Lloyds Banking Group, M&G, Phoenix Group and Quilter. The performance period for the TSR performance condition is the three years beginning 1 January 2025. For the purposes of measuring the TSR performance condition, the Company's TSR and that of the comparator group will be based on the 90-day average TSR for the period immediately preceding the start and end of the performance period. As acquisition announcement occurred prior to this scheme starting, Direct Line has been removed from the peer group.
2. Any vesting of the Solvency II RoE and Cumulative cash remittances elements of the LTIP are subject to a Solvency II shareholder cover ratio that meets or exceeds the minimum of the stated working range (Minimum: 160%)
3. Reduction in CO_2 intensity of shareholder and with-profits assets over the three-year performance period measured on an Economic Carbon Intensity basis (previous schemes measured on Weighted Average Carbon Intensity – Revenue basis) and is aligned to Aviva Group's wider ambition of delivering a 60% reduction in carbon intensity by 2030
4. Cash Remittances, DE&I and Customer targets have been re-based to reflect Direct Line acquisition during the year
5. The Committee considered the impacts of M&A on targets and adjusted accordingly
6. Percentage of colleagues in senior leadership roles in the UK, Ireland and Canada who identify their ethnicity as anything other than 'white', excluding colleagues who have not disclosed their ethnicity
7. Percentage of colleagues in senior leadership roles in the UK, Ireland and Canada who are female

PAYMENTS TO PAST DIRECTORS (AUDITED INFORMATION)

There were no payments made to past directors during the year.

PAYMENTS FOR LOSS OF OFFICE (AUDITED INFORMATION)

There were no payments for loss of office made during the year.

The table below sets out the total remuneration earned by each NED who served during 2025 for Group-related activities.

Table 11 Total 2025 remuneration for Non-Executive Directors (audited information)

	Aviva plc						Subsidiaries[5]						Group	
	Fees		Benefits[1]		Total		Fees		Benefits[1]		Total		Total	
	2025 £000	2024 £000	**2025 £000**	2024 £000	**2025 £000**	2024 £000	**2025 £000**	2024 £000	**2025 £000**	2024 £000	**2025 £000**	2024 £000	**2025 £000**	2024 £000
Chair														
George Culmer	**558**	550	**25**	26	**583**	576	**-**	—	**-**	-	**—**	-	**583**	576
NEDs														
Cheryl Agius[2]	**146**	76	**10**	5	**156**	82	**205**	125	**12**	3	**217**	129	**373**	210
Andrea Blance	**183**	179	**7**	8	**189**	187	**-**	-	**-**	-	**—**	-	**189**	187
Ian Clark[2]	**127**	101	**8**	3	**135**	104	**152**	122	**5**	2	**158**	125	**292**	229
Patrick Flynn[3]	**218**	214	**8**	7	**226**	221	**-**	-	**-**	-	**—**	-	**226**	221
Shonaid Jemmett-Page	**183**	178	**12**	9	**195**	187	**-**	-	**-**	-	**—**	-	**195**	187
Mohit Joshi	**107**	105	**2**	1	**109**	106	**-**	-	**-**	-	**—**	-	**109**	106
Pippa Lambert	**162**	156	**11**	7	**173**	164	**-**	-	**-**	-	**—**	-	**173**	164
Jim McConville	**167**	163	**25**	28	**193**	191	**152**	150	**15**	14	**167**	164	**360**	355
Michael Mire	**107**	104	**5**	3	**112**	106	**-**	-	**-**	-	**—**	-	**112**	106
Neil Morrison[2,4]	**107**	57	**73**	30	**180**	87	**130**	41	**-**	-	**130**	41	**310**	128
Total emoluments of NEDs[6]	**2,064**	1,881	**186**	129	**2,250**	2,011	**639**	439	**32**	19	**672**	459	**2,922**	2,470

1. Benefits include the gross taxable value of expenses relating to accommodation, travel and other expenses incurred through Company business in accordance with our expense policy and may vary year-on-year dependent on the time required to be spent in the UK
2. Cheryl Agius was appointed to the Board on 21 May 2024, Ian Clark on 11 March 2024 and Neil Morrison on 17 June 2024
3. Patrick Flynn was appointed as Senior Independent Director of Aviva plc on 7 September 2020
4. Canadian subsidiary fees have been calculated using a CAD to GBP exchange rate of 0.5429
5. Only the fees payable during time served as a director of Aviva plc are disclosed
6. Due to rounding, the totals above may be higher than the sum of individual elements

The Aviva plc total fees paid to NEDs in 2025 was £2,064,041, which is within the limits set in the Company's Articles of Association, as previously approved by shareholders.

Subsidiary company board memberships
During 2025, the following NEDs received emoluments in respect of appointments in subsidiary companies:

- Cheryl Agius: Chair of both Aviva Investors Holdings Limited and Aviva Investors Global Services Limited (appointed 21 May 2024)
- Ian Clark: Chair of Aviva Insurance Limited (Chair 11 March 2024, NED for whole period)
- Jim McConville: Chair of both Aviva Life Holdings UK Limited and Aviva Life & Pensions UK Limited
- Neil Morrison: Chair of Aviva Canada Inc (appointed 25 July 2024)

Remuneration elements

Fixed pay | Annual bonus | LTIP

PERCENTAGE CHANGE IN REMUNERATION OF THE DIRECTORS

Table 12 sets out the change in the basic salary, bonus and benefits of each of the directors and that of the wider workforce.

The regulations require a comparison between the remuneration of each director and that of all employees of the parent company on a full-time equivalent basis.

As Aviva plc has no direct employees, and in line with our approach in prior years, we have voluntarily disclosed for the UK employee workforce.

The Group CEO and CFO are based in the UK (albeit with global responsibilities) and pay changes across the Group vary widely depending on local market conditions.

Table 12 Percentage change in remuneration of the directors

	2024-25			2023-24			2022-23			2021-22			2020-21		
	Salary/Fees	Bonus	Benefits[7]	Salary/Fees	Bonus	Benefits[7]	Salary/Fees	Bonus	Benefits[7,8]	Salary/Fees	Bonus	Benefits[7,8]	Salary/Fees	Bonus	Benefits[8]
Group CEO[1]															
Amanda Blanc	8.5%	12.3 %	(22.2%)	4.0%	15.4 %	47.0 %	4.4%	(5.0%)	(18.3%)	2.3%	13.3%	(51.4%)	0.0%	47.2%	(23.9%)
Group CFO[1]															
Charlotte Jones	2.5%	11.0%	38.1 %	4.1%	11.9%	(19.6%)	3.6 %	3.5 %	141.1 %	-	—	—	—	—	—
Chair[1]															
George Culmer	1.5%	—	(6.8%)	0.0%	—	73.4%	0.0%	—	6.0%	0.0%	—	74.8%	0.0%	—	57.7%
NEDs[1]															
Cheryl Agius[2]	73.8%	—	168.0%	—	—	—	—	—	—	—	—	—	—	—	—
Andrea Blance	2.2%	—	(19.3%)	2.1%	—	(8.9%)	—	—	86.3 %	-	—	—	—	—	—
Ian Clark[2]	25.0%	—	149.1%	-	—	-	—	—	—	—	—	—	—	—	—
Patrick Flynn[3]	2.1%	—	9.8%	1.8%	—	(17.7%)	—%	—	(9.6%)	—%	—	1433.4 %	5.0%	—	(75.0)%
Shonaid Jemmett-Page[4]	2.9%	—	34.2%	4.4%	—	(3.9%)	9.2%	—	141.8%	83.0%	—	—	—	—	—
Mohit Joshi	1.5%	—	49.4%	0.0%	—	(58.2%)	—%	—	130.4%	—	—	69.8%	—	—	—
Pippa Lambert	3.9%	—	49.2%	7.8%	—	107.5%	—%	—	90.8%	17.0%	—	350.7%	—	—	—
Jim McConville[5]	2.3%	—	(5.8%)	2.9%	—	64.1%	15.0%	—	(16.5%)	55.3%	—	4997.8%	—	—	—
Michael Mire[6]	2.7%	—	82.2%	3.8 %	—	(53.9%)	(19.7)%	—	57.8%	(7.8%)	—	484.0%	4.9%	—	10.5%
Neil Morrison[2]	141.3%	—	141.3%	-	—	-	—	—	—	—	—	—	—	—	—
All UK-based employees[7]	5.8%	19.6%	19.7%	7.9%	22.1%	28.4%	9.5%	9.5%	2.4 %	6.5%	2.1%	(14.2%)	3.8%	47.4%	34.8%

1. Salary/fees, annual bonus and benefit amounts for the EDs, the Chair and the NEDs have been annualised where applicable to reflect what they would have been over a full 12-month period to aid comparison
2. Cheryl Agius was appointed to the Board on 21 May 2024, Ian Clark on 11 March 2024 and Neil Morrison on 17 June 2024
3. Patrick Flynn was appointed as Senior Independent Director of Aviva plc and a Remuneration Committee member on 15 June and 7 September 2020 respectively
4. Shonaid Jemmett-Page joined the Audit Committee and the Risk Committee on 14 February 2022; she became chair of the Customer and Sustainability Committee on 17 May 2022
5. Jim McConville stood down as Chair of the Customer and Sustainability Committee, remaining a member, on 17 May 2022. He joined the Remuneration Committee on 1 February 2023.
6. Michael Mire stood down from the Risk Committee and Remuneration Committee on 14 September 2022
7. The primary reason for the increase in UK taxable benefits in 2025 was due to increase in cost of private medical insurance and 2024 is due to the increased usage of our online recognition platform. The increase in taxable benefits for UK based employees in 2021, and subsequent decrease in 2022 has been mainly driven by the one-off recognition in 2021 of colleagues for their hard work during the pandemic. The taxable benefits also increased in 2021 due to the increase in the cost of private medical insurance. Without these items, benefits would have increased by 8.4% in 2021 reflecting greater use of our online recognition platform.
8. The increase in benefits for NEDs in 2022 compared to 2021 is largely reflective of the return of taxable travel and subsistence costs after the pandemic. The reduction in benefits in 2021 compared to 2020 is largely reflective of reduced taxable travel and subsistence costs due to the pandemic.

Remuneration elements
Fixed pay | Annual bonus | LTIP

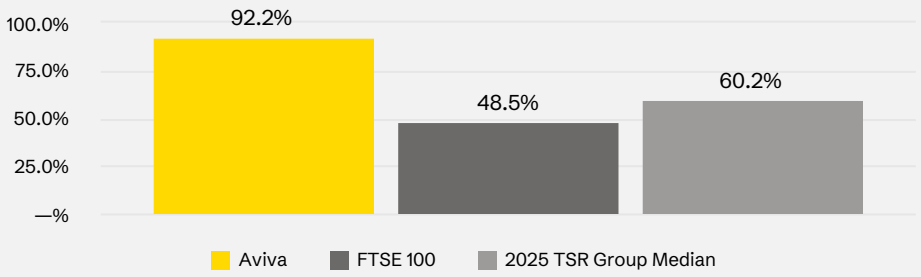
HISTORICAL TSR PERFORMANCE AND GROUP CEO REMUNERATION OUTCOMES

The table below compares the TSR performance of the Company over the past ten years against the TSR of the FTSE 100. This index has been chosen because it is a recognised equity market index of which Aviva plc is a member.

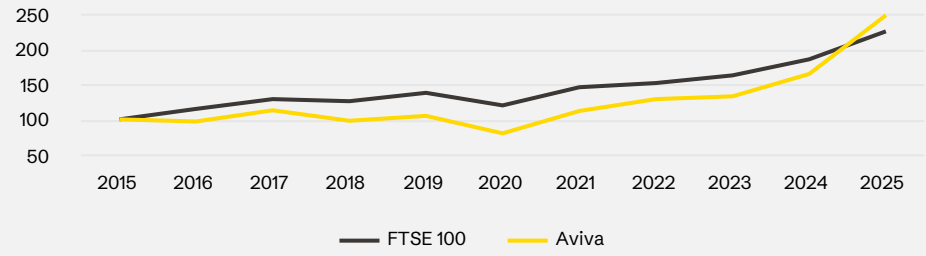
For additional context, the chart below also shows on a three-year basis the performance against the FTSE 100 and median TSR performance for the LTIP comparator group. The companies that comprise the 2025 LTIP group for TSR purposes are listed as part of table 10.

Table 13

Three-year TSR performance against the FTSE 100 and the median of the 2025 LTIP comparator group



Aviva plc ten-year TSR performance against the FTSE 100



The table below summarises the historical Group CEO single figure for total remuneration, and annual bonus and LTIP outcomes as a percentage of maximum over this period.

Table 14 Historical Group CEO remuneration outcomes

	Group CEO	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Annual bonus payout (as a % of maximum opportunity)	Amanda Blanc[1]	—	—	—	—	60.0%	88.3%	97.2%	88.1%	98.0%	100.0%
	Maurice Tulloch[2]	—	—	—	48.1%	—	—	—	—	—	—
	Mark Wilson[3]	91.0%	94.0%	42.0%	—	—	—	—	—	—	—
LTIP vesting (as a % of maximum opportunity)	Amanda Blanc	—	—	—	—	—	—	72.2%	91.8%	76.6%	81.1%
	Maurice Tulloch	—	—	—	50.0%	—	—	—	—	—	—
	Mark Wilson	41.3%	36.9%	—	—	—	—	—	—	—	—
Group CEO single figure of remuneration (£000)	Amanda Blanc	—	—	—	—	1,205	3,010	5,449	7,309	7,193	9,764
	Maurice Tulloch	—	—	—	2,352	1,030	—	—	—	—	—
	Mark Wilson	4,523	4,318	1,836	—	—	—	—	—	—	—

1. Amanda Blanc was appointed Group CEO on 6 July 2020
2. Maurice Tulloch was appointed Group CEO on 4 March 2019. Maurice stepped down as Group CEO and retired from the Board on 6 July 2020.
3. Mark Wilson joined the Board as an ED with effect from 1 December 2012 and became Group CEO on 1 January 2013. Mark stepped down as Group CEO and left the Board on 9 October 2018.

CEO PAY RATIO REPORTING

The table below sets out the ratio at median, 25th and 75th percentile of the total remuneration received by the Group CEO compared to the total remuneration received by our UK employees. Total remuneration reflects all remuneration received by an individual in respect of the relevant years, and includes salary, benefits, bonus, pension, and value received from incentive plans.

Table 15 CEO Pay ratio table

Year	Method	P25 (lower quartile)	P50 (median)	P75 (upper quartile)
2025	**Option A**	**280:1**	**203:1**	**125:1**
2024	Option A	210:1	149:1	91:1
2023	Option A	203:1	145:1	88:1
2022	Option A	181:1	127:1	76:1
2021	Option A	102:1	70:1	42:1
2020	Option A	80:1	56:1	34:1
2019	Option A	90:1	63:1	37:1

We would highlight the following in terms of the approach taken.

- In calculating the ratio for 2020, the single figure for both Amanda Blanc and Maurice Tulloch in respect of their services as Group CEO were aggregated.
- The P25, P50 and P75 employees were calculated based on full-time equivalent data as at 31 December of the relevant years.
- Out of the three alternatives available for calculating the ratio, we chose to use Option A as it is considered to be the most accurate way of identifying employees at P25, P50 and P75, and is aligned with shareholder expectations. Under this approach we calculate total remuneration on a full-time equivalent basis for all of our UK employees and rank them accordingly.

EDs receive a greater proportion of their remuneration in elements tied to performance, including participation in the LTIP. This means that the pay ratio will vary in large part due to incentive outcomes each year.

The 2025 CEO pay ratio has increased when compared to the 2024 ratio, primarily driven by the 2023 LTIP scheme performance and the increase in share price between the grant of this award and the Q4 2025 average share price which is used to determine the value on vesting. In addition, Direct Line employees have been included within the calculation for the first time, impacting the salary and total remuneration of employees at each quartile.

In previous years, various considerations affected the CEO pay ratio:

- The difference between the 2023 and 2022 ratios reflected a pro-rata LTIP vesting for the CEO, as well as 10% reduction for windfall gains.
- The 2021 ratio reflected no LTIP vesting for the CEO.

The total remuneration for each quartile is similar to prior years, noting that figures include Direct Line for the first time.

Table 16 provides further information on the total remuneration figure for each quartile employee, and the salary component within this.

Table 16 Salary and total remuneration used in the CEO pay ratio calculations

Year	Pay element	P25 (lower quartile)	P50 (median)	P75 (upper quartile)
2025	Salary	£28,633	£38,975	£59,769
	Total remuneration	£34,861	£48,018	£77,951

In reviewing the employee pay data, the Committee is comfortable that the P25, P50 and P75 individuals identified appropriately reflect the employee pay profile at those quartiles, and that the overall picture presented by the ratios is consistent with our pay, reward, and progression policies for UK employees.

At Aviva, we are equally focused on our colleagues as we are on our customers. We recognise the individual needs of colleagues, and we are proud of the reward, benefits and overall career packages that we offer our colleagues:

- In the UK, we have been an accredited Real Living Wage employer since April 2014 and a Real Living Hours employer since October 2020. Aviva salaries are at least 8% above Real Living Wage to allow colleagues to save for their retirement and benefit from an employer pension contribution up to 14% whilst still earning the Real Living Wage.
- In addition, in March 2023, Aviva was one of the first UK employers to be awarded the Living Pension accreditation. This signifies that we provide a Living Pension savings level which equates to 12% of a full-time real Living Wage salary, of which at least 7% comes from Aviva as an employer. We have been at the forefront of campaigning to drive proposals to abolish auto-enrolment contribution thresholds to enable more people to save into a pension for their retirement.
- We have a structured salary progression scheme for our frontline colleagues, providing salary increases to recognise colleagues as they develop and gain experience.
- We conduct regular market reviews of our salary ranges in order to maintain competitiveness to market rates, and we move everyone who is below a band to at least the minimum of that range each year.
- Our comprehensive, flexible benefits offering provides colleagues with the opportunity to select the benefits that matter most to them, and our range of inclusive colleague policies support life's big moments, including equal parental leave. We also introduced company funded Private Medical Benefit for all Aviva UK employees in 2025.
- UK colleagues are eligible to participate in the Savings Related Share Option Scheme 2017 (SAYE) and All Employee Share Ownership Plan (AESOP) offerings with similar plans operating for many of our overseas colleagues. We are proud of the participation rates in these plans, with over 47% participating in the SAYE and over 63% in the AESOP, meaning colleagues both share in Aviva's success and benefit from tax-efficient savings.

RELATIVE IMPORTANCE OF SPEND ON PAY

Table 17 outlines Group adjusted operating profit, dividends paid to shareholders and share buybacks, compared to overall spend on pay in total. This measure of profit has been chosen as it is used for decision-making and the internal performance management of the Group's operating segments.

Table 17 Relative importance of spend on pay

	2025 £m	2024 £m	% change between 2025 – 2024
Group adjusted operating profit	2,203	1,767	25%
Ordinary dividends paid to shareholders	1,034	921	12%
Share buybacks[1]	0	300	(100%)
Total staff costs[2]	2,675	2,045	31%

1. On 1 July 2024, Aviva completed the share buyback programme originally announced on 7 March 2024 for up to a maximum aggregate consideration of £300 million. During the period £nil (2024: £300 million) of shares were purchased and shares with a nominal value of £nil (2024: £20 million) were cancelled, giving rise to an additional capital redemption reserve of an equivalent amount. See note 31 for further details.
2. Total staff costs includes wages and salaries, social security costs, post-retirement obligations, profit sharing and incentive plans, equity compensation plans and termination benefits. The average number of employees was 34,465 (2024: 27,873).

STATEMENT OF DIRECTORS' SHAREHOLDINGS AND SHARE INTERESTS

Under our Shareholding Policy, the Company requires the Group CEO to build a shareholding in the Company equivalent to 300% of basic salary and each ED to build a shareholding in the Company equivalent to 225% of basic salary.

- The EDs are required to retain 50% of the net shares released from ABP and LTIP awards until the shareholding requirement is met.
- The shareholding requirement needs to be built up over a period not exceeding five years.
- Unvested share awards, including shares held in connection with bonus deferrals, are not taken into account in applying this test.
- A post-cessation holding period of two years applies. This is at the same level as the current (within employment) requirement. The Committee retains the discretion to waive part or all of the requirement where considered appropriate, for example in exceptional or compassionate circumstances.
- EDs are required to retain shares vesting from incentive plans within the Company-sponsored nominee account, and are not permitted to transfer them, e.g. into their own brokerage accounts, unless otherwise agreed by the Committee. In this manner, the Committee is able to retain oversight of the shares and is comfortable that this provides the ability to enforce the post-cessation requirement in practice and helps with the enforcement of malus and clawback.

Table 18 Executive Directors – share ownership requirement (audited information)

	Shares held			Options held				
Executive Directors	**Owned outright[1]**	**Unvested and subject to performance conditions[2]**	**Unvested and subject to continued employment[3]**	**Unvested and subject to continued employment**	**Vested but not exercised**	**Shareholding requirement (% of salary)**	**Current shareholding[4] (% of salary)**	**Requirement met**
Amanda Blanc	2,023,891	2,447,071	483,256	—	—	300%	1,124%	Yes
Charlotte Jones	235,874	1,007,249	190,905	—	—	225%	215%	No

1. Directors' beneficial holdings in the ordinary shares of the Company. This information includes holdings of any connected persons.
2. Awards granted under the Aviva LTIPs, which vest only if the performance conditions are achieved
3. Awards arising through the ABP. Under this plan, some of the earned bonuses are paid in the form of conditional shares which are deferred for three years and released in three equal annual tranches. The transfer of the shares to the director at the end of the period is not subject to the attainment of performance conditions but the shares can be forfeited if the ED leaves service before the end of the period.
4. Based on the closing middle-market price of an ordinary share of the Company on 31 December 2025 of 684.7 pence. The closing middle-market price of an ordinary share of the Company during the year ranged from 468.7pence to 692.7 pence.

There were no changes to the EDs interests in Aviva shares during the period 1 January 2026 to 4 March 2026.

Table 19 Non-Executive Directors' shareholdings[1] (audited information)

	1 January 2025 Number of shares	**31 December 2025 Number of shares**
George Culmer	210,175	210,175
Cheryl Agius	15,000	22,284
Andrea Blance	30,000	30,000
Ian Clark	—	8,100
Patrick Flynn	7,600	7,600
Shonaid Jemmett-Page	10,490	10,490
Mohit Joshi	65,089	65,089
Pippa Lambert	17,886	21,663
Jim McConville	14,186	14,186
Michael Mire	38,000	38,000
Neil Morrison	100,000	100,000

1. This information includes holdings of any connected persons

Pippa Lambert acquired a further 444 shares under a pre-existing agreement to purchase shares on a monthly basis, during the period 1 January 2026 to 4 March 2026. There were no other changes to the NEDs interests in Aviva shares during the period.

SHARE AWARDS AND SHARE OPTIONS

Details of the EDs who were in office for any part of the 2025 financial year and hold or held outstanding share awards or options over ordinary shares of the Company pursuant to the Company's share-based incentive plans are set out in the table below.

EDs are eligible to participate in the Company's broad-based employee share plans on the same basis as other eligible employees.

Details of awards granted to EDs under these plans are also included in tables 5, 9 and 18.

More information around HMRC tax-advantaged plans can also be found in note 32. EDs are restricted from entering into any form of hedging arrangement or remuneration and liability-related insurance policies which might undermine the risk alignment features of share awards (such as delivery in shares, performance conditions, malus and clawback provisions).

Table 20 LTIP, ABP and options over Aviva shares (audited information)

	At 1 January 2025 (number)	Options/awards granted during year[1] (number)	Options/awards exercised/vesting during year[2] (number)	Options/awards lapsing during year (number)	At 31 December 2025 (number)	Market price at date awards granted[3] (pence)	SAYE exercise price (options) (pence)	Market price at date awards vested/option exercised (pence)	Vesting date(s)/ exercise period(s)[4]
Amanda Blanc									
LTIP[5,6]									
2022	825,471	—	778,371	193,161	—	426.30	—	555.10	Mar-25
2023	881,418	—	—	—	881,418	411.60	—	—	Mar-26
2024	773,006	—	—	—	773,006	495.00	—	—	Mar-27
2025	—	792,647	—	—	792,647	557.10	—	—	Mar-28
ABP									
2022	92,558	—	113,939	—	—	426.30	—	555.10	Mar-25
2023	217,472	—	126,388	—	108,736	411.60	—	555.10	Mar-26
2024	259,288	—	92,833	—	172,859	495.00	—	555.10	1/2: Mar-26 1/2: Mar-27
2025	—	201,661	—	—	201,661	557.10	—	—	1/3: Mar-26 1/3: Mar-27 1/3: Mar-28
Charlotte Jones									
LTIP[5,6]									
2022	358,195	—	318,918	83,819	—	426.30	—	555.10	Mar-25
2023	371,393	—	—	—	371,393	411.60	—	—	Mar-26
2024	325,562	—	—	—	325,562	495.00	—	—	Mar-27
2025	—	310,294	—	—	310,294	557.10	—	—	Mar-28
ABP									
2023	30,744	—	17,867	—	15,372	411.60	—	555.10	Mar-26
2024	123,511	—	44,221	—	82,341	495.00	—	555.10	1/2: Mar-26 1/2: Mar-27
2025	—	93,192	—	—	93,192	557.10	—	—	1/3: Mar-26 1/3: Mar-27 1/3: Mar-28

1. The aggregate net value of share awards granted to the EDs in the period was £7.7 million (2024: £7.3 million). The net value has been calculated by reference to the closing middle-market price of an ordinary share of the Company at the date of grant.
2. The shares comprised in these vested awards include shares issued in lieu of dividends accrued during the vesting period
3. The actual price used to calculate the ABP and LTIP awards is based on a three-day average closing middle-market price of an ordinary share of the Company, prior to the date of main grant to employees. These were in 2022: 424 pence, 2023: 409 pence, 2024: 489 pence and 2025: 544 pence.
4. Vesting date(s)/exercise period(s) for awards outstanding at 31 December 2025. ABP awards are deferred and released in three equal annual tranches.
5. For the 2022 and 2023 LTIP, the rTSR comparator group was: Admiral, Allianz, AXA, Direct Line Group , Hargreaves Lansdown, Hiscox, Intact, Legal & General, Lloyds Banking Group, M&G, Phoenix, Quilter and Zurich Insurance Group. For the 2024 LTIP, the rTSR comparator group is: Admiral, Direct Line Group, Hargreaves Lansdown, Hiscox, Intact Financial, Legal & General, Lloyds Banking Group, M&G, Phoenix and Quilter. For the 2025 LTIP, the rTSR comparator group is: Admiral, Hiscox, Intact Financial, Legal & General, Lloyds Banking Group, M&G, Phoenix and Quilter.
6. The performance periods for these awards begin at the commencement of the financial year in which the award is granted and run for a three-year period

DILUTION

Awards granted under Aviva employee share plans, are satisfied primarily through shares purchased in the market. Shares are held in employee trusts, details of which are set out in note 33.

The Company monitors the number of shares issued under the Aviva employee share plans and their impact on dilution limits. The Company's usage of shares compared to the relevant dilution limits set by the Investment Association in respect of all share plans (10% in any rolling ten-year period) were 1.43% on 31 December 2025.

The ABP and LTIP rules have been updated (subject to approval at the 2026 AGM) to reflect the proposed Policy, latest corporate governance expectations, investor guidance and market practice. The 5% dilution limit has been removed in accordance with the Investment Association's guidance.

GOVERNANCE REGULATORY REMUNERATION CODE

Aviva Investors Global Services Limited (AIGSL) and a number of 'firms' (as defined by the FCA) within the Insurance, Wealth & Retirement business are subject to the Investment Firms Prudential Regime (IFPR) and the Markets in Financial Instruments Directive II (MiFID II).

Aviva Investors UK Funds Services Ltd and Aviva Investors Luxembourg are subject to the Alternative Investment Fund Management Directive (AIFMD) and the Undertakings for Collective Investments in Transferable Securities (UCITS V) directive.

Remuneration Code requirements include an annual disclosure. For AIFMD and UCITS V the disclosure is part of the Financial Statements and/or Annual accounts of the Alternative Investment Funds or UCITS.

For IFPR the 2025 AIGSL disclosure will be found, when published, at **www.aviva.com/investors/regulatory-returns/** along with the disclosure for the UK Insurance firms.

SOLVENCY II REMUNERATION

Remuneration Requirements (PRA PS22/16 & SS10/16) apply to the Aviva Group. Our remuneration structures have been designed in a way that is compliant with these requirements for all senior managers across the Group, not just those identified as being specifically covered by the requirements of the regulation. Such employees at Aviva are termed 'Covered Employees'. We are required to complete a Remuneration Policy Statement, which outlines how we have complied with each of the requirements. This document is approved annually by the Group Remuneration Committee.

The Solvency II reporting requirements for the year ended 31 December 2025 necessitate firms to produce the Solvency and Financial Condition Report (SFCR) which contains remuneration information and is publicly available. Aviva's reward principles and arrangements are designed to incentivise and reward employees for achieving stated business goals in a manner that is consistent with the Company's approach to sound and effective risk management.

The Committee review and approve the list of remuneration code staff and Solvency II covered employees on an annual basis.

Table 21 Results of votes at AGM

STATEMENT OF VOTING AT AGM

The results of the shareholder votes at the Company's relevant AGM in respect of the Policy and DRR are set out in the below table. The Committee was pleased with the level of support received from shareholders for the resolutions.

		Percentage of votes cast		Number of votes cast		
	Year of AGM	For	Against	For	Against	Votes withheld
Policy	2024	97.66%	2.34%	1,559,031,728	37,360,745	1,236,255
DRR	2025	96.88%	3.12%	1,640,889,382	52,833,586	1,349,247

APPROACH TO NED FEES IN 2025

NED fees are reviewed annually in line with the Policy set out in Table 3. The fees for Non-Executive Directors (including Board and Board Committee roles) were reviewed in March 2025 and increased by 2%.

No further changes were made during the year.

Table 22 Non-Executive Directors' fees

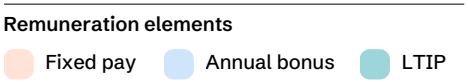
Role	**Fee from 1 April 2025**	Fee from 1 April 2024
Board Chair[1]	**£561,000**	£550,000
Board membership	**£76,500**	£75,000
Additional fees are paid as follows:		
Senior Independent Director	**£35,700**	£35,000
Committee Chair (inclusive of committee membership fee):		
Audit	**£56,100**	£55,000
Risk	**£56,100**	£55,000
Customer and Sustainability	**£56,100**	£55,000
Remuneration	**£56,100**	£55,000
Committee membership:		
Nomination and Governance	**£10,200**	£10,000
Audit	**£20,400**	£20,000
Risk	**£20,400**	£20,000
Customer and Sustainability	**£20,400**	£20,000
Remuneration	**£20,400**	£20,000

1. Inclusive of Board membership fee and any committee membership fees, and committee Chair of the Nomination and Governance Committee

Remuneration elements
Fixed pay Annual bonus LTIP

Table 23 Operation of the Remuneration policy throughout the wider workforce

Element	Executive Directors	Executive Committee	Senior management	Wider workforce
Salary	Our principle is of pay equity for performing the same, or broadly similar, work, accounting for local market benchmarks and union/collective agreements, where applicable.			
	Salaries are reviewed annually and consider factors including increases awarded to the wider colleague population.			Salaries are reviewed annually subject to engagement with employee representatives/unions where applicable. It is important that all colleagues enjoy a reasonable standard of living and we are proud to be both a Real Living Wage and a Living Hours employer in the UK.
Benefits	Eligible for a range of voluntary benefits and wellbeing provisions available to all colleagues in respective markets. Colleagues can participate in a share matching plan (Aviva matches two shares for every one bought up to £50 per month) and, in the UK, the SAYE. UK benefits include 8 times' salary death-in-service and Private Medical Benefit. In addition, flexible benefits allow colleagues to add to and/or supplement where Company provisions differ.			
Pension	Eligible to participate in Aviva's UK defined contribution pension scheme with a 14% contribution (or where applicable receive cash in lieu). Rates in Ireland are 14%, different rates apply in Canada in line with market.			
Bonus Basis	Annual performance-related bonus based on Group, business unit (where applicable) and individual performance against goals.			
Bonus Deferral	½ into shares	½ into shares	⅓ into shares	All paid in cash
Long-Term Incentive	LTIP share awards are subject to strategic performance measures over three years.		Eligible for Restricted Share Awards aligned with shareholder interests, long-term Aviva performance and retention of key talent.	Not eligible
	Additional two-year holding period post-vesting applies to EDs.	Additional holding period post-vesting not applicable to ExCo.		

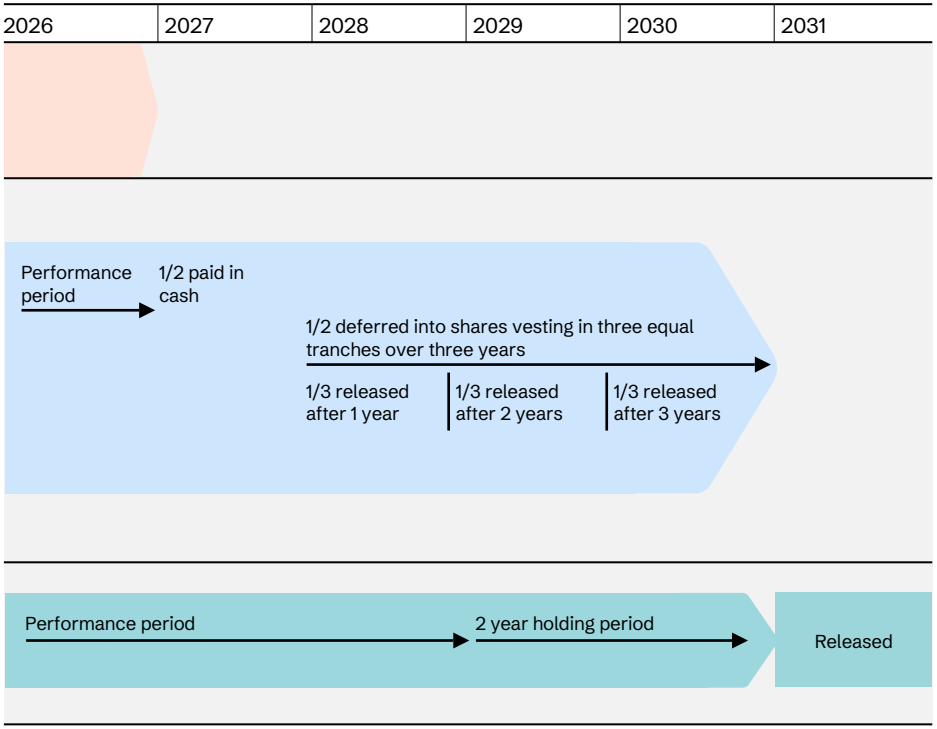


The implementation of the Policy will be consistent with that outlined in table 1 and subject to approval of the Policy at our 2026 AGM.

Table 24 How will our Policy be implemented in 2026?

Key element	Implementation in 2026	
Fixed pay	**Group CEO** • Salary[1]: £1,269,000 per annum	**Group CFO** • Salary[1]: £772,500 per annum
	• Pension: 14% of salary in line with wider workforce • Benefits: As outlined in the Policy	
Annual bonus[2,3,4]	• Group CEO – 250% of salary	• Group CFO - 200% of salary
	• One-year performance assessed against financial and strategic performance measures **Financial measures (70% of total)** • 20% – Cash remittances • 20% – Group adjusted operating profit • 20% – Solvency II OFG • 10% – Efficiency measures **Strategic measures (30% of total)** • Including: People scorecard, Risk scorecard, OES and TNPS • A quality of earnings assessment will be undertaken by the Committee to provide assurance that bonus payouts appropriately reflect underlying performance and the shareholder experience • Individual performance during the year will be taken into account	
LTIP[3,4]	• Group CEO – 500% of salary	• Group CFO - 325% of salary
	• Performance assessed over three years against financial (80%) and non-financial (20%) performance measures • Performance measures (see LTIP measures and weightings for 2026 on next page)	
Share ownership requirement	• Group CEO – 500% of salary	• Group CFO - 325% of salary
	• To be built up over a period not exceeding five years • Post-cessation shareholding requirements also apply to EDs, equal to the requirement or the holding on termination of employment, for two years post-cessation	

Phasing



1. Salaries will be effective from 1 April 2026
2. The target ranges are considered by the Board to be commercially sensitive and disclosure of these would put the Company at a disadvantage compared to its competitors. Target ranges will be disclosed in the 2026 DRR.
3. The Committee will continue to consider the impacts of any future acquisitions and disposals on targets
4. The 2026 LTIP grant will be based on 1 April 2026 salary. ABP and LTIP awards are subject to shareholder approval of the proposed new Policy at the 2026 AGM. If approved, and consistent with prior practice, share grants will be made in May but on same basis as other employees, who receive their award in March, as part of the ordinary grant cycle.

Remuneration elements

Fixed pay | Annual bonus | LTIP

LTIP MEASURES AND WEIGHTINGS FOR 2026

		Vesting	Below threshold	Threshold		Maximum	Above maximum
Measure	**Weighting**		**0%**	**20%**	**20-100%**	**100%**	**100%**
rTSR[1]	40.00%			Median		Upper Quartile	
Operating EPS (pence)[2]	25.00%			71.0		78.5	
IFRS RoE (3 year average)[2]	15.00%			17.5%		21.5%	
CO_2 Intensity reduction vs 2019 baseline[4]	7.50%			57 %		67 %	
Customer Scorecard weighting split equally:	12.50%						
Customer Numbers (millions)				*25.8*		*26.4*	
MPH (millions)				*7.4*		*7.6*	
MyAviva Adoption				*52.0%*		*56.0%*	

The Committee will continue to consider the impacts of any future acquisitions and disposals on targets.

1. Aviva's rTSR performance will be assessed against that of the following companies: Admiral, Allianz, AXA, Hiscox, Intact Financial, Legal & General, Lloyds Banking Group, M&G, Phoenix, Quilter and Zurich. The inclusion of Allianz, AXA, and Zurich into the relative TSR comparator group (each weighted 1/3rd of the other constituents to recognise their more globally distributed businesses relative to Aviva) reflects our development into a diversified, capital-light business.
   The performance period for the rTSR performance condition is the three years beginning 1 January 2026. For the purposes of measuring the rTSR performance condition, the Company's TSR and that of the comparator group will be based on the 90-day average TSR for the period immediately preceding the start and end of the performance period. If companies within the comparator group are subject to acquisition, the Committee will evaluate options including, but not limited to, their removal.
2. Any vesting of the IFRS Operating EPS and IFRS Return on Equity elements of the LTIP are subject to a Solvency II shareholder cover ratio that meets or exceeds the minimum of the stated working range (Minimum: 160%)
3. The Committee is mindful of the volatile economic environment and the impact of significant changes in key external variables such as interest rates on RoE outcomes. The Committee therefore will keep the economic assumptions and environment under review.
4. Reduction in CO_2 intensity of shareholder and with-profits assets over the three-year performance period measured on an Economic Carbon Intensity basis

Approval by the Board

This Directors Remuneration Report was reviewed and approved by the Board on 4 March 2026.

Pippa Lambert
Chair of the Remuneration Committee

Directors' report

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In accordance with Section 415 of the Companies Act 2006 (the Act), the directors present their report for the year ended 31 December 2025. Other sections of the Annual Report and Accounts have been deemed to be incorporated into the Directors' Report by reference and the table to the left details where required disclosures can be found. In accordance with section 414C(11), some disclosures have been included in the Strategic report.

Directors
The Company's directors who served during the financial year ended 31 December 2025 were George Culmer, Amanda Blanc, Charlotte Jones, Cheryl Agius, Andrea Blance, Ian Clark, Patrick Flynn, Shonaid Jemmett-Page, Mohit Joshi, Pippa Lambert, Jim McConville, Michael Mire and Neil Morrison.

Appointment and removal of directors
The rules regarding the appointment and removal of directors are contained in the Company's Articles of Association (the Articles) and all appointments are made in accordance with the UK Corporate Governance Code 2024 (the Code). All directors must submit themselves for re-election each year at the Annual General Meeting (AGM). Under the Articles, the Board can appoint additional directors or appoint a director to fill a casual vacancy.

Powers of directors
The powers of directors are described in the Aviva plc Matters Reserved for the Board and the Articles, both of which can be found on our website. The powers of the Company's directors are subject to relevant legislation and, in certain circumstances (including in relation to the issue or buying back by the Company of its shares), are subject to authority being given to the directors by shareholders at a general meeting. At the 2026 AGM, shareholders will be asked to renew the directors' authority to allot new securities and buy back Company shares. Details will be contained in the Notice of 2026 AGM (the Notice) due to be published at the end of March 2026.

Directors' indemnities and insurance
In accordance with the Articles, the Company has granted qualifying third-party indemnity provisions for the benefit of each person who was a director of the Company during the year, in respect of liabilities that may attach to them in their capacity as directors of the Company or of associated companies. These indemnities were in force during the financial year and remain in force. Throughout the year, the Company has also purchased and maintained directors' and officers' liability insurance in respect of itself, its directors, and others. The Company has also granted qualifying third-party indemnities to the directors of the Group's subsidiary companies. These indemnities were in force during the financial year and remain in force.

DIRECTOR AND SENIOR MANAGEMENT DIVERSITY

In accordance with Listing Rule 6.6.6R(10), the following tables set out numerical data on the sex and ethnic background of the Company's directors and 'executive management', being members of the Group Executive Committee and the Chief Corporate Governance Officer, as at 31 December 2025.

Data concerning sex and ethnic background is collected directly from individuals. The Company's directors and members of Group Executive Committee are required to complete a diversity declaration upon joining the Company and are required to complete a declaration on an annual basis. These declarations asked all individual Company directors and members of the Group Executive Committee to disclose their sex and ethnic background, on a voluntary self-reporting basis, by selecting options aligned with those in the left-hand columns of tables (a) and (b) on this page (and therefore included the option not to specify an answer).

(a) Table for reporting on sex

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Male	7	54 %	2	9	64 %
Female	6	46 %	2	5	36 %
Not specified/ prefer not to say	—	— %	—	—	— %

(b) Table for reporting on ethnic background

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
White British or other White (including minority-white groups)	12	92 %	4	13	93 %
Mixed/Multiple Ethnic Groups	—	— %	—	—	— %
Asian/Asian British	1	8 %	—	1	7 %
Black/African/ Caribbean/ Black British	—	— %	—	—	— %
Other ethnic group	—	— %	—	—	— %
Not specified/ prefer not to say	—	— %	—	—	— %

SHARE CAPITAL

At 31 December 2025, the Company's issued share capital comprised:

Number of shares	% of total capital	Type	Nominal value
3,057,731,705	100.00%	Ordinary shares	$32^{17/19}$ pence each

The ordinary shares are listed on the London Stock Exchange (LSE) under the 'Equity shares (commercial companies)' category. Both Aviva plc's 8¾% and 8⅜% preference shares were cancelled with effect from 14 May 2025. All the Company's shares in issue are fully paid up, the Company held no treasury shares during the year or up to the date of this report, and the free float percentage of voting rights is 99.57%. Further details of the Company's issued share capital, together with information on movements in the Company's issued share capital during the year, can be found in note 31 and note 34 of the financial statements. The categories of ordinary shareholders and the range and size of shareholdings can be found at **www.aviva.com/investors/shareholder-profile.**

Share class rights

Rights and obligations attaching to the Company's shares are set out in the Articles. No person holds securities in the Company carrying special rights with regard to control of the Company.

Restrictions on transfer of securities or voting rights

With the exception of restrictions under the Company's employee share incentive plans, where the shares are subject to the plan rules, there are no restrictions on the voting rights attaching to the Company's ordinary shares or the transfer of securities in the Company. The Company is not aware of any agreements between holders of securities that may result in restrictions on the transfer of securities or voting rights.

Rights attaching to shares under employee share schemes

Where, under an employee share incentive plan operated by the Company, participants are the beneficial owners of shares but not the registered owners, the voting rights are normally exercised at the discretion of the participants.

Authority to purchase own shares

At the 2025 AGM, shareholders renewed the Company's authorities to make market purchases of up to 267 million ordinary shares, up to 100 million preference shares of 8¾% each and up to 100 million preference shares of 8⅜% each. No shares have been purchased under this authority.

At the 2026 AGM, shareholders will be asked to renew the authorities to buy the Company's shares for another year and the resolution in relation to the ordinary shares will once again propose a maximum aggregate number of ordinary shares which the Company can purchase of less than 10% of the issued ordinary share capital. Details will be contained in the Notice due to be published at the end of March 2026.

Acquisition of own shares

The Company did not undertake any share buyback programme of ordinary shares in 2025.

Details of shares purchased, held, or disposed by employee share plan trusts on the recommendation of the Company in 2025 for use in conjunction with the Company's employee share plans are set out in note 32 to the financial statements.

Major shareholders

The table below shows the holdings of major shareholders in the Company's issued share capital in accordance with section 5.1.2 of the Disclosure Guidance and Transparency Rules (DTRs) notified to the Company as at 31 December 2025. No changes occurred between 31 December and 4 March 2026. Information provided to the Company under the DTRs is publicly available via the regulatory information services and on the Company's website.

	As at 31 December 2025	
Shareholder	Date of change in interest	% of issued ordinary share capital
BlackRock, Inc.	26 November 2015	6.27 %
The Capital Group Companies, Inc.	7 November 2025	5.07%
Dodge & Cox	23 August 2024	4.99%

Dividends

Dividends for holders of Aviva plc ordinary shares are as follows:

- Paid interim dividend of 13.1 pence per $32^{17/19}$ pence ordinary share (2024: 11.9 pence per $32^{17/19}$ pence ordinary share).
- Proposed final dividend of 26.2 pence per $32^{17/19}$ pence ordinary share (2024: 23.8 pence per $32^{17/19}$ pence ordinary share). Total ordinary dividend of 39.3 pence per $32^{17/19}$ pence ordinary share (2024: 35.7 pence per $32^{17/19}$ pence ordinary share).
- Total cost of ordinary dividends paid in 2025 was £1,034 million (2024: £921 million).

Information about our dividend policy and historical dividend payments can be found at **www.aviva.com/investors/dividends**.

ARTICLES OF ASSOCIATION

Unless expressly stated to the contrary in the Articles, the Company's Articles may only be amended by special resolution of the shareholders. The Company's current Articles were adopted on 2 May 2024.

Change of control

There are a number of agreements that take effect, alter, or terminate upon a change of control of the Company following a takeover bid, such as commercial contracts and joint venture agreements. None are considered to be significant in terms of their potential impact on the business of the Group as a whole. There are no agreements with employees or directors for compensation for loss of office or employment that occurs because of a takeover bid. However, all of the Company's employee share incentive plans contain provisions relating to a change of control. Outstanding awards and options would normally vest and become exercisable on a change of control, subject to the satisfaction of any performance conditions and pro rata reduction as may be applicable under the rules of the employee share incentive plans.

SIGNIFICANT CONTRACTS

During the year, there were no significant contracts of the Company or a subsidiary in which a director was materially interested.

Political donations

Aviva did not make any political donations during 2025.

INFORMATION REQUIRED BY UK LISTING RULE (LR) 6.6.1

Disclosure	More information
Shareholder waiver of dividend	Note 33 to the financial statements
Shareholder waiver of future dividends	Note 33 to the financial statements

MANAGEMENT REPORT

The Strategic Report, Governance Report, and Directors' Report together are the management report for the purposes of DTR 4.1.5(2).

CORPORATE GOVERNANCE STATEMENT

The Governance Report, including the Directors' Remuneration Report, fulfils the requirement of a corporate governance statement under DTR 7.2.1.

By order of the Board on 4 March 2026.

Susan Adams
Chief Corporate Governance Officer

Statement of directors' responsibilities

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and Accounts including the Directors' Remuneration Report and the Financial Statements in accordance with applicable law and regulations.

UK company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared the Group and parent financial statements in accordance with UK-adopted international accounting standards.

Under UK company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and accounting estimates;
- state where applicable the directors have prepared the Group and Company's financial statements in accordance with UK-adopted international accounting standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company, enable them to ensure that the financial statements and the Directors' Remuneration report comply with the Companies Act 2006 and as regards the Group financial statements, Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for making, and continuing to make, the Company's Annual Report and Accounts available on the Company's website. The directors are responsible for the maintenance and integrity of the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DIRECTORS' CONFIRMATIONS

The directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced, and understandable and provides the information necessary for shareholders to assess the Group's and the Company's position, performance, business model and strategy.

Each of the current directors whose names and functions are detailed in the Our Board of Directors section confirm that, to the best of their knowledge:

- the Group and Company's financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position, and profit of the Group; and
- the Strategic Report, Governance Report, and the Directors' Report in this Annual Report include a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces.

In the case of each director in office at the date the Directors' report is approved:

- so far as they are aware, there is no relevant audit information of which the Company's external auditor, EY, is unaware; and
- each director has taken all steps that ought to have been taken as a director in order to make themselves aware of any relevant audit information and to establish that EY is aware of that information.

By order of the Board on 4 March 2026.

Amanda Blanc DBE
Group Chief Executive Officer

IFRS Financial Statements

IFRS Financial Statements

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Independent auditors' report to the members of Aviva plc

OPINION

In our opinion:

- Aviva plc's Group financial statements and Parent Company financial statements (the 'financial statements') give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2025 and of the Group's and the Parent Company's profit for the year then ended;
- the financial statements have been properly prepared in accordance with UK adopted international accounting standards; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Aviva plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2025 which comprise:

Group	Parent Company
Consolidated income statement for the year then ended	Income statement for the year then ended
Consolidated statement of comprehensive income for the year then ended	Statement of comprehensive income for the year then ended
Reconciliation of Group adjusted operating profit to profit for the year then ended	Statement of changes in equity for the year then ended
Consolidated statement of changes in equity for the year then ended	Statement of financial position as at 31 December 2025
Consolidated statement of financial position as at 31 December 2025	Statement of cash flows for the year then ended
Consolidated statement of cash flows for the year then ended	Accounting policies and related notes A to P to the financial statements.
Accounting policies and related notes 1 to 58 to the financial statements (except for note 50 where it is marked as unaudited).	

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE

We are independent of the Group and Parent in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Parent Company and we remain independent of the Group and the Parent Company in conducting the audit.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Group and Parent Company's ability to continue to adopt the going concern basis of accounting included:

- In conjunction with our walkthrough of the Group's financial close process, we confirmed our understanding of management's going concern assessment process and obtained management's assessment which covers the period to 4 March 2027;
- We evaluated management's going concern assessment which included assessing their evaluation of long-term business and strategic plans, capital adequacy, liquidity and funding positions. Management also assessed these positions considering internal stress tests which included consideration of principal and emerging risks. The Group's risk profile and risk management practices were considered including business model, capital commitments and contingent liabilities, the funding position of the pension schemes, acquisitions, disposals and distributable reserves;
- We evaluated management's assessment by considering the Group's ability to continue in operation and meet its liabilities under different scenarios including the impact of the Group's strategic plans, and the current uncertain geopolitical and economic outlook;
- We assessed management's consideration of how solvency and liquidity has been managed in response to the current economic environment and evaluated the liquidity and solvency position of the Group by reviewing management's liquidity and solvency projections, and their associated stress and scenario testing (including reverse stress testing); and
- We reviewed the Group's going concern disclosures included in the annual report for conformity with the accounting standards.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Parent Company's ability to continue as a going concern for a period to 4 March 2027, being twelve months from when the financial statements are authorised for issue.

In relation to the Group and Parent Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Independent auditors' report to the members of Aviva plc

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's and Parent Company's ability to continue as a going concern.

OVERVIEW OF OUR AUDIT APPROACH

Audit scope	• We performed an audit of the complete financial information of seven components and audit procedures on specific balances for a further 15 components.
Key audit matters	• Valuation of Life Insurance Contract Liabilities. • Valuation of General Insurance Liabilities and Reinsurance Assets. • Valuation of certain hard-to-value assets. • Revenue Recognition - Contractual Service Margin ('CSM'). • Acquisition of Direct Line Group. • Valuation of investment in subsidiaries (Company only).
Materiality	• Overall Group materiality of £155 million which represents 1% of IFRS adjusted shareholders' equity.

AN OVERVIEW OF THE SCOPE OF THE PARENT COMPANY AND GROUP AUDITS

We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion. We performed risk assessment procedures, with input from our component auditors, to identify and assess risks of material misstatement of the Group financial statements and identified significant accounts and disclosures. When identifying components at which audit work needed to be performed to respond to the identified risks of material misstatement of the Group financial statements, we considered our understanding of the Group and its business environment, the applicable financial framework, the group's system of internal control at the entity level, and any relevant internal audit results.

We then identified 7 components as individually relevant to the Group due to a significant risk or an area of higher assessed risk of material misstatement of the Group financial statements being associated with the components.

For those individually relevant components, we identified the significant accounts where audit work needed to be performed by applying professional judgement, the reasons for identifying the financial reporting component as an individually relevant component and the size of the component's account balance relative to the Group significant financial statement account balance.

We then considered whether the remaining Group significant account balances not yet subject to audit procedures, in aggregate, could give rise to a risk of material misstatement of the Group financial statements. We selected 15 components of the group to include in our audit scope to address these risks. In addition to the components mentioned, we have selected 54 components for specified procedures.

Having identified the components for which work will be performed, we determined the scope to assign to each component.

Of the 76 components selected, we designed and performed audit procedures on the entire financial information of 7 components ('full scope components'). For 15 components, we designed and performed audit procedures on specific significant financial statement account balances or disclosures of the financial information of the component ('specific scope components'). For the remaining 54 components, we performed specified audit procedures to obtain evidence for one or more relevant assertions.

The table below lists out the principal legal entities that we assigned full scope:

Full scope component	Auditor
Aviva Plc	EY UK
Aviva Life & Pensions UK Limited	EY UK
Aviva Equity Release UK Limited	EY UK
Equity Release Special Purpose Vehicles*	EY UK
Aviva Insurance Limited	EY UK
Aviva Canada Inc. & subsidiaries	EY Canada
UK Insurance Limited	EY UK

**Consists of Equity Release Funding (No 1) to (No 5) Plc*

Our scoping to address the risk of material misstatement for each key audit matter is set out in the Key audit matters section of our report.

INVOLVEMENT WITH COMPONENT TEAMS

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the Group audit engagement team, or by component auditors operating under our instruction.

The Group audit team continued to follow a programme of planned visits that has been designed to ensure that the Senior Statutory Auditor visits each of the full scope components. During the current year's audit cycle, visits were undertaken by the primary audit team to the component teams in the United Kingdom and Canada. These visits involved attending planning and reviewing relevant audit working papers on key areas. The Group audit team interacted regularly with the component teams where appropriate during various stages of the audit, reviewed relevant working papers and were responsible for the scope and direction of the audit process. Where relevant, the section on key audit matters details the level of involvement we had with component auditors to enable us to determine that sufficient audit evidence had been obtained as a basis for our opinion on the Group as a whole.

Independent auditors' report to the members of Aviva plc

This, together with the additional procedures performed at Group level, gave us appropriate evidence for our opinion on the Group financial statements.

CLIMATE CHANGE

Stakeholders are interested in how climate change will impact the Group. The Group has determined that the most significant future impacts from climate change on their operations will be from climate transition, physical and litigation risks. These are explained in the required Task Force on Climate-related Financial Disclosures Compliance Summary in the Non-financial and sustainability information statement, and in the Climate Risk section within the Our Principal Risks section. All of these disclosures form part of the "Other information," rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on "Other information".

In planning and performing our audit we assessed the potential impacts of climate change on the Group's business and any consequential material impact on its financial statements.

The Group has explained in note 52 how they have reflected the impact of climate change in their financial statements including how this aligns with their commitment to the aspirations of the Paris Agreement to achieve Net Zero emissions by 2050. The Group has considered the impact of climate risk on the carrying value of assets and liabilities and considers that there is no significant risk of a material adjustment within the next financial year resulting from climate risk. The impact of climate risk on the valuation of financial instruments and investment property is described in note 23(g).

Our audit effort in considering the impact of climate change on the financial statements was focused on evaluating management's assessment of the impact of climate risk, physical and transition, their climate commitments, the effects of material climate risks disclosed and the significant judgements and estimates disclosed in note 23(g) and whether these have been appropriately reflected in asset values where these are impacted by future cash flows and associated sensitivity disclosures following the requirements of IFRS. As part of this evaluation, we performed our own risk assessment, supported by our climate change internal specialists, to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit.

We also challenged the directors' considerations of climate change risks in their assessment of going concern and viability and associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our work, we have not identified the impact of climate change on the financial statements to be a key audit matter or to impact a key audit matter.

Independent auditors' report to the members of Aviva plc

KEY AUDIT MATTERS

Risk	Our response to the risk
Valuation of Life Insurance Contract Liabilities (£111 billion, 2024: £109 billion) **Refer to Accounting policy (M) 'Insurance, participating investment and reinsurance contracts' and Note 39 – Insurance and Reinsurance Contracts** A key focus of our audit relates to management's selection of assumptions to determine the insurance contract liabilities given the scope that exists for the exercise of judgement and therefore potential manipulation. The assumptions that we have determined to have the most significant impact are: • Longevity assumptions used to value the best estimate liabilities for annuity business; • Expenses, reflect the expected future expenses that will be required to maintain the in-force policies at the balance sheet date; • Discount Rate used, including an allowance for illiquidity (in particular, top-down discount rates applied to annuity liabilities which are set using the yields on a reference portfolio of assets, based on the actual assets held, with explicit deductions for both expected and unexpected credit default risk); and • Risk Adjustment, representing the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows that arise from non-financial risk.	To obtain sufficient audit evidence to conclude on the appropriateness of actuarial assumptions, using EY actuaries as part of our audit team, we performed the following procedures: • Obtained an understanding and tested the design and implementation of key controls over management's process for setting and updating key actuarial assumptions; • Challenged and assessed whether the methodology and assumptions applied are appropriate by comparing it to our knowledge of industry standards and the Group's financial reporting requirements; • Corroborated the results of management's experience analysis, including the base longevity, to compare whether these justified the adopted assumptions; • Evaluated management's analysis of the results from the industry standard Continuous Mortality Investigation ('CMI') on longevity trends, and benchmarked the output against other industry participants; • Benchmarked the significant assumptions against those of other comparable industry participants; • Performed procedures to test that the assumptions used in the year-end valuation are consistent with the approved basis; • Assessed the expense assumptions adopted by management including inflation, volumes of new insurance business written, planned management actions and the allocation between maintenance and acquisition; • Corroborated the credit default assumptions used by considering the relevant rules and actuarial guidance, such as the adoption of an appropriate risk allowance, and by applying our industry knowledge and experience; • Assessed the methodology used in determining the discount rate applied (including the allowance for illiquidity); and • Tested management's methodology, assumptions and implementation of the risk adjustment, as well as performing a comparison to comparable market participants, particularly where adjustments are applied to the calibration to reflect external events.

Key observations communicated to the Audit Committee
We determined that the actuarial assumptions, including the risk adjustment used by management in the valuation of insurance contract liabilities, are reasonable based on the analysis of experience to date, industry practice and the financial reporting requirements.

How we scoped our audit to respond to the risk and involvement with component teams
We performed full scope, specific scope and specified audit procedures over this risk which covered 100% of the risk amount.

Independent auditors' report to the members of Aviva plc

Risk	Our response to the risk
Valuation of General Insurance Liabilities and Reinsurance Assets (£21 billion & £4 billion, 2024: £15 billion & £2 billion) **Refer to Accounting policy (M) 'Insurance, participating investment and reinsurance contracts' and Note 39 - Insurance and Reinsurance Contracts** The valuation of general insurance contract liabilities and the related reinsurance assets is highly judgmental and susceptible to management override. The key judgements and focus of our procedures were: • The risk of inappropriate methodologies and assumptions being used to estimate the incurred but not yet reported claims ('IBNR'), which forms part of the liability for incurred claims ('LIC'), the liability for remaining coverage ('LRC') and the associated reinsurers share of IBNR claims cash flows, which form part of the assets for incurred claims ('AIC'); • The appropriateness of methodologies and assumptions adopted to value reinsurance assets associated with Adverse Development Covers ('ADC') measured under the General Measurement Model ('GMM') • The determination of the bottom up discount rates (including choice of illiquidity premium in the discount rates used to determine latent claim and structured settlements liabilities); and • The appropriateness of methodologies and assumptions adopted to calculate the amount of the risk adjustment required to reflect the entity's view of the compensation that it requires for bearing risk.	To obtain sufficient audit evidence to conclude on the appropriateness of the actuarial methodology and assumptions used in the calculation of the general insurance liabilities and reinsurance assets, using EY actuaries as part of our audit team, we performed the following procedures: • Obtained an understanding and tested the design and implementation of key controls over management's process for setting and updating key actuarial assumptions; • Assessed the reserving methodology applied by management on a gross and net of reinsurance basis. This also involved comparing the Group's reserving methodology with industry practice; • Performed independent re-projections of selected classes of business by applying our own assumptions across attritional classes of business and compared the results to management's estimates, including the impact of the current economic inflationary environment; • Assessed the appropriateness of key assumptions, such as inflation and selected expected loss ratios, applied to key areas of uncertainty, and emerging areas such as COVID-19, cladding, and sporting head injuries, based on our knowledge of the Group, industry practice and financial reporting requirements; • If uncertainties exist over data reliability or consistency over time, we have then assessed the impact of using different models, calibrated using different data sources, to validate management's calculation; • Performed benchmarking related to material industry issues such as catastrophe and large losses, assumptions used in inherently uncertain, new and growing classes of business. We have also assessed Aviva's approach to dealing with regulatory and legal changes against both the requirements of IFRS 17 and the approach of other comparable industry participants; • Assessed the appropriateness of the methodology and assumptions involved in the recognition of reinsurance assets associated with ADC contracts by reviewing the inputs to, and outputs from management's model including assessing any manual adjustments made to the output of the model; • Evaluated the approach to calculating the discount rate, including illiquidity premium, for consistency across periods and against industry benchmarks. In addition, we assessed movements in yield curves by comparison to movements in the Bank of England risk free rates; and • Tested management's methodology, assumptions and implementation of the risk adjustment, as well as performing a comparison to comparable market participants, particularly where adjustments are applied to the calibration to reflect external events.

Key observations communicated to the Audit Committee
We determined that the actuarial assumptions, including the risk adjustment used by management in the valuation of insurance contract liabilities and reinsurance assets, are reasonable based on our audit procedures including independent re-projections.

How we scoped our audit to respond to the risk and involvement with component teams
We performed full and specified audit procedures over this risk which covered 94% of the gross risk amount and 92% of the reinsurance risk amount.

Independent auditors' report to the members of Aviva plc

Risk	Our response to the risk

Valuation of certain hard-to-value assets (£27 billion, 2024: £26 billion)
Refer to Accounting policy (Y) Loans and Note 24 – Loans
The Group holds a number of complex and illiquid financial investments that are hard-to-value, and whose valuation is subject to judgment. We considered that those with subjective or uncertain inputs are a significant risk, specifically the following modelled loans:
• Healthcare, infrastructure and Private Finance Initiative ('PFI') other loans;
• UK securitised mortgage loans; and
• Non-securitised mortgage loans.
The mortgage loans consist of residential equity release mortgages ('ERM'), commercial mortgages and mortgages to UK primary healthcare and PFI businesses.
	Loans (excluding ERM)
	To conclude over the valuation of loans (excluding ERM) we:
	• Obtained an understanding and tested the design and implementation of key controls over management's valuation process;
	• Tested the accuracy of mortgage data used in the valuation model by agreeing a sample of new loans to supporting evidence and validating a sample of movements on static data over the period;
	• Engaged EY valuation specialists to calculate an independent range of reasonable values for the loans on a sample or portfolio basis; and
	• Utilised EY independent valuation models, inputs and assumptions to determine the asset values, with a particular emphasis on the key assumptions outlined below:
	  • Discounted cashflows model ('DCF') - credit risk adjusted spreads; and
	  • Portfolio credit risk model ('PCRM') – exposure and loss given default ('LGD'), probability of default ('PD') and illiquidity premium.
	Equity release mortgages
	To conclude over the valuation of equity release mortgages loans we:
	• Obtained an understanding and tested the design and implementation of key controls over management's valuation process for setting and updating significant assumptions;
	• Tested the accuracy of mortgage data used in the valuation model by agreeing a sample of new loans to supporting evidence and validating a sample of movements on static data over the period;
	• Evaluated methodology, inputs and assumptions used in valuing the ERM loans, including (a) property assumptions utilised in the valuation of the no negative equity guarantee ('NNEG'), including long term property growth, index underperformance, property values, property market volatility, and (b) loan repayment assumptions, based on projected mortality, long term care ('LTC'), and (c) the determination of the discount rate applied;
	• Performed benchmarking of key demographic and economic assumption against peers to confirm the relative strength of management's assumptions versus other industry participants, and assessed the reasonableness of management utilised property prices against external market data;
	• Corroborated the results of management's experience analysis, specifically on mortality and index underperformance, to agree whether these supported the adopted assumptions;
	• Utilised EY's independent valuation model to calculate an independent range for the valuation of the equity release mortgages, testing the integrity and appropriateness of management's valuation model; and
	• Assessed management's inputs and assumptions by utilising reasonable alternative and independent model inputs.

Key observations communicated to the Audit Committee
Based on our procedures performed on the modelled loans and ERM loans, we are satisfied that the valuation of these hard-to-value assets is reasonable.

How we scoped our audit to respond to the risk and involvement with component teams
We performed full scope audit procedures over this risk which covered 100% of the risk amount.

Independent auditors' report to the members of Aviva plc

Risk	Our response to the risk

Revenue Recognition - Contractual Service Margin ('CSM')
 	
(2025: £10 billion, 2024: £10 billion)
 	
Refer to Accounting policy (M) 'Insurance, participating investment and reinsurance contracts' and Note 39 - Insurance and Reinsurance Contracts - (e) Contractual Service Margin
 	
The insurance contract contractual service margin ('CSM') represents the future profits within the in-force book that will be recognised as revenue in future periods. The approach to calculate CSM differs based on the measurement model. The new CSM generated during the period is subject to a number of judgemental assumptions, in particular around the locked-in discount rates assumed for illiquid asset classes. Additionally, for the CSM relating to new and existing business, the assessment of onerous groups of contracts is a key judgement.
 	
The amount of CSM recognised in insurance revenue each period (the CSM amortisation) is determined by considering, for each group of contracts, coverage units that reflect the quantity of the benefits provided in each period and the expected coverage period.
 	
Given the importance of the release of CSM to reported insurance revenue, the complexity of the related calculations and the subjectivity of related assumptions, we consider the release of CSM to give rise to an inherent risk of fraud in revenue recognition.
	To obtain sufficient audit evidence to conclude on the valuation of the CSM, we engaged our actuaries as part of our audit team and performed the following procedures:
	
	• Obtained an understanding and tested the design effectiveness of key controls over management's process for:
	  • the determination of coverage units;
	  • the change management and governance process over the CSM calculation model; and
	  • management review controls over CSM movements during the period, including release of CSM.
	• Tested the accuracy of the CSM calculation, including the determination of coverage units and release of CSM, through reperformance of the calculation for a sample of Groups of Insurance Contracts using EY's independent model;
	• Compared the impact of assumption changes in the CSM movement to related changes in the BEL calculation, including considering whether they relate to past or future service;
	• Tested the calculation of interest accretion for contracts measured using GMM;
	• Tested the change in the fair value of underlying items resulting from investment movements for contracts measured using VFA; and
	• Tested, for a sample of contracts issued during the year, the calculation of the initial CSM including, where relevant, the identification of onerous contracts.

Key observations communicated to the Audit Committee
Based on our procedures performed we are satisfied that revenue has been recognised in-line with the requirements of IFRS17.

How we scoped our audit to respond to the risk and involvement with component teams
We performed full and specific scope audit procedures over this risk which covered 100% of the risk amount.

Independent auditors' report to the members of Aviva plc

Risk	Our response to the risk
Acquisition of Direct Line Group **Refer to Note 2 - Strategic Transactions** Aviva plc completed its acquisition of 100% of the ordinary share capital of Direct Line Insurance Group plc on 1 July 2025. The transaction valued Direct Line at £4 billion. The acquisition was accounted for as a business combination. In line with IFRS 3 Business Combinations, management allocated the purchase price to the identifiable assets acquired and the liabilities assumed. Purchase Price Allocation ("PPA") adjustments were recognised on assets and liabilities. Management engaged their own specialists to assist in determining the fair value of certain assets and liabilities on the acquisition date balance sheet. The degree of subjectivity involved was high due to the significant judgment and complexity involved, in particular in respect of the following: • Valuation of goodwill and the identifiable intangible assets of customer, brand and distribution. This includes key judgments around future cash flows, synergy assumptions and discount rates; • The revaluation of software assets, which are required to be revalued to fair value under IFRS 3, using a cost-to-recreate approach. This involves judgement over replacement cost, development effort, useful life and the expected future economic benefits of these assets; and • Valuation of insurance contract liabilities as at the date of acquisition. These areas contain estimation uncertainty and therefore present a risk of material misstatement.	To obtain sufficient audit evidence to conclude on the appropriateness of accounting for the acquisition of Direct Line, we: • Obtained an understanding of management's process related to the acquisition accounting and assessed whether the treatment applied was in accordance with IFRS 3 Business Combinations; • Evaluated the design of key controls related to the acquisition accounting and PPA; • Assessed the competence, objectivity and independence of management's specialists and engaged our own EY valuations specialists to assist in our challenge of management's process and key assumptions; • Being the first year of our appointment as auditors of Direct Line, performed on-site review of the predecessor auditor working papers and discussed the significant risks and judgemental areas with them; • Ensured appropriate recognition of all identifiable intangible assets by understanding the transaction and comparing it to the other acquisitions of similar business, assessing the methodology and assumptions adopted by management for calculating the fair values in conjunction with our valuation specialists, and considering how market participants would value the identifiable assets and liabilities; • Assessed the methodology and assumptions adopted by management for revaluing the software intangibles using a cost-to-recreate method, in conjunction with our valuation specialists; and • With the support of EY actuaries, assessed the appropriateness of the fair value adjustments to the insurance contract liabilities recognised on a best estimate basis within the acquired business, including assessment of the appropriate choice of discount rate.

Key observations communicated to the Audit Committee
Based on the work performed we concluded that management's PPA was performed in compliance with IFRS 3 Business Combinations and that the fair value of the assets and liabilities acquired lie in a reasonable range of what a market participant in an orderly transaction would pay for.

How we scoped our audit to respond to the risk and involvement with component teams
We performed full audit procedures over this risk, which covered 100% of the risk amount.

We instructed our component team to audit the acquisition date opening balance sheet, and this work was directed by, and performed under the supervision of, the Group audit team.

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Risk	Our response to the risk
Valuation of investment in subsidiaries (Company only) (£22 billion, 2024: £32 billion) **Refer to Accounting policy (D) section (f) The Company's investments and Note E - Investments in subsidiaries and joint venture** In the Company's statement of financial position, investments in subsidiaries are reported at cost less impairment. The investments in subsidiaries are the largest assets on the Company's statement of financial position. There is a risk that the carrying value of the investments in subsidiaries exceeds the recoverable amount and therefore an impairment loss should be recognised. The estimated recoverable amount of the investment in subsidiaries has a high degree of estimation uncertainty.	We obtained management's assessment of the recoverability of the carrying value of the investment in subsidiaries and reviewed for indicators of impairment including whether the current net asset value ('NAV') supports the carrying value. Where there were indicators of impairment, we: • Tested the reasonableness and appropriateness of the assumptions used in the cash flows based on our knowledge of the Group and the business units in which the subsidiaries operate; • Evaluated and corroborated the methodology used in determining the discount rate applied, including engaging our EY valuation experts to assess the appropriateness of the inputs into the discount rate; and • Obtained management's assessment of the terminal value and validated the assumptions applied by management by comparing key assumptions and judgments with experience of the wider market and that of Aviva. Where there are impairments, we check that the carrying value of the investment has been written down to the recoverable amount.

Key observations communicated to the Audit Committee
Based on the work performed and the evidence obtained, we consider the carrying amount of the Company's investment in subsidiaries to be reasonable.

How we scoped our audit to respond to the risk and involvement with component teams
We performed full audit procedures over this risk in the UK, which covered 100% of the risk amount.

All audit work performed to address this risk was undertaken by the Group audit team.

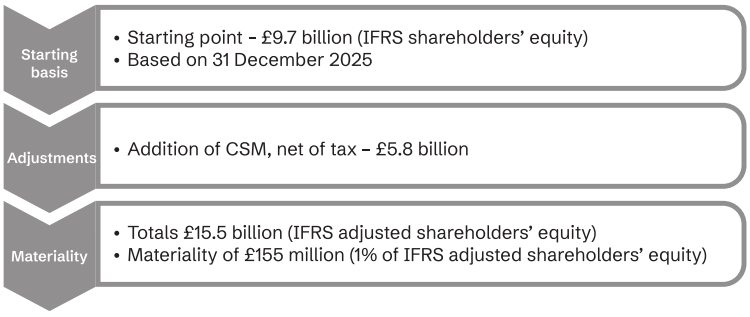
OUR APPLICATION OF MATERIALITY

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality
The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be £155 million (2024: £135 million), which is 1% (2024: 1%) of IFRS adjusted shareholders' equity. IFRS adjusted shareholders' equity represents the equity attributable to shareholders of Aviva plc plus the CSM, net of the associated tax. This measure represents the current equity attributable to Aviva shareholders and an estimate of locked-in future net profits to be generated from current in-force business which will ultimately increase the total shareholders' equity available for distribution as dividends. Since this metric provides an expectation of the future total equity of Aviva, we consider it to be an appropriate benchmark to determine materiality.

We determined materiality for the Parent Company to be £179 million (2024: £142 million), which is 1% of Equity attributable to shareholders. For Group audit purposes, we performed our audit procedures on the Company to the lower of the Parent Company and the Group allocated performance materiality.



Performance materiality
The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality should be 75% (2024: 50%) of our planning materiality, namely £116 million (2024: £67 million). We have increased the percentage of performance materiality because the outcome of the first-year audit and our experience indicates that there is lower risk of misstatements both corrected and uncorrected.

Independent auditors' report to the members of Aviva plc

Audit work was undertaken at component locations for the purpose of responding to the assessed risks of material misstatement of the Group financial statements. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was £22 million to £116 million.

Reporting threshold
An amount below which identified misstatements are considered as being clearly trivial

We agreed with the Group Audit Committee that we would report to them all uncorrected audit differences in excess of £8 million (2024: £7 million) that impact IFRS shareholders' equity, which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information
The Other information comprises the information included in the annual report, including the Strategic Report, Governance Report and Other Information, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Corporate Governance Statement
We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group and company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified;
- Directors' explanation as to its assessment of the company's prospects, the period this assessment covers and why the period is appropriate;
- Directors' statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities;
- Directors' statement on fair, balanced and understandable;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems; and;
- The section describing the work of the Audit Committee.

Responsibilities of directors
As explained more fully in the directors' responsibilities statement set out on page 152, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

Independent auditors' report to the members of Aviva plc

accounting unless the directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are relevant laws and regulations related to elements of company law and tax legislation, and the financial reporting framework. Our considerations of other laws and regulations that may have a material effect on the financial statements included permissions and supervisory requirements of the Prudential Regulation Authority ('PRA'), the Financial Conduct Authority ('FCA'), relevant tax authorities and the Office of the Superintendent of Financial Institutions ('OSFI').
- We understood how Aviva plc is complying with those frameworks by making enquiries of management, internal audit and those responsible for legal and compliance matters. We also reviewed correspondence between the Group and insurance regulatory bodies in respective jurisdictions; reviewed minutes of the Board and Risk Committees; and gained an understanding of the Group's governance, demonstrated by the board's approval of the Group's governance framework.
- Conducted a review of correspondence with and reports from the insurance regulators, in relevant jurisdictions, including the PRA and the FCA.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by considering the controls that the Group has established to address risks identified by the Group, or that otherwise seek to prevent, deter or detect fraud. We also assessed the risks of fraud in our key audit matters. Our procedures over our key audit matters and other significant accounting estimates included challenging management on the assumptions and judgements made in determining these estimates.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved making enquiries of those charged with governance, internal audit and senior management for their awareness of any non-compliance of laws or regulations, enquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees, enquiring about the Group and Company's methods of enforcing and monitoring compliance with such policies, and inspecting significant correspondence with the PRA, FCA, relevant tax authorities and the Office of the Superintendent of Financial Institutions ('OSFI').
- We identified and tested journal entries, including those posted with certain descriptions or unusual characteristics, backdated journals or posted by infrequent and unexpected users. .
- The Group operates in the insurance industry which is a highly regulated environment. As such the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters we are required to address

- Following the recommendation from the Audit Committee we were appointed by the Company on 20 May 2024 to audit the financial statements for the year ending 31 December 2024 and subsequent financial periods.
- The period of total uninterrupted engagement including previous renewals and reappointments is two years, covering the years ending 31 December 2024 and 2025.
- The audit opinion is consistent with the additional report to the Audit Committee.

Use of our report
This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stuart Wilson (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, London

4 March 2026

Accounting policies

Aviva plc (the 'Company'), a public limited company incorporated and domiciled in the United Kingdom (UK), together with its subsidiaries (collectively, the 'Group' or 'Aviva') transacts life assurance and long-term savings business, fund management and most classes of general insurance and health business through its subsidiaries, joint ventures, associates and branches in the UK, Ireland, Canada, India and China.

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(A) BASIS OF PREPARATION

The consolidated financial statements and those of the Company have been prepared and approved by the directors in accordance with UK-adopted international accounting standards and the legal requirements of the Companies Act 2006.

The consolidated financial statements have been prepared under the historical cost convention, as modified by:

- The revaluation of land and buildings, investment property and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss;
- Insurance and reinsurance contracts at fulfilment cash flows plus the Contractual Service Margin (CSM); and
- Net pension surplus at fair value for plan assets less the present value of the defined benefit obligations.

Items included in the financial statements of each of the Group's entities are measured in the currency of the primary economic environment in which that entity operates (the functional currency). The consolidated financial statements are stated in pounds sterling, which is the Company's functional and presentational currency. Unless otherwise noted, the amounts shown in these financial statements are in millions of pounds sterling (£m).

New standards, interpretations and amendments to published standards that have been issued and endorsed by the UK and adopted by the Group or the Company

The Group and the Company has adopted Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability which became effective for the annual reporting period beginning on 1 January 2025. The amendments do not have a significant impact on the Group's consolidated financial statements or the Company's financial statements.

Standards, interpretations and amendments to published standards that are not yet effective and have not been adopted early by the Group or the Company

The following standards and amendments to existing standards have been issued, are not yet effective for the Group and the Company, and have not been adopted early by the Group and the Company.

IFRS 18: Presentation and Disclosure in Financial Statements

In April 2024, the International Accounting Standards Board (IASB) published IFRS 18, which aims to improve how companies communicate in their financial statements by:

- Requiring additional defined subtotals in the statement of profit or loss;
- Requiring disclosures about management-defined performance measures; and
- Adding new principles for grouping of information.

IFRS 18 is effective for annual reporting beginning on or after 1 January 2027 and have been endorsed by the UK. The standard is expected to result in presentational changes to the Group's consolidated income statement and the Company's income statement, and new disclosures of management-defined performance measures will be required in the notes to the financial statements. The Group is in the process of implementation, and no financial impacts are expected as a result of adoption.

The following new standards and amendments to existing standards have been issued, are not yet effective and have not been adopted early by the Group and the Company, and are not expected to have a significant impact on the Group's consolidated financial statements or the Company's financial statements.

(i) Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments

Published by the IASB in May 2024. The amendments are effective for annual reporting beginning on or after 1 January 2026 and have been endorsed by the UK.

(ii) Annual improvements to IFRS Accounting Standards – Volume 11: Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7

Published by the IASB in July 2024. The amendments are effective for annual reporting beginning on or after 1 January 2026 and have been endorsed by the UK.

(iii) Contracts Referencing Nature-dependent Electricity: Amendments to IFRS 9 and IFRS 7

Published by the IASB in December 2024. The amendments are effective for annual reporting beginning on or after 1 January 2026 and have been endorsed by the UK.

(iv) IFRS 19: Subsidiaries without Public Accountability: Disclosures and Amendments to IFRS 19: Subsidiaries without Public Accountability: Disclosures

Published by the IASB in May 2024 and August 2025. IFRS 19 and the amendments to IFRS 19 cannot be applied by the Group or the Company because they are only applicable to subsidiaries that have no public accountability. The standard and the amendments are effective for annual reporting beginning on or after 1 January 2027 and have yet to be endorsed by the UK.

(v) Amendments to IAS 21: Translation to a Hyperinflationary Presentation Currency

Published by the IASB in November 2025. The amendments are effective for annual reporting beginning on or after 1 January 2027 and have yet to be endorsed by the UK.

(B) GROUP ADJUSTED OPERATING PROFIT

The long-term nature of much of the Group's operations means that, for management's decision-making and internal performance management of our operating segments, the Group focuses on Group adjusted operating profit, a non-GAAP alternative performance measure (APM) which is not bound by IFRS. The APM incorporates the expected return on investments which support its long-term and non-long-term businesses.

Group adjusted operating profit for life and non-life business is based on expected investment returns on financial investments backing shareholder and policyholder funds over the reporting period, with allowance for the corresponding expected movements in liabilities. This includes movements in the liabilities to with-profit policyholders that offset the operating result of non-profit contracts written in the with-profit funds. Group adjusted operating profit also includes the effect of the mismatch between movements in expected future insurance contract cash flows measured at current discount rates and the corresponding adjustment to the CSM measured at locked-in rates (see policy M).

Variances between actual and expected investment returns, and the impact of changes in economic assumptions on liabilities, are disclosed separately outside Group adjusted operating profit.

The exclusion of economic variances from the Group adjusted operating profit APM reflects the long-term nature of much of our business and presents separately the operating profit APM, which is used in managing the performance of our operating segments from the impact of economic factors. Further details of this analysis and the assumptions used are given in note 9.

Accounting policies

Group adjusted operating profit excludes impairment of goodwill, associates and joint ventures; amortisation and impairment of intangibles acquired in business combinations; amortisation and impairment of acquired value of in-force business; and the profit or loss on disposal and remeasurement of subsidiaries, joint ventures and associates. These items principally relate to mergers and acquisition activity, which we view as strategic in nature, hence they are excluded from the Group adjusted operating profit APM, as this is principally used to manage the performance of our operating segments when reporting to the Group's chief operating decision maker.

Group adjusted operating profit excludes integration and restructuring (I&R) costs that relate to a well-defined programme that materially changes the scope of our business or the manner in which it is conducted, with the exception of I&R costs directly attributable to insurance contracts. Directly attributable I&R costs are reflected in the CSM, and the impact recognised in Group adjusted operating profit as the CSM is amortised.

Group adjusted operating profit also excludes other items, which are those items that, in the Directors' view, are required to be separately disclosed by virtue of their nature or incidence to enable a full understanding of the Group's financial performance. Details of these items, including an explanation of the rationale for their exclusion, are provided in the Alternative Performance Measures section within 'Other information'.

Application of IFRS requires insurance contracts on acquisition of a business to be accounted for as though they were entered into at the date of acquisition, based on the nature of the risks as at the acquisition date. This approach requires the GMM to be applied instead of PAA and creates some timing differences in recognition of profit (see note 39(b)(iii) for further details). To remove this effect, which only arises due the acquisition accounting, and to align profit and revenue recognition to equivalent directly written contracts, Group adjusted operating profit reflects these contracts on a PAA measurement basis, with the adjustment to the GMM measurement basis recognised as a non-operating item. This adjustment will be required until the claims run off over the usual course of business.

The Group adjusted operating profit APM should be viewed as complementary to IFRS GAAP measures. It is important to consider Group adjusted operating profit and profit before tax together to understand the performance of the business in the period.

(C) CRITICAL ACCOUNTING POLICIES AND THE USE OF ESTIMATES

The preparation of financial statements requires the Group to select accounting policies and make estimates and assumptions that affect items reported in the consolidated income statement, consolidated statement of financial position, other primary statements and notes to the consolidated financial statements.

The Audit Committee reviews the reasonableness of judgements and assumptions applied and the appropriateness of material accounting policies. The material judgements considered by the Committee in the year are included within the Audit Committee Report.

The accounting policies in the following table are those that have the most material impact on the amounts recognised in the financial statements, with those judgements involving estimation summarised thereafter.

Critical accounting judgement
Consolidation (accounting policy – D)
Assessment of whether the Group controls the underlying entities including consideration of its decision-making authority and rights to the variable returns from the entity.
Classification of insurance and investment contract (accounting policy – G)
Assessment of the significance of insurance risk transferred to the Group and discretionary participation features in determining whether a contract should be accounted for as an insurance or investment contract. Insurance contracts are defined as those containing significant insurance risk. Contracts that transfer financial risks, but not significant insurance risk are classified as investment contracts. Judgement is required to assess whether insurance risk is significant at inception of the contract. Some insurance and investment contracts contain a discretionary participation feature which is a supplement to guaranteed benefits. Judgement is required to determine whether discretionary additional benefits are likely to be a significant portion of the total contractual payments.
Level of aggregation and measurement model for insurance, participating investment and reinsurance contracts (accounting policies - M(b) and M(c))
For measurement purposes, insurance contracts are aggregated into groups based on an assessment of risks and dividing each portfolio into annual cohorts by year of issue. Judgement is required in assessing if the contracts have similar risks that are managed together. Each annual cohort is further subdivided into three groups, and judgement is applied to determine the profitability of contracts at initial recognition. Judgement is then applied to determine if the group of contracts is eligible for either the variable fee approach (VFA) or premium allocation approach (PAA) to measurement.

All estimates are based on management's knowledge of current facts and circumstances, assumptions based on that knowledge and their predictions of future events and actions. Actual results may differ from those estimates, possibly significantly.

The table sets out those items considered particularly susceptible to changes in estimates and assumptions, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year, and the relevant accounting policy and note disclosures.

Accounting policies

Material accounting estimates

Measurement of insurance, participating investment and reinsurance contracts (accounting policy - M, assumptions - note 39(g), carrying values - note 39(a), sensitivities - note 52(h))
The principal subjective or complex assumptions used in the calculation of life insurance and participating investment contract fulfilment cash flows include non-financial assumptions (in particular, annuitant and assurance mortality and future expenses) and the allowance for illiquidity in discount rates (in particular, top-down discount rates applied to annuity liabilities). The immediate impact of changes in these assumptions on the carrying amounts of insurance, participating investment and reinsurance contracts is reduced when there is a corresponding adjustment to the CSM, i.e. for all changes in non-financial assumptions (calculated at locked-in discount rates for General Measurement Model (GMM) contracts) and for financial changes to Variable Fee Approach (VFA) contracts, unless the contracts are onerous.

The principal subjective or complex assumptions used in the calculation of non-life liabilities include the allowance for illiquidity in the discount rates used to determine our latent claim and structured settlements liabilities and the assumption that past claims experience can be used as a basis to project future claims (estimated using a range of standard actuarial claims projection techniques).

Fair value of financial instruments and investment property (accounting policies - F, R, W, assumptions - note 23(g), carrying values - note 23(g), sensitivities - note 23(g))
Where quoted market prices are not available, valuation techniques are used to value financial instruments and investment property. These include broker quotes and models using both observable and unobservable market inputs. The valuation techniques involve judgement with regard to the valuation models used and the inputs to these models can lead to a range of plausible valuations for financial investments.

Deferred tax assets (accounting policy - AE, assumptions - note 42(b), carrying values - note 42(b))
The deferred tax asset relates to UK tax losses which carry forward indefinitely and the reduction in net assets on adoption of IFRS 17, including the CSM recognition. This element of the deferred tax asset will reverse as the CSM unwinds and profits are recognised in future. The losses are recognised based on probable future taxable investment income and gains and taxable profits within five years. Assumed investment returns and profits are consistent with assumptions used in actuarial reserving and the Group Board approved Plan. Alternative assumptions modelled by the Group also show full recovery of the deferred tax asset over this period.

The Group has considered the impact of climate risk on the carrying value of assets and liabilities and considers that there is no significant risk of a material adjustment within the next financial year resulting from climate risk. The impact of climate risk on the valuation of financial instruments and investment property is described in note 23(g).

(D) CONSOLIDATION PRINCIPLES

(a) Subsidiaries

Subsidiaries are those entities over which the Group has control. The Group controls an investee if and only if the Group has all of the following:

- Power over the investee;
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

The Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including: the purpose and design of an investee, relevant activities, substantive and protective rights, and voting and potential voting rights.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

(b) Investment vehicles

The Group has invested in a number of specialised investment vehicles such as Open-Ended Investment Companies (OEICs) and unit trusts. These invest mainly in equities, bonds, cash and cash equivalents, and properties, and distribute most of their income. In determining whether the Group controls such vehicles, primary considerations include whether the Group is acting as a principal or an agent (including an assessment of the substantive removal rights of third parties) and the variability in the returns associated with the Group's aggregate economic interest in the fund (direct interest and expected management fees) relative to the total variability of returns.

Additionally, the Group's percentage ownership in these vehicles can fluctuate on a daily basis according to the level of participation of the Group and third parties. To avoid transitory or minor changes in fund holdings (which do not reflect the wider facts and circumstances of the Group's involvement) resulting in binary changes in the consolidation conclusions, the Group takes into account the trend of ownership over a period of time.

The assessment is performed in line with the following principles:

- Where the entity is managed by a Group asset manager, and the Group's ownership holding in the entity exceeds 40%, the Group is judged to have control over the entity;
- Where the entity is managed by a Group asset manager, and the Group's ownership holding in the entity is between 30% and 40%, the facts and circumstances of the Group's involvement in the entity are considered in forming a judgement as to whether the Group has control over the entity. Considerations include the rights held by other parties, the Group's rights to fees from the entity, the variability in the returns associated with the Group's aggregate economic interest in the fund and the nature of the Group's exposure to variability compared with that of other investors; and
- Where the entity is managed by a Group asset manager, and the Group's ownership holding in the entity is less than 30%, the Group is judged to not have control over the entity.

Where the Group is deemed to control such vehicles, they are consolidated, with the interests of parties other than Aviva being classified as liabilities. These appear as 'Net asset value attributable to unitholders' in the consolidated statement of financial position.

The interest of parties other than Aviva in the investment return on these funds appear as 'Investment expense/(income) attributable to unitholders' in the income statement.

Where the Group does not control such vehicles (e.g. the Group is not the asset manager and has no substantive removal rights), and these investments are held by its insurance or investment funds, they are carried at fair value through profit or loss within financial investments in the consolidated statement of financial position, in accordance with IFRS 9 Financial Instruments.

As part of their investment strategy, long-term business policyholder funds have invested in a number of property limited partnerships (PLPs), either directly or via property unit trusts (PUTs), through a mix of capital and loans. The PLPs are managed by general partners (GPs), in which the long-term business shareholder companies hold equity stakes and which themselves hold nominal stakes in the PLPs. The PUTs are managed by a Group subsidiary.

Accounting for the PUTs and PLPs as subsidiaries, joint ventures, associates or other financial investments depends on whether the Group is deemed to have control or joint control over the PUTs and PLPs' shareholdings in the GPs and the terms of each partnership agreement are considered along with other factors that determine control, as outlined above. Where the Group exerts control over a PUT or a PLP, it has been treated as a subsidiary and its results, assets and liabilities have been consolidated.

Accounting policies

Where the partnership is managed by an agreement such that there is joint control between the parties, notwithstanding that the Group's partnership share in the PLP (including its indirect stake via the relevant PUT and GP) may be lower or higher than 50%, such PUTs and PLPs have been classified as joint ventures.

Where the Group has significant influence over the PUT or PLP, as defined in the following section, the PUT or PLP is classified as an associate. Where the Group holds non-controlling interests in PLPs, with no significant influence or control over their associated GPs, the relevant investments are carried at fair value through profit or loss within financial investments.

(c) Consolidation procedure
Subsidiaries are consolidated from the date the Group obtains control and are excluded from consolidation from the date the Group loses control. All intercompany transactions, balances and unrealised surpluses and deficits on transactions between Group companies have been eliminated. Accounting policies of subsidiaries are aligned on acquisition to ensure consistency with Group policies.

The Group is required to use the acquisition method of accounting for business combinations. Under this method, the Group recognises identifiable assets, liabilities and contingent liabilities at fair value, and any non-controlling interest in the acquiree. For each business combination, the Group has the option to measure the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. The excess of the consideration transferred over the fair value of the net assets of the subsidiary acquired is recorded as goodwill (see accounting policy O). Acquisition-related costs are expensed as incurred.

Transactions with non-controlling interests that lead to changes in the ownership interests in a subsidiary, but do not result in a loss of control, are treated as equity transactions.

(d) Merger accounting and the merger reserve
Prior to 1 January 2004, the date of first-time adoption of IFRS, certain significant business combinations were accounted for using the 'pooling of interests method' (or merger accounting), which treats the merged groups as if they had been combined throughout the current and comparative accounting periods. Merger accounting principles for these combinations gave rise to a merger reserve in the consolidated statement of financial position, being the difference between the nominal value of new shares issued by the Parent Company for the acquisition of the shares of the subsidiary and the subsidiary's own share capital and share premium account. These transactions have not been restated, as permitted by the IFRS 1 transitional arrangements.

The merger reserve is also used where more than 90% of the shares in a subsidiary are acquired and the consideration includes the issue of new shares by the Company, thereby attracting merger relief under the Companies Act 1985 and, from 1 October 2009, the Companies Act 2006.

(e) Associates and joint ventures
Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control. Generally, it is presumed that the Group has significant influence if it has between 20% and 50% of voting rights. Joint ventures are joint arrangements whereby the Group and other parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. In a number of these, the Group's share of the underlying assets and liabilities may be greater or less than 50% but the terms of the relevant agreements make it clear that control is not exercised. Such jointly controlled entities are referred to as joint ventures in these financial statements.

Gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Losses are also eliminated, unless the transaction provides evidence of an impairment of the asset transferred between entities.

Investments in associates and joint ventures are accounted for using the equity method of accounting, except for investments in investment vehicles which are carried at fair value through profit or loss. Under this method, the cost of the investment in a given associate or joint venture, together with the Group's share of that entity's post-acquisition changes to shareholders' funds, is included as an asset in the consolidated statement of financial position. As explained in accounting policy O, the cost includes goodwill recognised on acquisition. The Group's share of their post-acquisition profit or losses is recognised in the income statement and its share of their post-acquisition other comprehensive income is recognised in other comprehensive income. Equity accounting is discontinued when the Group no longer has significant influence or joint control over the investment.

If the Group's share of losses in an associate or joint venture equals or exceeds its interest in the undertaking, the Group does not recognise further losses unless it has incurred obligations or made payments on behalf of the entity.

(f) The Company's investments
In the Company's statement of financial position, subsidiaries, associates and joint ventures are stated at cost less impairment. Investments are reviewed annually to test whether any indicators of impairment exist.

Where there is objective evidence of such an asset being impaired, the investment is impaired to its recoverable value and any unrealised loss is recorded in the income statement.

(E) FOREIGN CURRENCY TRANSLATION

Income statements and cash flows of foreign entities are translated into the Group's presentation currency at average exchange rates for the year, while their statements of financial position are translated at the year-end exchange rates.

Exchange differences arising from the translation of the net investment in foreign subsidiaries, associates and joint ventures, and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and taken to the currency translation reserve within equity.

On disposal of a foreign entity, such exchange differences are transferred out of this reserve and are recognised in the income statement as part of the gain or loss on sale.
The cumulative translation differences were deemed to be zero at the transition date to IFRS.

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement.

Translation differences on fixed maturity securities and other monetary financial assets measured at fair value through profit or loss (FVTPL) (see accounting policy W) are included in foreign exchange gains and losses in the income statement. Translation differences on non-monetary items, such as equities which are designated as FVTPL, are reported as part of the fair value gain or loss.

Accounting policies

(F) FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. This presumes that the transaction takes place in the principal (or most advantageous) market under current market conditions. Fair value is a market-based measure and in the absence of observable market prices in an active market, it is measured using the assumptions that market participants would use when pricing the asset or liability.

The fair value of a non-financial asset is determined based on its highest and best use from a market participant's perspective. When using this approach, the Group takes into account the asset's use that is physically possible, legally permissible and financially feasible.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price i.e. the fair value of the consideration given or received. In certain circumstances, the fair value at initial recognition may differ from the transaction price.

If the fair value is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging), or is based on a valuation technique whose variables include only data from observable markets, then the difference between the fair value at initial recognition and the transaction price is recognised as a gain or loss in the income statement.

When unobservable market data has a significant impact on the valuation of financial instruments, the difference between the fair value at initial recognition and the transaction price is not recognised immediately in the income statement, but deferred and recognised in the income statement on an appropriate basis over the life of the instrument, but no later than when the valuation is supported wholly by observable market data or the transaction is closed out or otherwise matured.

If an asset or a liability measured at fair value has a bid price and an ask price, the price within the bid-ask spread that is most representative of fair value in the circumstances is used to measure fair value.

(G) PRODUCT CLASSIFICATION

Insurance contracts are defined as those containing significant insurance risk if, and only if, an insured event could cause an insurer to make significant additional payments (determined on a present value basis) in any scenario, excluding scenarios that lack commercial substance, at the inception of the contract. Such contracts remain insurance contracts until all rights and obligations are extinguished or expire. Contracts can be reclassified as insurance contracts after inception if insurance risk becomes significant. Contracts that transfer financial risks, but not significant insurance risk, are classified as investment contracts.

Some insurance and investment contracts contain a discretionary participation feature, which is a contractual right to receive additional benefits as a supplement to guaranteed benefits (i) that are likely to be a significant portion of the total contractual payments; (ii) whose amount or timing is at the discretion of the issuer; and (iii) that are based on the performance of a specified pool of assets, company, or other entity that issues the contracts. Investment contracts with discretionary participation features, referred to as participating investment contracts, are accounted for under IFRS 17 as set out in policy (M). This includes hybrid participating investment contracts, which are a combination of unit-linked and with-profits investments for which the discretionary participation feature is a significant portion of the combined contract. Investment contracts without discretionary participation features, referred to as non-participating investment contracts, and the related reinsurance assets are accounted for as financial instruments under IFRS 9.

The classification of the Group's main contracts is summarised below:

Type of contract	Classification
Annuities	Insurance contract
Unit-linked with significant insurance risk or with a significant discretionary participation feature	Insurance contract/ Participating investment contract
Unit-linked without significant insurance risk and without significant discretionary participation features	Non-participating investment contract
Protection	Insurance contract
General insurance (e.g. motor, property, liability)	Insurance contract
Health	Insurance contract
With-profits	Insurance contract/ Participating investment contract

(H) INSURANCE SERVICE RESULT

The insurance service result represents the Group's profit or loss recognised on insurance contracts, participating investment contracts and reinsurance contracts (measured in accordance with policy M) in the period, excluding the impact of the time value of money and financial risks related to such contracts. The insurance service result contains three components:

(a) Insurance revenue

For insurance contracts and participating investment contracts applying GMM and VFA, insurance revenue is comprised of:

- The amortisation of Contractual Service Margin (CSM);
- The release of the risk adjustment included within the liability for remaining coverage;
- Claims and expenses expected to be incurred in the period, as released from the liability for remaining coverage and adjusted for the allocation of loss;
- Other, including revenue recognised for policyholder tax and other incurred expenses that have been charged to policyholder funds; and
- The recovery of insurance acquisition cash flows, which offsets the amortisation included in insurance service expenses.

For insurance contracts applying the Premium Allocation Approach (PAA), insurance revenue is based upon the amount of expected premium receipts allocated to insurance contracts in the period. Premium receipts are allocated to insurance contracts based upon the passage of time or, where there is evidence that the release of risk differs from the passage of time, on the basis of the expected timing of insurance service expenses.

(b) Insurance service expenses

For insurance contracts and participating investment contracts, insurance service expenses are comprised of:

- Actual claims (excluding investment components) and non-acquisition fulfilment expenses incurred, adjusted for the allocation of loss components;
- The recognition and reversal of losses on onerous contracts;
- Non-financial assumption changes which do not adjust the CSM;
- Non-financial assumption changes which affect the valuation of the liability for incurred claims;
- Any impairment of acquisition cash flows, net of reversals; and
- The amortisation of insurance acquisition cash flows.

Accounting policies

For contracts measured under the GMM and VFA, recovery of insurance acquisition cash flows is included in insurance revenue, as described above, and an equal and opposite amount for the amortisation of insurance acquisition cash flows is included in insurance service expenses.

For contracts measured under the PAA, amortisation of insurance acquisition cash flows is based on the passage of time or, where there is evidence that the release of risk differs from the passage of time, on the basis of the expected timing of insurance service expenses.

(c) Net income and expenses from reinsurance contracts
Net income (expenses) from reinsurance contracts held represents the insurance service result for groups of reinsurance contracts held and is comprised of:

- The allocation of reinsurance premiums paid, which is calculated using the same principles as used to calculate revenue on insurance contracts;
- Amounts recoverable from reinsurers, which is calculated using the same principles as used to calculate insurance service expenses on insurance contracts;
- The recognition of, and subsequent movements in, reinsurance loss recovery components; and
- The effect of changes in the risk of reinsurers' non-performance.

(I) INSURANCE FINANCE RESULT

Insurance finance income/expenses are calculated on insurance contracts, participating investment contracts and reinsurance contracts, comprising:

- Changes in the fair value of underlying items;
- The accretion of interest on the CSM;
- The unwind of discounting on fulfilment cash flows; and
- The impact of financial assumption changes upon fulfilment cash flows.

The latter two components are only included in the insurance finance result for contracts measured under the GMM and PAA, in addition to VFA contracts where the risk mitigation option is applied.

Where changes in expected future cash flows and risk adjustment on GMM contracts arise from non-financial assumption changes and experience variances, the difference between measuring the change in fulfilment cash flows using current financial assumptions and the impact which adjusts the CSM using locked in financial assumptions is recognised in the income statement in net finance expenses.

The accounting policies used to calculate amounts within the insurance finance result are discussed in greater detail in policy M.

(J) INVESTMENT CONTRACT FEE REVENUE

Non-participating investment contract policyholders are charged fees for policy administration, investment management, surrenders or other contract services.

The fees may be for fixed amounts or vary with the amounts being managed, and will generally be charged as an adjustment to the policyholder's balance. Fees related to investment management services are recognised as revenue over time, as performance obligations are satisfied. In most cases this revenue is recognised in the same period in which the fees are charged to the policyholder. Fees that are related to services to be provided in future periods are deferred and recognised when the performance obligation is fulfilled. Variable consideration, such as performance fees and commission subject to clawback arrangements, is not recognised as revenue until it is reasonably certain that no significant reversal of amounts recognised would occur.

Initiation and other 'front-end' fees (fees that are assessed against the policyholder balance as consideration for origination of the contract) are charged on some non-participating investment and investment fund management contracts.

Where the investment contract is measured at fair value, the front-end fees that relate to the provision of investment management services are deferred and recognised as the services are provided. Origination fees are recognised immediately where the sale of fund interests represent a separate performance obligation.

(K) OTHER FEE AND COMMISSION INCOME

Other fee and commission income consists primarily of fund management fees, distribution fees from mutual funds, asset origination fees, commission revenue from the sale of mutual fund shares and transfer agent fees for shareholder record keeping. Fee and commission income is recognised over time as the services are provided.

(L) INVESTMENT RETURN

Investment return consists of dividends, interest and rents receivable for the year, movements in amortised cost on fixed maturity securities, realised gains and losses, and unrealised gains and losses on investments held at FVTPL (as defined in accounting policy W). Dividends on equity securities are recorded as revenue on the ex-dividend date. Interest income is recognised as it accrues, taking into account the effective yield on the investment. It includes the interest rate differential on forward foreign exchange contracts.

Rental income is recognised on an accruals basis using a straight-line method, unless there is compelling evidence that benefits do not accrue evenly over the period of the lease.

A gain or loss on a financial investment is only realised on disposal or transfer, and is the difference between the proceeds received, net of transaction costs, and its original cost or amortised cost, as appropriate.

Unrealised gains and losses, arising on investments which have not been derecognised as a result of disposal or transfer, represent the difference between the carrying value at the year end and the carrying value at the previous year end or purchase value during the year, less the reversal of previously recognised unrealised gains and losses in respect of disposals made during the year.

Realised gains or losses on investment property represent the difference between the net disposal proceeds and the carrying amount of the property.

(M) INSURANCE, PARTICIPATING INVESTMENT AND REINSURANCE CONTRACTS

Insurance contracts, participating investment contracts and reinsurance contracts are accounted for in accordance with IFRS 17.

Accounting policies

The key measurement principles are outlined below.

(a) IFRS 17 measurement models
The Group applies three measurement models to insurance contracts, participating investment contracts and reinsurance contracts as follows:

Model	Applicable business
GMM	• Bulk purchase annuities • Individual immediate and deferred annuities • Individual and group protection • With-profits contracts with guaranteed annuity terms • Reinsurance contracts held, including non-life reinsurance contracts that are not eligible for PAA • Claims in settlement acquired in business combinations
VFA	• Participating investment contracts • Unit linked or with-profits contracts with significant insurance risk
PAA	• Short duration non-life insurance contracts • Longer duration non-life insurance contracts which are eligible for PAA • Reinsurance contracts held which are eligible for PAA

The Group applies judgement when determining eligibility criteria for the VFA and PAA measurement models (see Accounting policy M section (b)).

Under each measurement model insurance contract liabilities are measured as the sum of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC). The LRC represents the obligation under the insurance contract for insured events that have not yet occurred, i.e. the obligation that relates to the unexpired portion of the coverage period, including the contractual service margin (CSM). The LIC reflects the obligation to investigate and pay valid claims for insured events that have already occurred, including events that have already occurred but for which claims have not been reported.

The key features of each measurement model are set out below.

(i) General measurement model (GMM)
The GMM is the default IFRS 17 measurement model. The fulfilment cash flows comprise the present value of future cash flows within the boundary of the contract, discounted at current rates, and an explicit risk adjustment for non-financial risk.

At inception, a CSM liability is recognised for each new group of contracts which represents the unearned profit to be recognised over the coverage period.

Initial measurement is based on the cash flows within the boundary of the contract discounted at the rate when the contract is written. Except for reinsurance contracts held, losses on groups of contracts that are onerous at inception are recognised immediately.

For subsequent measurement, fulfilment cash flows are discounted at current rates at each balance sheet date, while the CSM is remeasured applying the discount rate when the contract is written (the locked-in rate). Other financial assumptions including inflation and foreign exchange rates are also locked in at inception for the purposes of remeasuring the CSM. The CSM is remeasured for changes in the fulfilment cash flows relating to non-financial risk only, applying these locked-in financial assumptions. Interest is accreted on the CSM using the locked-in discount rate and the CSM is amortised over the coverage period of the contract.

The coverage period is determined based on the service provided to customers including both insurance and investment services. Losses on groups of contracts that are profitable at inception but subsequently become onerous are recognised immediately.

In contrast to insurance contracts, the CSM for groups of reinsurance contracts held can be an asset or liability. If reinsurance is in place when underlying groups of insurance contracts become onerous, the reinsurance CSM recognised is adjusted to offset the gross losses arising.

Where the net cost of purchasing reinsurance contracts held relates to events that occurred prior to purchase (for example adverse development cover), no CSM is recognised, and the net cost is recognised immediately in the income statement.

(ii) Variable fee approach (VFA)
The VFA is a modified approach to the GMM that is applied to groups of insurance and investment contracts with direct participating features, which meet eligibility requirements that demonstrate they provide substantial investment related services to policyholders.

Fulfilment cash flows for VFA contracts comprise the obligation to pay policyholders an amount equal to the fair value of underlying items, less the variable fee for future service.

Changes in the obligation to pay policyholders the fair value of underlying items are recognised within net finance expenses from insurance contracts in the income statement.

The variable fee includes the present value of the Group's share of the fair value of underlying items, adjusted for cash flows that do not vary with those underlying items. The risk adjustment reflects the compensation for non-financial risk in relation to the variable fee only.

The CSM is subsequently remeasured for changes in the variable fee due to both financial and non-financial risks using current market discount rates.

Consistent with the GMM, the CSM is recognised in profit or loss over the coverage period in line with the insurance and investment services provided to customers.

(iii) Premium allocation approach (PAA)
The PAA is a simplified measurement model which can be applied to all short duration contracts and to longer duration contracts that meet PAA eligibility criteria. It is applied to all of the Group's non-life insurance and reinsurance contracts except for contracts that reinsure adverse development of incurred claims and claims in settlement acquired in business combinations.

The LRC is measured as the amount of premium received net of acquisition cash flows, less the amount of premiums and acquisition cash flows that have been recognised in profit or loss over the expired portion of the coverage period.

Premium receipts and acquisition cash flows are recognised in profit or loss over the life of the contract, based on the passage of time.

Where policyholder premiums are yet to be remitted by intermediaries, these premiums are treated as received within the LRC with a separate financial asset recognised for the amounts due from intermediaries. Commissions due to intermediaries are treated as paid within the LRC with a separate financial liability recognised. Variable commissions which are not yet due and which are dependent upon underwriting performance are measured within the liability for remaining coverage, until the coverage period expires and the liability amount is known, at which point they are reclassified as financial liabilities.

If facts and circumstances indicate that a group of contracts may be onerous, the LRC is measured using GMM principles and losses for onerous contracts are recognised immediately in the income statement.

For most contracts applying PAA, the measurement of the LIC aligns to the GMM, with an explicit risk adjustment for non-financial risk, and discounting applied to expected cash flows. For Health contracts a PAA exemption is applied to measure the LIC on an undiscounted basis, allowable because claims are settled within 12 months of their incurred date.

Accounting policies

(b) Choice of measurement model
(i) VFA eligibility
Life business is considered to have direct participating features, and is required to be measured under the VFA model where:

- Contractual terms evidence that policyholders participate in a pool of clearly identified underlying items, for example unit-linked or with-profits funds;
- The policyholders expect to receive a substantial share of the returns on underlying items (defined by the Group as greater than 50%); and
- A substantial proportion of changes in amounts payable to policyholders varies with returns on the underlying items (defined by the Group as a correlation coefficient of greater than 50%).

Reinsurance contracts held are not eligible to apply the VFA.

(ii) PAA eligibility
The vast majority of the Group's direct non-life business has a duration of one year or less and is automatically eligible for the PAA model. For the remainder, an assessment is performed to compare the value of the LRC measured under GMM and PAA.

Where the LRC does not materially differ between the two measurement models (over the duration of the contract and in a range of reasonably foreseeable scenarios), the contract group is PAA eligible.

The Group has multiple non-life reinsurance contracts which are greater than one year in duration. These are assessed for PAA eligibility by applying the same financial modelling approach and are all PAA eligible, except for treaties reinsuring the adverse development of incurred claims.

Insurance contracts acquired in a business combination are treated by the Group as though they were entered into at the date of acquisition. Hence, for claims in settlement at the acquisition date, the insured event for the Group is the ultimate cost of claims settled post-acquisition, which is included in the LRC. For non-life business where the claims settlement period has a duration of greater than one year, the contracts are not PAA eligible and are measured under the GMM by the Group.

(c) Level of aggregation
Generally, an insurance policy with the legal form of a single contract is accounted for as a single contract. Such policies will be separated into multiple insurance contracts if: more than one type of cover is included; risks covered by the different components are independent; each component can be measured without considering the other; components can lapse or terminate independently; and components can be priced and sold separately. This results in the separation of a small proportion of non-life insurance policies into multiple insurance contracts.

The unit of account is a group of contracts, so individual insurance contracts are aggregated into groups for measurement purposes. Discrete CSMs are determined for each group of insurance contracts applying GMM or VFA.

Groups of insurance contracts have been determined by identifying portfolios of insurance contracts, comprising contracts subject to similar risks that are managed together, and dividing each portfolio into annual cohorts by year of issue.

Each annual cohort is then further subdivided into three groups based on the profitability of contracts determined at initial recognition and comprising:

- Contracts that are onerous;
- Contracts that have no significant possibility of becoming onerous; (based on the probability that changes in assumptions would result in contracts becoming onerous); and
- All remaining contracts.

Reinsurance contracts held are also subdivided into three profitability groups, determined by reference to net gains/losses on initial recognition, and comprising:

- Contracts that have a net gain at initial recognition;
- Contracts that have no significant possibility of a net gain arising subsequently; and
- All remaining contracts.

The approach to profitability grouping makes use of sets. Where it can be demonstrated that all contracts within a set are sufficiently homogeneous, they are allocated to the same profitability group without performing an individual contract assessment. For life product lines, sets of contracts usually correspond to policyholder pricing groups. The likelihood of changes in insurance, financial and other exposures resulting in contracts becoming onerous is monitored at the level of these pricing groups.

For contracts measured under the PAA, IFRS 17 permits a simplification whereby contract groups are assumed not to be onerous, unless facts and circumstances indicate otherwise. The Group uses internal management information to identify facts and circumstances that may indicate that a group is onerous.

(d) Recognition and derecognition
An insurance contract issued by the Group is recognised from the earliest of:

- The beginning of its coverage period (i.e. the period during which the Group provides insurance contract services in respect of any premiums within the boundary of the contract);
- The date the first payment from the policyholder becomes due or, if there is no contractual due date, when it is received from the policyholder; and
- The date when facts and circumstances indicate that the contract is onerous.

Reinsurance contracts are recognised on the following dates:

- Reinsurance contracts that provide proportionate coverage: the later of the date on which any underlying insurance contract is initially recognised and the date the reinsurance is entered into. This applies to the Group's quota share reinsurance contracts.
- Other reinsurance contracts: The beginning of the coverage period of the group of reinsurance contracts. However, if the Group recognises an onerous group of underlying insurance contracts on an earlier date and the related reinsurance contract was entered into before that earlier date, then the group of reinsurance contracts is recognised on that earlier date. This applies to the Group's excess of loss and catastrophe cover reinsurance contracts.

An insurance or reinsurance contract acquired in a transfer of contracts or a business combination is recognised on the date of acquisition.

When the contract is recognised, it is added to an existing group of contracts or, if the contract does not qualify for inclusion in an existing group, it forms a new group to which future contracts are added. Groups of contracts are established on initial recognition and their composition is not revised once all contracts have been added to the group.

Insurance contracts are derecognised when the contract is extinguished, i.e. when the specified obligations expire, are discharged, or are cancelled.

The Group also derecognises a contract if its terms are modified in a way that would have changed the accounting for the contract significantly had the new terms always existed, in which case a new contract based on the modified terms is recognised.

(e) Estimate of future cash flows
The estimate of future cash flows is assessed at the level of groups of contracts and represents the best estimate of the Group's cost to fulfil a contract incorporating current estimates of non-financial assumptions. The estimate allows for all the cash inflows and outflows expected to occur within the contract boundary. Cash flows are modelled separately for gross and reinsurance contracts.

Accounting policies

(i) Contract boundaries
Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay premiums or has a substantive obligation to provide insurance contract services.

A substantive obligation to provide services ends when the Group has the practical ability to reassess the risks (insurance and financial risks transferred from the policyholder, so excluding lapse and expense risks) and set a price or level of benefits that fully reflects those reassessed risks for either the particular policyholder or the portfolio that contains the contract.

Riders, representing add-on provisions to a basic insurance policy that provide additional benefits to the policyholder at additional cost, issued together with the main insurance contracts, form part of a single insurance contract with all of the cash flows within its boundary.

Some insurance contracts issued by the Group provide policyholders with the option to buy additional insurance coverage. The Group assesses the practical ability to reprice such insurance contracts in their entirety to determine if the option cash flows are within or outside the insurance contract boundary. As a result of this assessment, options for which pricing is not guaranteed are not measured by the Group until they are exercised.

Cash flows are within the boundaries of participating investment contracts if they result from a substantive obligation of the Group to deliver cash at a present or future date.

Cash flows are within the contract boundary of a reinsurance contract held if they arise from substantive rights and obligations that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer, or has a substantive right to receive services from the reinsurer.

The contract boundary is reassessed at each reporting date to include the effect of changes in circumstances on the Group's substantive rights and obligations and, therefore, may change over time. Cash flows outside the contract boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

(ii) Principal non-financial assumptions
Principal non-financial assumptions used in the calculation of life insurance and participating investment contract fulfilment cash flows include those in respect of annuitant and assurance mortality and future expenses. Expenses must be directly attributable to fulfilling insurance contracts, including an allocation of overheads to the extent that they can be allocated to groups of contracts in a systematic and rational way.

Principal non-financial assumptions used in the calculation of the non-life LIC and the non-life LRC for claims in settlement acquired in business combinations use past claims experience to project future claims (estimated using a range of standard actuarial claims projection techniques).

(iii) Financial assumptions
Discount rates
Discounting is applied to the estimate of future cash flows. The Group uses a bottom-up discount rate for all life and non-life insurance contracts, except for annuities. A top-down discount rate is applied to annuities to reflect more appropriately the characteristics of the annuity liabilities.

For other contracts where liabilities are subject to lapse risk or where cash flows depend on underlying asset performance (such as unit-linked and with-profits), the characteristics of the liability can be reflected using the bottom-up method which requires the application of less judgement.

Top-down discount rates
The discount rate is determined from the yield implicit in the fair value of an appropriate reference portfolio of assets that reflects the characteristics of the liability. Adjustments are made for differences between the reference portfolio and liability cash flows, including an allowance for defaults, which reflects the compensation a market participant would require for credit risk.

The CSM for annuity contracts is measured using a locked-in discount rate based on assets expected to be originated for new business at initial recognition of the contracts. On subsequent measurement of the fulfilment cash flows the reference portfolio is based on the assets held to match the portfolio of liabilities. For recently written contracts, an adjustment is made to liabilities where appropriate assets are yet to be sourced.

Bottom-up discount rates
The discount rate is determined as the risk-free yield, adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free yield and the relevant liability cash flows (known as an 'illiquidity premium').

The illiquidity premium is determined as a percentage of the current spread over the risk-free yield on an index of covered bonds. The percentage applied reflects the liquidity characteristics of the liabilities including the propensity and ability of policyholders to lapse or surrender their contracts; for example, 100% for structured settlements where surrenders are not possible, and 0% for unit-linked contracts where policyholders can normally immediately surrender their contract for the unit value. An intermediate percentage is applied for other types of business.

Inflation assumptions
Future inflation assumptions are treated as a financial assumption when applied to policyholder benefits or outsourced maintenance expenses that are contractually linked to an inflation index.

Presentation of financial assumption changes
The Group recognises the impact of financial assumption changes in the income statement, except for those that relate to changes in the variable fee for VFA contracts, which adjust the CSM.

(f) Risk Adjustment
The risk adjustment reflects the compensation required by the Group to accept the uncertainty about the amount and timing of future cash flows that arises from non-financial risk.

The calculation of the risk adjustment is calibrated to the Group's pricing and capital allocation framework, leveraging the Solvency II view of non-financial risk, considering a lifetime view, and including diversification between risks.

The risk adjustment calibration is set at least annually, based on the Group's current view of risk. The risk adjustment calculation is reassessed at each reporting date.

The change in risk adjustment relating to current or past service is recognised within insurance revenue in the income statement. The impact of discounting the risk adjustment for GMM and PAA contracts is disaggregated and recognised within net finance expenses from insurance contracts.

(g) CSM
The CSM represents a liability for unearned profit measured at inception and recognised in the income statement over the life of the contract, as insurance and investment related services are provided to the customer.

For profitable groups of insurance contracts, the CSM is established to ensure no profit is recognised at inception, hence it is equal and opposite to the net present value of the expected cash flows (including initial premiums and insurance acquisition cash flows) and the risk adjustment. For groups of gross insurance contracts issued that are onerous at initial recognition, the CSM is set to nil and losses are recognised in the income statement. For reinsurance contracts, the CSM is initially recognised at a value that ensures no gain or loss is recognised, but may be adjusted for loss offsetting as set out in (h).

Accounting policies

Subsequently, the CSM is adjusted for:

- Accretion of interest at locked-in discount rates (groups of GMM contracts only), which is charged to net finance expenses in the income statement;
- New contracts added to the same group;
- Changes in fulfilment cash flows (including risk adjustment) that relate to future service;
- For reinsurance contracts held, income recognised in profit or loss on initial recognition of onerous underlying contracts and adjustments to the loss recovery component set out in (h); and
- Currency exchange differences.

Changes in fulfilment cash flows that relate to future service include:

- Experience variances in premiums received during the period that relate to services provided from the start of the current period;
- Changes in expected future cash flows and risk adjustment on GMM contracts arising from non-financial assumption changes and experience variances, measured using locked-in financial assumptions;
- Changes in the variable fee and risk adjustment on VFA contracts arising from financial and non-financial assumption changes and experience variances, except where the risk mitigation option is applied; and
- Experience variances in non-distinct investment components, premium refunds and rights to withdraw payable in the period.

Changes in fulfilment cash flows that relate to past or current service do not adjust the CSM and are recognised immediately in the income statement, including the following:

- Experience variances in claims and expenses incurred, which are recognised as the difference between insurance revenue (expected claims and expenses incurred) and insurance service expenses (actual claims and expenses incurred); and
- Changes in expected future cash flows and risk adjustment on GMM contracts arising from financial assumption changes and experience variances, including changes in cash flows that are contractually linked to an inflation index, which are recognised in net finance expenses from insurance contracts.

The balance on the CSM at the end of the period is available for release to profit or loss.

The amount of CSM recognised in insurance revenue each period (the CSM amortisation) is determined by considering, for each group of contracts, coverage units that reflect the quantity of the benefits provided in each period and the expected coverage period.

Benefits provided include those arising from both insurance and investment services. Investment services are only included if the Group is managing underlying items (typically with-profits and unit-linked contracts) or where contracts have an investment component or policyholder's right to withdraw that is expected to include an investment return that is generated by investment activity performed by the Group. This includes contracts where the value of the investment return that the policyholder benefits from is not directly related to the value of the underlying investments.

Coverage units are discounted and are updated at each reporting date to reflect the current best estimate of service expected to be provided in future periods.

Coverage units for reinsurance contracts held are typically consistent with the underlying gross contracts, adjusted for differences in the services provided.

(h) Loss components and loss offsetting
Losses on onerous contracts are recognised immediately within insurance service expenses in the income statement, and a loss component is established. Subsequent losses, and reversals of losses, arising from changes in fulfilment cash flows that relate to future service adjust the loss component and are recognised immediately in insurance service expenses to the extent that a balance remains on the loss component, after which a CSM will be established.

A variable proportion approach is used to systematically allocate changes in fulfilment cash flows that relate to past or current service to the loss component, resulting in a deduction from the amount of these changes that is recognised within insurance revenue in the income statement with an offsetting adjustment to insurance service expenses. The variable proportion is determined each reporting date as the proportion of the balance on the loss component relative to the fulfilment cash flows for that group of contracts.

A reinsurance loss recovery component is established for a group of reinsurance contracts that covers a group of onerous underlying contracts. At initial recognition this is the amount that the reinsurance CSM has been adjusted as a result of recognising income to offset losses recognised at inception on underlying insurance contracts, based on the percentage of the claims that are recoverable through the reinsurance.

Subsequently the loss recovery component is adjusted for changes in the reinsurance fulfilment cash flows that correspond to change in fulfilment cash flows that relate to future service for the underlying onerous contracts.

The balance on the loss recovery component is systematically allocated to the income statement, using a similar approach to loss components.

(i) Investment components and rights to withdraw
Investment components are amounts that are payable to the policyholder in all circumstances, regardless of whether an insured event occurs. This typically includes the account balance on unit-linked and with-profit contracts, surrender and maturity values on protection contracts and guaranteed payments on immediate annuities. Rights to withdraw, which may include items that are investment components, are amounts payable to policyholders that do not represent an additional benefit payable when an insured event occurs.

This includes, but is not restricted to, maturity values that are not determined by the occurrence of an insured event, a policyholder's rights to receive a surrender value or refund of premiums on cancellation of a policy, rights to transfer an amount to another insurance provider and guaranteed annuity payments on a deferred annuity in excess of the death benefit payable prior to retirement. Investment components and rights to withdraw are excluded from insurance revenue and insurance service expenses in the income statement.

(j) Insurance acquisition cash flows
Insurance acquisition cash flows are initially deferred on the balance sheet as an insurance acquisition cash flow asset and then allocated against groups of insurance contracts to which they are directly attributable.

This includes instances where insurance acquisition cash flows are directly attributable to the future renewal of existing contract groups for some products in the Group's non-life business. For contract groups applying PAA, the Group has chosen not to apply an exemption to recognise insurance acquisition cash flows as an expense at the point they are incurred.

Where insurance acquisition cash flows are allocated to contract groups applying GMM or VFA, they are included within the measurement of the CSM and recognised in the income statement over the period which services are provided to the customer. Insurance acquisition cash flows allocated to contract groups applying PAA are recognised in the income statement over the life of the contract based on the expected timing of incurred claims.

Insurance acquisition cash flow assets are assessed for impairment where facts and circumstances indicate that they may be impaired. The Group uses data on customer retention rates and the profitability of products to identify such facts and circumstances.

Accounting policies

(N) NON-PARTICIPATING INVESTMENT CONTRACT LIABILITIES

(a) Claims

For non-participating investment contracts with an account balance, claims reflect the excess of amounts paid over the account balance released.

(b) Contract liabilities

Non-participating investment contract liabilities are designated at FVTPL. Under IFRS 9, the Group elects to recognise the movement in own credit risk through the income statement in order to eliminate an accounting mismatch. Deposits collected under non-participating investment contracts are not accounted for through the income statement, except for the investment return attributable to those contracts, but are accounted for directly through the statement of financial position as an adjustment to the investment contract liability.

The majority of the Group's contracts classified as non-participating investment contracts are unit-linked contracts and are measured at fair value.

The liability's fair value is determined using a valuation technique to provide a reliable estimate of the amount for which the liability could be transferred in an orderly transaction between market participants at the measurement date, subject to a minimum equal to the surrender value. For unit-linked contracts, the fair value liability is equal to the current unit fund value, including any unfunded units.

In addition, if required, non-unit reserves are held based on a discounted cash flow analysis. For non-linked contracts, the fair value liability is based on a discounted cash flow analysis, with allowance for risk calibrated to match the market price for risk.

(O) REINSURANCE FOR NON-PARTICIPATING INVESTMENT CONTRACTS

Reinsurance assets for non-participating investment contracts includes balances in respect of investment contracts that are legally reinsurance contracts but do not meet the definition of a reinsurance contract under IFRS 17 as they principally transfer financial risk. Premiums payable on these contracts are accounted for directly through the statement of financial position.

A deposit asset is initially recognised, based on the consideration paid less any explicitly identified premiums or fees to be retained by the reinsured. The assets are subsequently measured at FVTPL.

(P) GOODWILL, AVIF AND INTANGIBLE ASSETS

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary, associate or joint venture at the date of acquisition. Goodwill arising on the Group's investments in subsidiaries is shown as a separate asset, while that on associates and joint ventures is included within the carrying value of those investments.

Goodwill on acquisitions prior to 1 January 2004 (the date of transition to IFRS) is carried at its book value (original cost less cumulative amortisation) on that date, less any impairment subsequently incurred. Goodwill arising before 1 January 1998 was eliminated against reserves and has not been reinstated.

Where negative goodwill arises on an acquisition, this is recognised immediately in the consolidated income statement.

(b) Acquired value of in-force business (AVIF)

AVIF represents the present value of future profits on a portfolio of long-term non-participating investment contracts, acquired either directly or through the purchase of a subsidiary, is recognised as an asset.

If the AVIF results from the acquisition of an investment in a joint venture or an associate, it is held within the carrying amount of that investment. In all cases, the AVIF is amortised over the useful lifetime of the related contracts in the portfolio on a systematic basis. The rate of amortisation is chosen by considering the profile of the additional value of in-force business acquired and the expected depletion in its value.

AVIF is reviewed for evidence of impairment, consistent with reviews conducted for other finite life intangible assets and impairment tested at product portfolio level by reference to a projection of future profits arising from the portfolio.

(c) Intangible assets

Intangible assets consist primarily of contractual relationships such as access to distribution networks, customer lists and software.

The economic lives of these are determined by considering relevant factors such as usage of the asset, typical product life cycles, potential obsolescence, maintenance costs, the stability of the industry, competitive position and the period of control over the assets. Finite life intangibles are amortised over their useful lives, which range from three to 17 years, using the straight-line method.

The amortisation charge for the year is included in the income statement under 'Other expenses'. For intangibles with finite lives, impairment charges will be recognised in the income statement where evidence of such impairment is observed.

Intangibles with indefinite lives are subject to regular impairment testing, as described below.

(d) Impairment testing

For impairment testing, goodwill and intangible assets with indefinite useful lives have been allocated to cash-generating units. The carrying amount of goodwill and intangible assets with indefinite useful lives is reviewed at least annually or when circumstances or events indicate there may be uncertainty over this value. Goodwill and indefinite life intangibles are written down for impairment where the recoverable amount is insufficient to support its carrying value. Further details on goodwill allocation and impairment testing are given in note 16. Any impairments are charged as expenses in the income statement.

(Q) PROPERTY AND EQUIPMENT

Owner-occupied properties are carried at their revalued amounts, and movements are recognised in other comprehensive income and taken to a separate reserve within equity. When such properties are sold, the accumulated revaluation surpluses are transferred from this reserve to retained earnings.

These properties are depreciated down to their estimated residual values over their useful lives.

This excludes owner-occupied properties held under lease arrangements, which are measured at amortised cost. See accounting policy AB for further information.

All other items classed as property and equipment within the statement of financial position are carried at historical cost less accumulated depreciation.

Investment properties under construction are included within property and equipment until completion, and are stated at cost less any provision for impairment in their values until construction is completed or fair value becomes reliably measurable.

Depreciation is calculated on a straight-line basis to write down the cost of other assets to their residual values over their estimated useful lives as follows:

• Properties under construction	No depreciation
• Owner-occupied properties, and related mechanical and electrical equipment	25 years
• Motor vehicles	Three years, or lease term (up to useful life) if longer
• Computer equipment	Three to five years
• Other assets	Three to five years

Accounting policies

The assets' residual values, useful lives and method of depreciation are reviewed regularly, and at least at each financial year end, and adjusted if appropriate. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property and equipment are determined by reference to their carrying amount.

Borrowing costs directly attributable to the acquisition and construction of property and equipment are capitalised. All repair and maintenance costs are charged to the income statement during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the most recently assessed standard of performance of the existing asset will flow to the Group and the renovation replaces an identifiable part of the asset. Major renovations are depreciated over the remaining useful life of the related asset.

(R) INVESTMENT PROPERTY

Investment property is held for long-term rental yields and is not occupied by the Group.

Completed investment property is stated at its fair value, as assessed by qualified external valuers or by qualified staff of the Group. Changes in fair values are recorded in the income statement in investment return.

As described in accounting policy Q above, investment properties under construction are included within property and equipment, and are stated at cost less any impairment in their values until construction is completed or fair value becomes reliably measurable.

(S) IMPAIRMENT OF NON-FINANCIAL ASSETS

Property and equipment and other non-financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised in the income statement for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets, except goodwill which have suffered an impairment, are reviewed annually for possible reversal of the impairment.

(T) RECOGNITION AND CLASSIFICATION OF FINANCIAL ASSETS

Financial assets are measured initially at fair value plus eligible transaction costs for financial assets held at amortised cost. Financial assets are subsequently measured at amortised cost or FVTPL based on a business model assessment and the extent to which the contractual cash flows associated with the financial assets are solely payments of principal and interest (SPPI).

The Group measures financial assets at FVTPL if they do not meet the SPPI criteria or if they are held within a business model where they are managed and evaluated on a fair value basis resulting from the Group's management of capital on a regulatory basis.

A financial asset is classified at amortised cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise to cash flows that are SPPI on the principal amount outstanding.

On initial recognition, the Group may irrevocably designate a financial asset at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. The Group has designated certain cash balances at FVTPL to reduce an accounting mismatch when these balances form part of the risk mitigation for insurance contracts measured under the VFA and to which the risk mitigation option is applied under IFRS 17. These cash balances would otherwise be measured at amortised cost.

The Group measures equity instruments at FVTPL, with subsequent changes in fair value recognised in the income statement, as it did not make an irrevocable election on initial recognition to measure equity instruments at fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its objectives for managing those financial assets, in which case all affected financial assets are reclassified on the first day of the next reporting period.

(U) IMPAIRMENT OF FINANCIAL ASSETS

Financial assets held at amortised cost and lease receivables are in the scope of expected credit loss requirements under IFRS 9.

This includes financial assets held at amortised cost such as loans to banks, fixed maturity securities, other loans, and receivables.

Expected credit loss is an unbiased, probability-weighted estimate of credit losses. It considers all reasonable and supportable information, including forward looking economic assumptions and a range of possible outcomes.

Expected credit losses are calculated on either a 12-month or lifetime basis depending on the extent to which credit risk has increased significantly since initial recognition, except where the Group uses the simplified approach to apply lifetime expected credit losses to trade receivables that do not contain a significant financing component.

The gross carrying amount of a financial asset is written off to the extent that there is no reasonable expectation of recovery. Subsequent recoveries in excess of the financial asset's written-down carrying value are credited to the income statement.

(V) DERECOGNITION, CONTRACT MODIFICATION AND OFFSET OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- The rights to receive cash flows from the asset have expired;
- The Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- The Group has transferred its rights to receive cash flows from the asset and has either transferred substantially all the risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is extinguished (that is when the obligation is discharged, or cancelled or expires). The difference between the carrying amount extinguished and the consideration paid is recognised in profit or loss.

If the terms of a financial asset or financial liability measured at amortised cost are substantially modified, then the contractual rights to cash flows from the original financial asset or financial liability are deemed to have expired or extinguished. The original financial asset or financial liability is derecognised, and a new financial asset or financial liability is recognised at fair value.

A financial asset measured at amortised cost is not derecognised if the contractual terms are not substantially modified and a modification gain or loss is recognised in profit or loss.

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is

Accounting policies

a currently enforceable legal right to set off the recognised amounts and there is the ability and intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(W) FINANCIAL INVESTMENTS

The Group classifies financial investments at FVTPL using the business model assessment as described in accounting policy T.

The FVTPL category has two subcategories – those that meet the definition as being held for trading and those that are held at FVTPL based on the business model assessment. Fixed maturity securities and equity securities, which the Group acquires with the intention to resell in the short term and derivatives are classified as trading. All other investments are classified as other than trading.

The fair value of investments is based on the quoted price within the bid-ask spread that is most representative of fair value or based on the cash flow models using market observable inputs or unobservable inputs. Changes in the fair value of investments are included in the income statement in the period in which they arise.

Purchases and sales of investments are recognised on the trade date, which is the date that the Group commits to purchase or sell the assets, at their fair values.

(X) DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING

Derivative financial instruments include foreign exchange contracts, interest rate futures, currency and interest rate swaps, currency and interest rate options (both written and purchased) and other financial instruments that derive their value mainly from underlying interest rates, foreign exchange rates, credit or equity indices, commodity values or equity instruments.

All derivatives are initially recognised in the statement of financial position at their fair value, which usually represents their cost. They are classified as mandatorily held at FVTPL, with the method of recognising movements in this value depending on whether they are designated as hedging instruments and, if so, the nature of the item being hedged. Fair values are obtained from quoted market prices or, if these are not available, by using valuation techniques such as discounted cash flow models or option pricing models.

All derivatives are carried as assets when the fair values are positive and as liabilities when the fair values are negative. Premiums paid for derivatives are recorded as an asset on the statement of financial position at the date of purchase, representing their fair value at that date.

Derivative contracts may be traded on an exchange or over-the-counter (OTC). Exchange-traded derivatives are standardised and include certain futures and option contracts. OTC derivative contracts are individually negotiated between contracting parties and include forwards, swaps, caps and floors.

Derivatives are subject to various risks including market, liquidity and credit risk, similar to those related to the underlying financial instruments. Many OTC transactions are contracted and documented under International Swaps and Derivatives Association master agreements or their equivalent, which are designed to provide legally enforceable set-off in the event of default, reducing the Group's exposure to credit risk.

The notional or contractual amounts associated with derivative financial instruments are not recorded as assets or liabilities on the statement of financial position as they do not represent the fair value of these transactions. These amounts are disclosed in note 53(b).

The Group has collateral agreements in place between the individual Group entities and relevant counterparties. Accounting policy Z covers collateral, both received and pledged, in respect of these derivatives.

(a) Interest rate and currency swaps
Interest rate swaps are contractual agreements between two parties to exchange fixed rate and floating rate interest by means of periodic payments, calculated on a specified notional amount and defined interest rates. Most interest rate swap payments are netted against each other, with the difference between the fixed and floating rate interest payments paid by one party. Currency swaps, in their simplest form, are contractual agreements that involve the exchange of both periodic and final amounts in two different currencies.

Both types of swap contracts may include the net exchange of principal. Exposure to gain or loss on these contracts will increase or decrease over their respective lives as a function of maturity dates, interest and foreign exchange rates, and the timing of payments.

(b) Interest rate futures, forwards and options contracts
Interest rate futures are exchange-traded instruments and represent commitments to purchase or sell a designated security or money market instrument at a specified future date and price.

Interest rate forward agreements are OTC contracts in which two parties agree on an interest rate and other terms that will become a reference point in determining, in concert with an agreed notional principal amount, a net payment to be made by one party to the other, depending upon what rate prevails at a future point in time.

Interest rate options, which consist primarily of caps and floors, are interest rate protection instruments that involve the potential obligation of the seller to pay the buyer an interest rate differential in exchange for a premium paid by the buyer.

This differential represents the difference between current rate and an agreed rate applied to a notional amount. Exposure to gain or loss on all interest rate contracts will increase or decrease over their respective lives as interest rates fluctuate. Certain contracts, known as swaptions, contain features which can act as swaps or options.

(c) Foreign exchange contracts
Foreign exchange contracts, which include spot, forward and futures contracts, represent agreements to exchange the currency of one country for the currency of another country at an agreed price and settlement date.

Foreign exchange option contracts are similar to interest rate option contracts, except that they are based on currencies, rather than interest rates.

(d) Hedge accounting
The Group applies hedge accounting to certain transactions in accordance with IFRS 9, so that the financial statements represent the impact of the Group's hedging strategies for currency risk.

Hedge accounting can be applied only if all the following criteria are met:

- The hedge relationship consists only of eligible hedging instruments and hedged items;
- There is formal designation and documentation of the hedging relationship and the risk management objective and the risk management strategy; and
- The hedge relationship meets the hedge effectiveness requirements.

The Group uses net investment hedges to hedge the currency risk arising from our foreign operations (hedged item) against foreign currency borrowings (hedging instrument). Changes in the fair value of the hedging instrument is recognised in other comprehensive income in a separate reserve within equity to the extent that it is effective. Gains and losses accumulated in this reserve are transferred to the income statement on disposal or part-disposal of the foreign operation.

For derivative transactions where hedge accounting is not applied, the fair value gains and losses on these derivatives are recognised immediately in other investment income.

Accounting policies

(Y) LOANS

Loans with fixed maturities, mortgage loans on investment property, securitised mortgages and collateral loans, are recognised when cash is advanced to borrowers. Certain loans are carried at their unpaid principal balances and adjusted for amortisation of premium or discount, non-refundable loan fees and related direct costs. These amounts are deferred and amortised over the life of the loan as an adjustment to loan yield using the effective interest rate method.

As described in accounting policy T, loans are classified and measured at either amortised cost or FVTPL based on the outcome of an assessment of the business model for managing financial assets and the extent to which the financial assets' contractual cash flows are solely payment of principal and interest.

The majority of mortgage loans are measured at fair value since they're managed and evaluated on a fair value basis. The fair values of these mortgages are estimated using discounted cash flow models, based on a risk-adjusted discount rate which reflects the risks associated with these products. They are revalued at each period end, with movements in their fair values being taken to the income statement.

The impairment policy is described in accounting policy U for loans measured at amortised cost.

(Z) COLLATERAL

The Group receives and pledges collateral in the form of cash or non-cash assets in respect of stock lending transactions and certain derivative contracts and loans, in order to reduce the credit risk of these transactions. Collateral is also pledged as security for bank letters of credit. The amount and type of collateral required depends on an assessment of the credit risk of the counterparty.

Collateral received in the form of cash, which is not legally segregated from the Group, is recognised as an asset in the statement of financial position with a corresponding liability for the repayment in financial liabilities (see note 54). However, where the Group has a currently enforceable legal right of set-off and the ability and intent to settle net, the collateral liability and associated derivative balances are shown net. Non-cash collateral received is not recognised in the statement of financial position unless the transfer of the collateral meets the derecognition criteria from the perspective of the transferor.

Such collateral is typically recognised when the Group either:
(a) sells or repledges these assets in the absence of default, at which point the obligation to return this collateral is recognised as a liability; or

(b) the counterparty to the arrangement defaults, at which point the collateral is seized and recognised as an asset.

Collateral pledged in the form of cash, which is legally segregated from the Group, is derecognised from the statement of financial position with a corresponding receivable recognised for its return. Non-cash collateral pledged is not derecognised from the statement of financial position unless the Group defaults on its obligations under the relevant agreement, and therefore continues to be recognised in the statement of financial position within the appropriate asset classification.

(AA) DEFERRED ACQUISITION COSTS FOR NON-PARTICIPATING INVESTMENT CONTRACTS AND OTHER ASSETS

For non-participating investment and investment fund management contracts, incremental acquisition costs and sales enhancements that are directly attributable to securing an investment management service are deferred.

These deferred acquisition costs are amortised over the period in which the service is provided.

Deferred acquisition costs are reviewed by category of business at the end of each reporting period and are written-off where they are no longer considered to be recoverable.

Other receivables and payables are initially recognised at cost, being fair value. Subsequent to initial measurement they are measured at amortised cost.

(AB) LEASES

Where the Group is the lessee, a lease liability equal to the present value of outstanding lease payments and a corresponding right-of-use asset equal to cost are initially recognised.

The right-of-use asset is subsequently measured at amortised cost and depreciated on a straight-line basis over the length of the lease term. Depreciation on lease assets and interest on lease liabilities is recognised in the income statement.

The Group has made use of the election available under IFRS 16 to not recognise any amounts on the balance sheet associated with leases that are either deemed to be short term, or where the underlying asset is of low value. A short-term lease in this context is defined as any arrangement which has a lease term of 12 months or less. Lease payments associated with such arrangements are recognised in the income statement as an expense on a straight-line basis. The Group's total short-term and low value lease portfolio is not material.

Where the Group is the lessor, leases are classified as finance leases if the risks and rewards of ownership are substantially transferred to the lessee and operating leases if they are not substantially transferred. Lease income from operating leases is recognised in the income statement on a straight-line basis over the lease term. When assets are subject to finance leases, the present value of the lease payments, together with any unguaranteed residual value, is recognised as a receivable.

(AC) PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more probable than not that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The Group recognises provisions under a variety of circumstances including for product governance rectification, which may include customer redress, and for onerous contracts when the expected benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract.

The amount recorded as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Discounting is applied to the provision where the effect of the time value of money is material. Provisions are not recognised for future operating losses.

Restructuring provisions are recognised when the Group has a detailed formal plan and has raised a valid expectation that the restructure will be carried out, for example by announcing its main features to those affected. Costs included in restructuring provisions comprise only the direct expenditures arising from the restructuring. Costs associated with the ongoing activities of the entity are excluded.

Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Contingent liabilities are disclosed if there is a possible future obligation as a result of a past event, or if there is a present obligation as a result of a past event but either a payment is not probable or the amount cannot be reasonably estimated.

Accounting policies

(AD) EMPLOYEE BENEFITS

(a) Pension obligations

The Group operates a number of pension schemes, whose members receive benefits on either a defined benefit or defined contribution basis. Under a defined contribution plan, the Group's legal or constructive obligation is limited to the amount it agrees to contribute to a fund and there is no obligation to pay further contributions if the fund does not hold sufficient assets to pay benefits.

A defined benefit pension plan is a pension plan that is not a defined contribution plan and typically defines the amount of pension benefit that an employee will receive on retirement.

The defined benefit obligation is calculated by independent actuaries using the projected unit credit method. The pension obligation is measured as the present value of the estimated future cash outflows, using a discount rate based on market yields for high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have durations approximating to the terms of the related pension liability.

The resultant net surplus or deficit recognised as an asset or liability on the statement of financial position is the fair value of plan assets less the present value of the defined benefit obligation at the end of the reporting period.

Plan assets exclude unpaid contributions due from Group entities to the schemes, and any non-transferrable financial instruments issued by a Group entity and held by the schemes. If the fair value of plan assets exceeds the present value of the defined benefit obligation, the resultant asset is limited to the asset ceiling defined as present value of economic benefits available in the form of future refunds from the plan or reductions in contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Group.

Remeasurements of defined benefit plans comprise actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding net interest) and the effect of the asset ceiling (if any). The Group recognises remeasurements immediately in other comprehensive income and does not reclassify them to the income statement in subsequent periods.

Service costs comprising current service costs, past service costs, gains and losses on curtailments and net interest expense/income are charged or credited to the income statement.

Past service costs are recognised at the earlier of the date the plan amendment or curtailment occurs or when related restructuring costs are recognised.

The Group determines the net interest expense/income on the net defined benefit liability/asset for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the year to the net defined benefit liability/asset. Net interest expense is charged to finance costs, whereas net interest income is credited to other investment income.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension plans. Once the contributions have been paid, the Group, as employer, has no further payment obligations. The Group's contributions are charged to the income statement in the year to which they relate and are included in staff costs.

(b) Equity compensation plans

The Group offers share award and option plans over the Company's ordinary shares for certain employees, including a Save As You Earn plan (SAYE plan), details of which are given in the Directors' Remuneration Report and in note 32.

The Group accounts for options and awards under equity compensation plans, which were granted after 7 November 2002, until such time as they are fully vested, using the fair value based method of accounting (the 'fair value method').

Under this method, the cost of providing equity compensation plans is based on the fair value of the share awards or option plans at date of grant, which is recognised in the income statement over the expected vesting period of the related employees and credited to the equity compensation reserve, part of shareholders' funds. In certain jurisdictions, awards must be settled in cash instead of shares, and the credit is taken to liabilities rather than reserves. The fair value of these cash-settled awards is recalculated each year, with the income statement charge and liability being adjusted accordingly.

Shares purchased by employee share trusts to fund these awards are shown as deduction from shareholders' equity at their weighted average cost.

When the options are exercised and new shares are issued, the proceeds received, net of any transaction costs, are credited to share capital (par value) and the balance to share premium.

Where the shares are already held by employee trusts, the net proceeds are credited against the cost of these shares, with the difference between cost and proceeds being taken to retained earnings. In both cases, the relevant amount in the equity compensation reserve is then credited to retained earnings.

(AE) INCOME TAXES

The current tax expense is based on the taxable profits for the year, after any adjustments in respect of prior years. Tax, including tax relief for losses if applicable, is allocated over profits before taxation and amounts charged or credited to components of other comprehensive income and equity, as appropriate.

Provision is made for deferred tax liabilities, or credit taken for deferred tax assets, using the liability method, on all material temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

The rates enacted or substantively enacted at the statement of financial position date are used to value the deferred tax assets and liabilities.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Where there is a history of tax losses, deferred tax assets are only recognised in excess of deferred tax liabilities if there is convincing evidence that future profits will be available.

Deferred tax is provided on any temporary differences arising from investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future.

Deferred taxes are not provided in respect of temporary differences arising from the initial recognition of goodwill, or from the initial recognition of an asset or liability in a transaction which is not a business combination and affects neither accounting profit nor taxable profit or loss at the time of the transaction.

Current and deferred tax relating to items recognised in other comprehensive income and directly in equity are similarly recognised in other comprehensive income and directly in equity respectively.

Current and deferred tax includes amounts provided in respect of uncertain tax positions, where management expects it is more likely than not that an economic outflow will occur as a result of examination by a relevant tax authority. Provisions reflect management's best estimate of the ultimate liability based on their interpretation of tax law, precedent and guidance, informed by external tax advice as necessary. The final amounts of tax due may ultimately differ from management's best estimate at the balance sheet date. Changes in facts and circumstances underlying these provisions are reassessed at each balance sheet date,

Accounting policies

and the provisions are re-measured as required to reflect current information.

In addition to paying tax on shareholders' profits ('shareholder tax'), the Group's life businesses in the UK and Ireland pay tax on policyholders' investment returns ('policyholder tax') on certain products at policyholder tax rates. The incremental tax borne by the Group represents income tax on policyholder's investment return.

In jurisdictions where policyholder tax is applicable, the total tax charge in the income statement is allocated between shareholder tax and policyholder tax. The shareholder tax is calculated by applying the corporate tax rate to the shareholder profit. The difference between the total tax charge and shareholder tax is allocated to policyholder tax. This calculation methodology is consistent with the legislation relating to the calculation of tax on shareholder profits.

The Group has decided to show separately the amounts of policyholder tax to provide a meaningful measure of the tax the Group pays on its profit. In the pro forma reconciliations, the Group adjusted operating profit has been calculated after charging policyholder tax.

(AF) BORROWINGS

Borrowings are classified as being for either core structural or operational purposes. They are recognised initially at their issue proceeds less transaction costs incurred. Subsequently, most borrowings are stated at amortised cost and any difference between net proceeds and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method. All borrowing costs are expensed as they are incurred except where they are directly attributable to the acquisition or construction of property and equipment as described in accounting policy Q.

Where loan notes have been issued in connection with certain securitised mortgage loans, the Group has taken advantage of the fair value option under IFRS 9 to present them at fair value to eliminate any accounting mismatch which would otherwise arise from using different measurement bases for these items and the associated mortgages and derivative financial instruments.

The Group elects to recognise the amount of change in the fair value of borrowings attributable to changes in credit risk in the income statement, as the alternative of recognising the impact in other comprehensive income would create an accounting mismatch.

(AG) SHARE CAPITAL AND TREASURY SHARES

(a) Equity instruments

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Accordingly, a financial instrument is treated as equity if:

- There is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable from the perspective of the issuer; and
- The instrument is a non-derivative that contains no contractual obligation to deliver a variable number of shares or is a derivative that will be settled only by the Group exchanging a fixed amount of cash or other assets for a fixed number of the Group's own equity instruments.

(b) Share issue costs

Incremental external costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds of the issue and disclosed where material.

(c) Dividends

Interim dividends on ordinary shares are recognised in equity in the period in which they are paid. Final dividends on these shares are recognised when they have been approved by shareholders. Dividends on preference shares are recognised in the period in which they are declared and appropriately approved.

(d) Treasury shares

Where the Company or its subsidiaries purchase the Company's share capital or obtain rights to purchase its share capital, the consideration paid (including any attributable transaction costs net of income taxes) is shown as a deduction from total shareholders' equity. Gains and losses on own shares are charged or credited to the treasury share account in equity.

(AH) FIDUCIARY ACTIVITIES

Assets and income arising from fiduciary activities, together with related undertakings to return such assets to customers, are excluded from these financial statements where the Group has no contractual rights in the assets and acts in a fiduciary capacity such as nominee, trustee or agent.

(AI) EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the year, excluding the weighted average number of treasury shares.

Earnings per share has also been calculated on Group adjusted operating profit attributable to ordinary shareholders (see accounting policy B), net of tax attributable to shareholders' profits, amounts attributable to non-controlling interests, preference dividends (excluding special dividends) and coupon payments on the tier 1 notes, as the directors believe this figure provides a better indication of operating performance. Details are given in note 14.

For the diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares, such as convertible debt and share options granted to employees.

Potential or contingent share issuances are treated as dilutive when their conversion to shares would decrease net earnings per share components.

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CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2025

	Note	**2025 £m**	2024 £m
Insurance revenue	4	**25,437**	20,747
Insurance service expense		**(22,197)**	(18,240)
Net expense from reinsurance contracts		**(980)**	(689)
Insurance service result		**2,260**	1,818
Investment return		**32,932**	19,882
Net finance expense from insurance contracts and participating investment contracts		**(7,393)**	(1,121)
Net finance income/(expense) from reinsurance contracts		**281**	(168)
Movement in non-participating investment contract liabilities		**(23,330)**	(17,124)
Investment expense attributable to unitholders		**(1,326)**	(1,179)
Net financial result	5	**1,164**	290
Fee and commission income	6	**1,467**	1,410
Share of profit after tax of joint ventures and associates		**128**	136
Profit on disposal and remeasurement of subsidiaries, joint ventures and associates		**—**	195
Other operating expenses		**(2,627)**	(2,200)
Other net foreign exchange (losses)/gains		**(71)**	109
Other finance costs	8	**(478)**	(491)
Profit before tax		**1,843**	1,267
Tax attributable to policyholders' returns		**(403)**	(270)
Profit before tax attributable to shareholders' profits		**1,440**	997
Tax expense	13	**(789)**	(562)
Less: tax attributable to policyholders' returns		**403**	270
Tax attributable to shareholders' profits		**(386)**	(292)
Profit for the year		**1,054**	705
Attributable to:			
Equity holders of Aviva plc		**924**	683
Non-controlling interests	38	**130**	22
Profit for the year		**1,054**	705
Earnings per share	14		
Basic (pence per share)		**26.9**	23.6
Diluted (pence per share)		**26.5**	23.3

The above consolidated income statement should be read in conjunction with the accounting policies and accompanying notes to the financial statements.

Consolidated financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Note	**2025 £m**	2024 £m
Profit for the year		**1,054**	705
Other comprehensive income:			
Items that may be reclassified subsequently to income statement			
Foreign exchange rate movements		**(117)**	(107)
Aggregate tax effect – shareholder tax on items that may be reclassified subsequently to income statement	13(b)	**10**	(10)
Items that will not be reclassified to income statement			
Remeasurements of pension schemes	44(b)(i)	**108**	(386)
Aggregate tax effect – shareholder tax on items that will not be reclassified subsequently to income statement	13(b)	**(28)**	141
Total other comprehensive loss, net of tax		**(27)**	(362)
Total comprehensive income for the year		**1,027**	343
Attributable to:			
Equity holders of Aviva plc		**904**	324
Non-controlling interests		**123**	19
Total comprehensive income for the year		**1,027**	343

The above consolidated statement of comprehensive income should be read in conjunction with the accounting policies and accompanying notes to the financial statements.

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RECONCILIATION OF GROUP ADJUSTED OPERATING PROFIT TO PROFIT FOR THE YEAR

For the year ended 31 December 2025

	Note	**2025 £m**	2024 £m
Group adjusted operating profit		**2,203**	1,767
Adjusted for the following:			
Investment variances and economic assumptions	9	**(117)**	(666)
Amortisation of intangibles acquired in business combinations		**(111)**	(61)
Amortisation of acquired value of in-force business		**(55)**	(52)
Integration and restructuring costs		**(360)**	(217)
Profit on disposal and remeasurement of subsidiaries, joint ventures and associates		**—**	195
Other[1]		**(120)**	31
Adjusting items before tax		**(763)**	(770)
Profit before tax attributable to shareholders' profits		**1,440**	997
Tax on Group adjusted operating profit		**(519)**	(407)
Tax on other activities		**133**	115
Tax attributable to shareholders' profits	13	**(386)**	(292)
Profit for the year		**1,054**	705

1. See Group adjusted operating profit in 'Other information' for further detail

The above reconciliation of Group adjusted operating profit to profit for the year should be read in conjunction with the accounting policies and accompanying notes to the financial statements.

Consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Ordinary share capital Note 31 £m	Preference share capital Note 34 £m	Capital reserves Notes 36 £m	Treasury shares Note 33 £m	Other reserves Note 37 £m	Retained earnings Note 36 £m	Tier 1 notes Note 35 £m	Total equity excluding non-controlling interests[1] £m	Non-controlling interests Note 38 £m	Total equity £m
Balance at 1 January	**881**	**200**	**5,285**	**(81)**	**136**	**1,388**	**496**	**8,305**	**316**	**8,621**
Profit for the year	—	—	—	—	—	924	—	924	130	1,054
Other comprehensive (loss)/income	—	—	—	—	(100)	80	—	(20)	(7)	(27)
Total comprehensive income/(loss) for the year	—	—	—	—	(100)	1,004	—	904	123	1,027
Dividends and appropriations	—	—	—	—	—	(1,097)	—	(1,097)	—	(1,097)
Forfeited dividends	—	—	—	—	—	2	—	2	—	2
Non-controlling interests share of dividends declared in the year, excluding special dividends	—	—	—	—	—	—	—	—	(20)	(20)
Direct Line Acquisition										
Acquisition of Direct Line	124	—	2,198	—	—	—	—	2,322	—	2,322
Non-controlling interests in acquired subsidiaries[2]	—	—	—	—	—	—	—	—	343	343
Preference shares and Tier 1 notes										
Preference share cancellation[3]	—	(200)	—	—	—	—	—	(200)	(250)	(450)
Special dividends paid to preference shareholders of Aviva plc and GA plc[3]	—	—	—	—	—	(94)	—	(94)	(109)	(203)
Issue of tier 1 notes[4]	—	—	—	—	—	—	496	496	—	496
Other movements										
Reserves credit for equity compensation plans	—	—	—	—	74	—	—	74	—	74
Shares purchased under equity compensation plans	1	—	—	38	(88)	2	—	(47)	—	(47)
Aggregate tax effect - shareholder tax	—	—	—	—	—	21	—	21	—	21
Balance at 31 December	**1,006**	**—**	**7,483**	**(43)**	**22**	**1,226**	**992**	**10,686**	**403**	**11,089**

1. IFRS Shareholders' equity of £9,694 million (2024: £7,609 million) is equity attributable to shareholders of Aviva plc and includes ordinary share capital, capital reserves, treasury shares, other reserves and retained earnings

2. Includes Direct Line's Tier 1 notes classified within non-controlling interests at the date of acquisition. See note 2(a) for further detail.

3. Following the outcome of a tender offer and cancellation process launched on 11 March 2025 and the subsequent approval by court orders, the Group's £450 million preference share capital was reduced to nil. See Notes 34 and 38 for further detail on the Aviva plc and General Accident (GA) plc preference shares respectively.

4. On 31 March 2025, Aviva plc issued £500 million of 7.750% fixed rate reset perpetual Restricted Tier 1 contingent convertible notes

Consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Ordinary share capital Note 31 £m	Preference share capital Note 34 £m	Capital reserves Notes 36 £m	Treasury shares Note 33 £m	Other reserves Note 37 £m	Retained earnings Note 36 £m	Tier 1 notes Note 35 £m	Total equity excluding non-controlling interests[1] £m	Non-controlling interests Note 38 £m	Total equity £m
Balance at 1 January	901	200	5,265	(87)	279	2,228	496	9,282	318	9,600
Profit for the year	—	—	—	—	—	683	—	683	22	705
Other comprehensive loss	—	—	—	—	(114)	(245)	—	(359)	(3)	(362)
Total comprehensive (loss)/income for the year	—	—	—	—	(114)	438	—	324	19	343
Dividends and appropriations	—	—	—	—	—	(972)	—	(972)	—	(972)
Shares purchased in buyback	(20)	—	20	—	—	(300)	—	(300)	—	(300)
Non-controlling interests share of dividends declared in the year	—	—	—	—	—	—	—	—	(21)	(21)
Other movements										
Reserves credit for equity compensation plans	—	—	—	—	61	—	—	61	—	61
Shares purchased under equity compensation plans	—	—	—	6	(48)	(27)	—	(69)	—	(69)
Movements attributable to disposals of subsidiaries, joint ventures and associates	—	—	—	—	(21)	—	—	(21)	—	(21)
Owner-occupied properties fair value gains transferred to retained earnings on disposals	—	—	—	—	(21)	21	—	—	—	—
Balance at 31 December	881	200	5,285	(81)	136	1,388	496	8,305	316	8,621

1. IFRS Shareholders' equity of £7,609 million (1 January 2024: £8,586 million) is equity attributable to shareholders of Aviva plc and includes ordinary share capital, capital reserves, treasury shares, other reserves and retained earnings

The above consolidated statement of changes in equity should be read in conjunction with the accounting policies and accompanying notes to the financial statements.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Note	**2025 £m**	2024 £m
Assets			
Goodwill	16	**4,425**	2,584
Acquired value of in-force business and intangible assets	17	**2,080**	1,131
Interests in, and loans to, joint ventures	18	**1,274**	1,257
Interests in, and loans to, associates	19	**18**	38
Property and equipment	20	**526**	355
Investment property	21	**6,987**	6,313
Loans	24	**30,847**	30,553
Financial investments	27	**303,406**	263,979
Reinsurance contract assets	39	**11,871**	9,700
Reinsurance assets for non-participating investment contracts	40	**5,770**	5,280
Deferred tax assets	42	**59**	614
Current tax assets	42	**213**	146
Receivables	28	**4,915**	3,813
Deferred acquisition costs on non-participating investment contracts	29	**834**	821
Pension surpluses and other assets	30	**596**	461
Prepayments and accrued income	30	**3,194**	3,357
Cash and cash equivalents	51	**18,289**	23,481
Total assets		**395,304**	353,883
Equity			
Ordinary share capital	31	**1,006**	881
Preference share capital	34	**—**	200
Share Capital		**1,006**	1,081
Share premium	36	**17**	17
Capital redemption reserve	36	**44**	44
Merger reserve	36	**7,422**	5,224
Capital reserves		**7,483**	5,285
Treasury shares	33	**(43)**	(81)
Other reserves	37	**22**	136
Retained earnings	36	**1,226**	1,388
Equity attributable to shareholders of Aviva plc		**9,694**	7,809
Tier 1 notes	35	**992**	496
Equity excluding non-controlling interests		**10,686**	8,305
Non-controlling interests	38	**403**	316
Total equity		**11,089**	8,621
Liabilities			
Insurance contract and participating investment contract liabilities	39	**132,855**	124,151
Non-participating investment contract liabilities	40	**208,399**	179,142
Net asset value attributable to unitholders		**17,630**	17,333
Pension deficits and other provisions	43	**918**	726
Deferred tax liabilities	42	**481**	345
Current tax liabilities	42	**8**	1
Borrowings	45	**5,588**	5,612
Payables and other financial liabilities	46	**15,418**	14,655
Other liabilities	47	**2,918**	3,297
Total liabilities		**384,215**	345,262
Total equity and liabilities		**395,304**	353,883

Approved by the Board on 4 March 2026

Charlotte Jones
Chief Financial Officer

Company number: 02468686

The above consolidated statement of financial position should be read in conjunction with the accounting policies and accompanying notes to the financial statements.

Consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

The cash flows presented in this statement cover all the Group's activities and include flows from both policyholder and shareholder activities. All cash and cash equivalents are available for use by the Group.

	Note	**2025 £m**	2024 £m
Cash flows from operating activities			
Cash (used in)/generated from operating activities[1]	51(a)	**(2,425)**	8,688
Tax paid		**(138)**	(243)
Total net cash (used in)/generated from operating activities		**(2,563)**	8,445
Cash flows from investing activities			
Acquisitions of, and additions to, subsidiaries, joint ventures and associates, net of cash acquired	51(c)	**(967)**	(760)
of which: Acquisition of Direct Line, net of cash acquired	51(c)	**(938)**	—
Disposals of subsidiaries, joint ventures and associates, net of cash transferred	51(d)	**16**	1,095
Purchases of property and equipment		**(93)**	(50)
Purchases of intangible assets		**(98)**	(123)
Total net cash (used in)/generated from investing activities		**(1,142)**	162
Cash flows from financing activities			
Proceeds from issue of ordinary shares	31	**1**	—
Shares purchased in buyback	31	**—**	(300)
Treasury shares purchased for employee trusts		**(25)**	(53)
Dividends paid to non-controlling interests of subsidiaries		**(20)**	(21)
Ordinary dividends paid	15	**(1,034)**	(921)
Repayment of leases		**(60)**	(60)
Preference shares			
Preference dividends paid	15	**(9)**	(17)
Cancellation of preference share capital[2]		**(452)**	—
Special dividends paid to Aviva plc preference shareholders[2]		**(94)**	—
Special dividends paid to GA plc preference shareholders[2]		**(109)**	—
Borrowings			
Interest paid on borrowings		**(305)**	(328)
New borrowings drawn down, net of expenses		**733**	640
Repayment of borrowings[3]		**(1,105)**	(1,400)
Net repayment of borrowings		**(372)**	(760)
Tier 1 Notes			
Coupon payments on tier 1 notes	15	**(54)**	(34)
Issue of tier 1 notes[4]	35	**496**	—
Total net cash used in financing activities		**(2,037)**	(2,494)
Total net (decrease)/increase in cash and cash equivalents		**(5,742)**	6,113
Cash and cash equivalents at 1 January		**22,553**	16,652
Effect of exchange rate changes on cash and cash equivalents		**210**	(212)
Cash and cash equivalents at 31 December	51(e)	**17,021**	22,553

1. Cash flows from operating activities include interest received of £6,269 million (2024: £5,420 million) and dividends received of £2,734 million (2024: £2,829 million)
2. Following the outcome of a tender offer and cancellation process launched on 11 March 2025 by the Group in relation to its £450 million preference share capital, cancellation of the preference shares reducing the number of Aviva plc and GA plc preference shares in issue to nil was approved by court orders on 13 May 2025 and 5 June 2025 respectively. The cancellation resulted in a £200 million reduction in the Group's preference share capital attributable to Aviva plc and £252 million reduction in the Group's non-controlling interest attributable to GA plc. Further this resulted in a £94 million reduction in retained earnings and £109 million reduction in non-controlling interests arising from special dividends paid to preferences shareholders of both entities upon cancellation.
3. Repayment of borrowings includes the redemption of £787 million (2024: £1,095 million) subordinated debt and senior notes
4. On 31 March 2025, Aviva plc issues £500 million of 7.750% fixed rate reset perpetual Restricted Tier 1 contingent convertible notes

The above consolidated statement of cash flows should be read in conjunction with the accounting policies and accompanying notes to the financial statements.

Notes to the consolidated financial statements

1 - EXCHANGE RATES

The Group's principal overseas operations during the year were located within the Eurozone and Canada. The results and cash flows of these operations have been translated into sterling at the average rates for the year, and the assets and liabilities have been translated at the year end rates as follows:

	2025 £	2024 £
Eurozone		
Average rate (€1 equals)	**0.86**	0.85
Year end rate (€1 equals)	**0.87**	0.83
Canada		
Average rate ($CAD1 equals)	**0.54**	0.57
Year end rate ($CAD1 equals)	**0.54**	0.55

2 - STRATEGIC TRANSACTIONS

Acquisition of Direct Line Insurance Group plc

On 1 July 2025 the Group acquired 100% of the issued share capital of the Direct Line Insurance Group plc (Direct Line) in exchange for total consideration of £4.0 billion. The consideration consisted of £1.7 billion of cash, funded from Aviva's own resources, and the issue of 378 million Aviva plc shares to Direct Line shareholders.

The acquisition has resulted in a leading UK Personal Lines franchise, accelerated the Group's pivot towards capital-light business, and further expanded customer reach delivering material cost and capital synergies.

The total consideration of £4.0 billion represents the consideration paid to acquire £2.1 billion of net assets attributable to shareholders of Direct Line Insurance Group Plc and £1.8 billion of goodwill recognised on acquisition. The net assets acquired include the impact of aligning the valuation of insurance contract liabilities and reinsurance contract assets with Group accounting policies. The balance sheet values are subject to review during the remeasurement period of up to 12 months after the acquisition date as permitted by IFRS 3 Business Combinations. The following table summarises the consideration for the acquisition, the fair value of the assets acquired, liabilities assumed and resulting allocation to goodwill.

	Fair Value £m
Assets	
Software intangibles	**84**
Brand, customer and distribution intangibles arising on acquisition	**985**
Property and equipment	**115**
Investment property	**294**
Loans	**337**
Financial investments	**3,921**
Reinsurance contract assets	**1,555**
Current tax assets	**137**
Cash and cash equivalents	**833**
Other assets	**231**
Total identifiable assets	**8,492**
Liabilities	
Insurance contract liabilities	**5,042**
Pension deficits and other provisions[1]	**130**
Deferred tax liabilities	**76**
Borrowings	**242**
Other liabilities	**589**
Total identifiable liabilities	**6,079**
Net identifiable assets acquired	**2,413**
Less: non-controlling interests (NCI)[2]	**(343)**
Net identifiable assets attributable to shareholders	**2,070**
Goodwill arising on acquisition	**1,836**
Fair value of consideration exchanged for acquired net assets	**3,906**
Fair value of Group net assets related to pre-existing relationships[3]	**127**
Consideration	**4,033**

1. Includes full provision for costs associated with the PRA's investigation of Direct Line's misreporting of Solvency II Own Funds for the year ended 2023
2. Following the acquisition of Direct Line non-controlling interests include £350 million of 4.75% fixed-rate perpetual Restricted Tier 1 contingent convertible notes (the RT1 notes). which were issued by Direct Line on 7 December 2017. The RT1 notes are callable at par on 7 December 2027 (the First Call Date) and thereafter every five years after the First Call Date. If not called, the coupon from 7 December 2027 will be reset to the prevailing five year mid-swap rate plus 3.394%. The notes have no fixed maturity date. Optional cancellation of the coupon payments is at the discretion of Direct Line. The RT1 notes are therefore treated as equity and recognised within non-controlling interest at their acquisition date fair value of £343 million.
3. The purchase consideration is adjusted for the settlement of pre-existing balances between Aviva and Direct Line in respect of insurance contract liabilities arising from a buy-in contract held by the Direct Line staff pension scheme and the net asset value attributable to unit holders in respect of a Direct Line investment into an Aviva Investors money market fund

Notes to the consolidated financial statements

Goodwill and intangible assets
Intangible assets of £1,069 million were recognised upon acquisition representing the fair value of existing software intangibles, the value of the Direct Line brands as well as the future revenue streams from renewals of Direct Line's existing personal lines business and from the distribution contracts in place. They will be amortised over their useful economic life in accordance with the Group's accounting policies (along with the corresponding release of the deferred tax liability).

The residual goodwill on acquisition of £1,836 million, none of which is expected to be deductible for tax purposes, reflects the future capital, expense and other synergies expected to arise from combining the operations of Direct Line with those of the Group as well as the value of the workforce in place and other future business value.

Profit and Loss
From 1 July to 31 December 2025, Direct Line contributed £3,071 million to the Group's insurance revenue and £24 million to profit before tax.

Insurance revenue for the period includes £1,096 million relating to insurance contracts acquired while still in their settlement period which, as required by IFRS 17 Insurance Contracts, are reclassified to liabilities for remaining coverage and the fair value of the liabilities is recognised as revenue over the period to settlement (as opposed to revenue from new contracts issued to customers).

Profit before tax of £24 million, reflects the impact of adjustments made to the acquired balance sheet at 1 July 2025 to align Direct Line results to the Group's accounting policies and also includes:

- integration and restructuring costs to integrate Direct line into the Group;
- amortisation of intangibles arising on acquisition; and
- the timing differences in profit recognition on acquired claims in settlement arising from the measurement under the GMM.

Had Direct Line been acquired on 1 January 2025, the Group has estimated that Direct Line's full-year pro-forma contribution to IFRS insurance revenue and profit before tax would have resulted in total Group insurance revenue of approximately £28,508 million and profit before tax of approximately £1,542 million respectively. To determine these pro-forma amounts, Direct Line's actual post-acquisition 6-month contribution has been doubled, except the pre-acquisition amounts on this basis exclude:

- the impact of investment variances and changes in economic assumptions;
- integration and restructuring costs; and
- the timing differences in profit recognition on acquired claims in settlement arising from the measurement under the GMM.

These illustrative pro-forma results are provided for IFRS reporting purposes only and, due to differences in fair values between the start of the period and the acquisition date, are not indicative of what insurance revenue or profit before tax would have been if the acquisition had occurred on 1 January 2025.

Acquisition costs of £74 million related to legal and professional fees incurred to support the acquisition, stamp duty and bridge facility fees have been incurred and have been recognised within Other operating expenses in the income statement.

3 - SEGMENTAL INFORMATION

The Group's results can be segmented either by activity or by geography. Our primary reporting format is along business unit reporting lines, with supplementary information being given by business activity. This note provides segmental information on the consolidated income statement.

Financial performance of our key business units are presented as General Insurance (which brings together our UK & Ireland General Insurance businesses and Canada General Insurance), Insurance, Wealth and Retirement (IWR) and Aviva Investors. Our international businesses are presented as International investments (consisting of our interests in India and China).

(a) Operating segments
General Insurance
UK & Ireland
The principal activities of our UK & Ireland General Insurance operations are the provision of insurance cover to individuals and businesses for risks associated mainly with motor vehicles, property and liability (such as employers' liability and professional indemnity liability). The results of Direct Line are included for the period 1 July to 31 December 2025, following acquisition on 1 July 2025.

Canada
The principal activity of our Canada General Insurance operation is the provision of personal and commercial lines insurance products for risks associated mainly with motor, property and liability principally distributed through insurance brokers.

Insurance, Wealth & Retirement (IWR)
The principal activities of our IWR operations are the provision of a range of products to individuals and businesses across Insurance (life insurance, long-term health and accident insurance), Wealth (savings and investments) and Retirement (pensions, annuities and lifetime mortgage business).

Aviva Investors
Aviva Investors manages policyholders' and shareholders' invested funds, provides investment management services for institutional pension fund mandates and manages a range of retail investment products. We offer clients solutions across a broad range of asset classes including fixed income, equities, multi-asset, real estate and infrastructure. Clients include Aviva Group businesses and third-party financial institutions, pension funds, public sector organisations, investment professionals and private investors.

International investments
International investments comprise our long-term business operations in India and China. In India, the Group has a 74% shareholding in Aviva India. In China, Aviva plc have a 50% shareholding in Aviva-COFCO Life Insurance Company Limited. On 18 March 2024 the Group announced that it had completed the sale of its entire 24.19% shareholding in Aviva SingLife Holdings Pte Ltd. Aviva SingLife was included within the results of the Group up to the date of completion.

Notes to the consolidated financial statements

Other Group activities
Other Group activities includes investment return on centrally held assets, head office (Corporate centre) expenses such as Group treasury and finance functions, financing costs arising on central borrowings, the elimination entries for certain inter-segment transactions and group consolidation adjustments.

Measurement basis
The accounting policies of the segments are the same as those for the Group as a whole. Any transactions between the business segments are subject to normal commercial terms and market conditions. The Group evaluates performance of operating segments on the basis of:

- profit or loss from operations before tax attributable to shareholders; and
- profit or loss from operations before tax attributable to shareholders, adjusted for non-operating items, including investment market performance.

(i) Segmental income statement for the year ended 31 December 2025

	UK & Ireland General Insurance[1] £m	Canada General Insurance £m	Insurance, Wealth & Retirement (IWR) £m	Aviva Investors £m	International investments (India and China) £m	Other Group activities £m	Total £m
Insurance revenue[2]	11,095	4,372	9,885	—	104	(19)	25,437
Insurance service expense	(9,674)	(3,871)	(8,559)	—	(104)	11	(22,197)
Net expense from reinsurance contracts	(543)	(165)	(262)	—	—	(10)	(980)
Insurance service result	878	336	1,064	—	—	(18)	2,260
Investment return[2]	692	210	30,416	14	99	1,501	32,932
Net finance (expense)/income from insurance contracts and participating investment contracts	(497)	(150)	(6,660)	—	(96)	10	(7,393)
Net finance income/(expense) from reinsurance contracts	129	11	146	—	—	(5)	281
Movement in non-participating investment contract liabilities	—	—	(23,330)	—	—	—	(23,330)
Investment expense attributable to unitholders	—	—	—	—	—	(1,326)	(1,326)
Net financial result	324	71	572	14	3	180	1,164
Fee and commission income[2]	106	26	1,205	123	—	7	1,467
Inter-segment revenue	—	—	—	276	—	—	276
Share of (loss)/profit after tax of joint ventures and associates[2]	(4)	1	45	—	88	(2)	128
Other operating expenses	(319)	(67)	(1,347)	(386)	(3)	(505)	(2,627)
Other net foreign exchange losses	(21)	—	—	—	—	(50)	(71)
Other finance costs	(4)	(6)	(191)	—	—	(277)	(478)
Inter-segment expenses	(11)	(7)	(251)	—	—	(7)	(276)
Profit/(loss) before tax	949	354	1,097	27	88	(672)	1,843
Tax attributable to policyholders' returns	—	—	(403)	—	—	—	(403)
Profit/(loss) before tax attributable to shareholders' profits	949	354	694	27	88	(672)	1,440
Adjusting items:							
Reclassification of unallocated interest	1	13	(16)	—	—	2	—
Investment variances and economic assumption changes	(91)	26	133	—	(28)	77	117
Amortisation of intangibles acquired in business combinations	75	15	21	—	—	—	111
Amortisation of acquired value of in-force business	—	—	55	—	—	—	55
Integration and restructuring costs	114	—	191	20	—	35	360
Other	29	—	—	—	—	91	120
Group adjusted operating profit/(loss) before tax attributable to shareholders' profits	1,077	408	1,078	47	60	(467)	2,203

1. UK & Ireland General Insurance includes the results of Direct Line for the period from 1 July to 31 December 2025 as well as the related integration and restructuring costs. The impact on income statement presentation of applying acquisition accounting to acquired claims in settlement is explained in note 39(b)(iii).

2. Total reported income, excluding inter-segment revenue, includes £53,651 million from the United Kingdom (Aviva plc's country of domicile). Income is attributed on the basis of geographical origin which does not differ materially from revenue by geographical destination, as most risks are located in the countries where the contracts were written.

Notes to the consolidated financial statements

(ii) Segmental income statement for year ended 31 December 2024

	UK & Ireland General Insurance £m	Canada General Insurance £m	Insurance, Wealth & Retirement (IWR) £m	Aviva Investors £m	International investments (India and China) £m	Other Group activities £m	Total £m
Insurance revenue[1]	7,388	4,326	8,973	—	78	(18)	20,747
Insurance service expense	(6,252)	(4,117)	(7,800)	—	(82)	11	(18,240)
Net (expense)/income from reinsurance contracts	(519)	43	(219)	—	—	6	(689)
Insurance service result	617	252	954	—	(4)	(1)	1,818
Investment return[1]	424	304	17,720	17	142	1,275	19,882
Net finance expense from insurance contracts and participating investment contracts	(144)	(209)	(630)	—	(130)	(8)	(1,121)
Net finance (expense)/income from reinsurance contracts	—	15	(212)	—	—	29	(168)
Movement in non-participating investment contract liabilities	—	—	(17,123)	—	—	(1)	(17,124)
Investment expense attributable to unitholders	—	—	—	—	—	(1,179)	(1,179)
Net financial result	280	110	(245)	17	12	116	290
Fee and commission income[1]	59	27	1,192	127	—	5	1,410
Inter-segment revenue	—	—	—	259	—	—	259
Share of profit after tax of joint ventures and associates[2]	—	1	48	—	87	—	136
Profit on disposal and remeasurement of subsidiaries, joint ventures and associates	—	—	—	—	—	195	195
Other operating expenses	(104)	(65)	(1,245)	(384)	1	(403)	(2,200)
Other net foreign exchange gains	4	—	—	—	—	105	109
Other finance costs	(1)	(7)	(212)	—	—	(271)	(491)
Inter-segment expenses	(11)	(6)	(240)	—	—	(2)	(259)
Profit/(loss) before tax	844	312	252	19	96	(256)	1,267
Tax attributable to policyholders' returns	—	—	(270)	—	—	—	(270)
(Loss)/profit before tax attributable to shareholders' profits	844	312	(18)	19	96	(256)	997
Adjusting items:							
Reclassification of unallocated interest	1	17	(19)	—	—	1	—
Investment variances and economic assumption changes	(150)	(57)	898	—	(48)	23	666
Amortisation of intangibles acquired in business combinations	3	15	43	—	—	—	61
Amortisation of acquired value of in-force business	—	—	52	—	—	—	52
Profit on disposal and remeasurement of subsidiaries, joint ventures and associates	—	—	—	—	—	(195)	(195)
Integration and restructuring costs	—	—	173	21	—	23	217
Other	10	1	(58)	—	—	16	(31)
Group adjusted operating profit before tax attributable to shareholders' profits	708	288	1,071	40	48	(388)	1,767

1. Total reported income, excluding inter-segment revenue, includes £35,119 million from the United Kingdom (Aviva plc's country of domicile). Income is attributed on the basis of geographical origin which does not differ materially from revenue by geographical destination, as most risks are located in the countries where the contracts were written.

(b) Further analysis by products and services

The Group's results can be further analysed by products and services which comprise long-term business, general insurance and health, fund management and other activities.

Long-term business

Our long-term business comprises life insurance, savings, pensions and annuity business written by our life insurance subsidiaries, including managed pension fund business. Long-term business also includes our share of the other life and related business written in our associates and joint ventures, as well as lifetime mortgage business written in the UK.

General insurance and health

Our general insurance and health business provides insurance cover to individuals and to small and medium-sized businesses, for risks associated mainly with motor vehicles, property and liability, such as employers' liability and professional indemnity liability, and medical expenses.

Notes to the consolidated financial statements

Fund management
Aviva Investors manages policyholders' and shareholders' invested funds, provides investment management services for institutional pension fund mandates and manages a range of retail investment products. We offer clients solutions across a broad range of asset classes including fixed income, equities, multi-asset, real estate and infrastructure. Clients include Aviva Group businesses, third-party financial institutions, pension funds, public sector organisations, investment professionals and private investors.

Other
Other includes service companies, head office expenses such as Group treasury and finance functions, and certain financing costs and taxes not allocated to business segments and elimination entries for certain inter-segment transactions and group consolidation adjustments.

(i) Segmental income statement - product and services for the year ended 31 December 2025

	General insurance and health[1] £m	Long-term business £m	Fund management £m	Other £m	Total £m
Insurance revenue	16,241	9,215	—	(19)	25,437
Insurance service expense	(14,261)	(7,947)	—	11	(22,197)
Net expense from reinsurance contracts	(708)	(262)	—	(10)	(980)
Insurance service result	1,272	1,006	—	(18)	2,260
Investment return	908	30,509	14	1,501	32,932
Net finance (expense)/income from insurance contracts and participating investment contracts	(647)	(6,756)	—	10	(7,393)
Net finance income/(expense) from reinsurance contracts	140	146	—	(5)	281
Movement in non-participating investment contract liabilities	—	(23,330)	—	—	(23,330)
Investment expense attributable to unitholders	—	—	—	(1,326)	(1,326)
Net financial result	401	569	14	180	1,164
Fee and commission income	141	1,196	123	7	1,467
Inter-segment revenue	—	—	276	—	276
Share of (loss)/profit after tax of joint ventures and associates	(3)	133	—	(2)	128
Other operating expenses	(386)	(1,350)	(386)	(505)	(2,627)
Other net foreign exchange losses	(21)	—	—	(50)	(71)
Other finance costs	(10)	(191)	—	(277)	(478)
Inter-segment expenses	(18)	(251)	—	(7)	(276)
Profit/(loss) before tax	1,376	1,112	27	(672)	1,843
Tax attributable to policyholders' returns	—	(403)	—	—	(403)
Profit/(loss) before tax attributable to shareholders' profits	1,376	709	27	(672)	1,440
Adjusting items	182	356	20	205	763
Group adjusted operating profit/(loss) before tax attributable to shareholders' profits	1,558	1,065	47	(467)	2,203

1. General insurance and health product segment includes the results of Direct Line for the period from 1 July to 31 December 2025 as well as the related integration and restructuring costs. This segment also includes insurance revenue of £774 million relating to health business. The impact on income statement presentation of applying acquisition accounting to acquired claims in settlement is explained in note 39(b)(iii).

Notes to the consolidated financial statements

(ii) Segmental income statement - product and services for the year ended 31 December 2024

	General insurance and health[1] £m	Long-term business £m	Fund management £m	Other £m	Total £m
Insurance revenue	12,426	8,339	—	(18)	20,747
Insurance service expense	(11,026)	(7,225)	—	11	(18,240)
Net expense from reinsurance contracts	(476)	(219)	—	6	(689)
Insurance service result	924	895	—	(1)	1,818
Investment return	728	17,862	17	1,275	19,882
Net expense from insurance contracts and participating investment contracts	(353)	(760)	—	(8)	(1,121)
Net finance (expense)/income from reinsurance contracts	15	(212)	—	29	(168)
Movement in non-participating investment contract liabilities	—	(17,123)	—	(1)	(17,124)
Investment expense attributable to unitholders	—	—	—	(1,179)	(1,179)
Net financial result	390	(233)	17	116	290
Fee and commission income	91	1,187	127	5	1,410
Inter-segment revenue	—	—	259	—	259
Share of profit after tax of joint ventures and associates	1	135	—	—	136
(Loss)/profit on disposal and remeasurement of subsidiaries, joint ventures and associates	—	—	—	195	195
Other operating expenses	(160)	(1,253)	(384)	(403)	(2,200)
Other net foreign exchange (losses)/gains	4	—	—	105	109
Other finance costs	(8)	(212)	—	(271)	(491)
Inter-segment expenses	(17)	(240)	—	(2)	(259)
Profit/(loss) before tax	1,225	279	19	(256)	1,267
Tax attributable to policyholders' returns	—	(270)	—	—	(270)
Profit/(loss) before tax attributable to shareholders' profits	1,225	9	19	(256)	997
Adjusting items	(163)	1,044	21	(132)	770
Group adjusted operating profit/(loss) before tax attributable to shareholders' profits	1,062	1,053	40	(388)	1,767

1. General insurance and health product segment includes insurance revenue of £712 million relating to health business. The remaining segment relates to property and liability insurance.

4 - INSURANCE REVENUE

This note analyses the insurance revenue recognised in relation to our insurance contracts and participating investment contracts (which are described in note 39).

Insurance revenue for the year ended 31 December comprised:

	Life Risk £m	**Participating £m**	**Non-Life £m**	**2025 Total £m**	Life Risk £m	Participating £m	Non-Life £m	2024 Total £m
Amounts relating to changes in liabilities for remaining coverage								
CSM recognised for services provided	**888**	**150**	**8**	**1,046**	821	178	1	1,000
Change in risk adjustment for non-financial risk for risk expired	**122**	**4**	**83**	**209**	109	3	1	113
Expected incurred claims and other insurance service expenses	**7,163**	**293**	**1,061**	**8,517**	6,522	264	11	6,797
Other[1]	**—**	**229**	**—**	**229**	—	81	—	81
Recovery of insurance acquisition cashflows	**341**	**6**	**—**	**347**	336	7	—	343
Contracts not measured under the PAA	**8,514**	**682**	**1,152**	**10,348**	7,788	533	13	8,334
Contracts measured under the PAA	**—**	**—**	**15,089**	**15,089**	—	—	12,413	12,413
Total insurance revenue	**8,514**	**682**	**16,241**	**25,437**	7,788	533	12,426	20,747

1. Other in 2024 includes a gain of £68 million relating to a revision to the 2023 restatement in respect of accounting processes for with-profit funds. Both 2025 and 2024 also include revenue recognised for incurred policyholder tax expenses on participating business.

For non-life contracts measured under the PAA, amounts recognised in insurance revenue are based on the expected premiums earned in the year.

Non-life acquired claims in settlement are classified under IFRS 17 as liabilities for remaining coverage and measured under the General Measurement Model (GMM).

The increase since the prior year in insurance service revenue for non-life contracts measured under both the PAA and GMM primarily reflect the acquisition of Direct Line Insurance Group on the 1st July 2025. Further detail on the treatment of the claims in settlement on acquisition can be found in 39(b)(iii)

Notes to the consolidated financial statements

5 - NET FINANCIAL RESULT

This note analyses the Group's net financial results in profit or loss. This analysis is provided by reportable product groups for insurance and participating investment contracts, which are explained in note 39(a).

	Note	Non-life £m	Life Risk £m	Participating £m	Non-Participating £m	Non Insurance £m	Total Product £m
							2025
Interest and similar income from financial instruments at amortised cost		6	5	—	—	79	90
Interest and similar income from financial instruments at FVTPL		515	2,385	302	470	2,258	5,930
Other investment income	5(a)	391	712	3,282	23,097	(568)	26,914
Net impairment loss on financial assets		—	—	—	—	(2)	(2)
Total investment return		912	3,102	3,584	23,567	1,767	32,932
Changes in fair value of underlying items		—	49	(3,809)	—	—	(3,760)
Effects of risk mitigation option		—	—	6	—	—	6
Interest accreted on contractual service margin		—	(336)	(3)	—	—	(339)
Effect of, and changes in, interest rates and other financial assumptions		(647)	(2,541)	(35)	—	—	(3,223)
Effect of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition		—	(73)	(4)	—	—	(77)
Net finance expense from insurance contracts and participating investment contracts		(647)	(2,901)	(3,845)	—	—	(7,393)
Interest accreted		105	69	—	—	—	174
Other		30	77	—	—	—	107
Net finance income from reinsurance contracts		135	146	—	—	—	281
Investment expense allocated to non-participating investment contracts		—	—	—	(23,330)	—	(23,330)
Changes in non-participating investment contract provisions		—	—	—	1	—	1
Change in reinsurance asset for non-participating investment contract provisions		—	—	—	(1)	—	(1)
Movement in non-participating investment contract liabilities		—	—	—	(23,330)	—	(23,330)
Investment expense attributable to unitholders		—	—	—	—	(1,326)	(1,326)
Net financial result		400	347	(261)	237	441	1,164

Underlying items comprise financial instruments and other assets and liabilities held within unit-linked and with-profits funds whose value determines some of the amounts payable to policyholders. For policyholders invested in with-profits funds with a policyholder estate the underlying items may include non-profit insurance contracts written within the funds.

Notes to the consolidated financial statements

2024

	Note	Non-life £m	Life Risk £m	Participating £m	Non-Participating £m	Non Insurance £m	Total Product £m
Interest and similar income from financial instruments at amortised cost		8	7	6	—	2	23
Interest and similar income from financial instruments at FVTPL		396	2,311	519	473	1,616	5,315
Other investment income	5(a)	300	(3,292)	1,242	16,342	(46)	14,546
Net impairment loss on financial assets		(2)	—	—	—	—	(2)
Total investment return		702	(974)	1,767	16,815	1,572	19,882
Changes in fair value of underlying items		—	62	(1,933)	—	—	(1,871)
Effects of risk mitigation option		—	—	37	—	—	37
Interest accreted on contractual service margin		—	(298)	(3)	—	—	(301)
Effect of, and changes in, interest rates and other financial assumptions		(353)	1,517	(48)	—	—	1,116
Effect of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition		—	(65)	(37)	—	—	(102)
Net finance expense from insurance contracts and participating investment contracts		(353)	1,216	(1,984)	—	—	(1,121)
Interest accreted		89	54	—	—	—	143
Other		(46)	(265)	—	—	—	(311)
Net finance income from reinsurance contracts		43	(211)	—	—	—	(168)
Investment expense allocated to non-participating investment contracts		—	—	—	(17,124)	—	(17,124)
Changes in non-participating investment contract provisions		—	—	—	1	—	1
Change in reinsurance asset for non-participating investment contract provisions		—	—	—	(1)	—	(1)
Movement in non-participating investment contract liabilities		—	—	—	(17,124)	—	(17,124)
Investment expense attributable to unitholders		—	—	—	—	(1,179)	(1,179)
Net financial result		392	31	(217)	(309)	393	290

(a) Other investment income

	2025 £m	2024 £m
Dividend income	**2,734**	2,829
Net gains/(losses)	**24,526**	11,886
From financial assets mandatorily held at FVTPL	**25,918**	11,050
From financial assets held at amortised cost	**62**	(29)
From borrowings designated as FVTPL	**(24)**	(44)
From financial liabilities mandatorily held at FVTPL[1]	**(1,430)**	909
Net income from investment properties	**555**	206
Rent	**374**	250
Expenses relating to these properties	**(22)**	(27)
Realised losses on disposal	**—**	(4)
Fair value gains/(losses) on investment properties	**203**	(13)
Net foreign exchange losses on financial instruments not held at FVTPL	**(812)**	(275)
Other	**(89)**	(100)
Other investment income	**26,914**	14,546

1. Financial liabilities consist of derivative financial liabilities which meet the definition of held for trading under IFRS 9

Notes to the consolidated financial statements

6 - FEE AND COMMISSION INCOME

	2025 £m	2024 £m
Fee income from non-participating investment contract business	**748**	753
Fund management fee income	**134**	136
Other fee income	**487**	431
Other commission income	**95**	88
Net change in deferred revenue	**3**	2
Total fee and commission income	**1,467**	1,410

7 - EXPENSES

This note analyses the Group's expenses in profit or loss.

	Note	2025 £m	2024 £m
Claims and benefits incurred			
Claims and benefits on long-term business			
Insurance contracts and participating investment contracts		**7,038**	6,362
Claims and benefits on general insurance and health business[1]		**9,795**	7,490
		16,833	13,852
Claim recoveries from reinsurers			
Insurance contracts and participating investment contracts		**(4,796)**	(3,693)
Claims and benefits incurred, net of recoveries from reinsurers[1]		**12,037**	10,159
Change in loss components on insurance and participating investment contracts[2]		**307**	150
Fee and commission expense			
Acquisition costs			
Commission expenses		**2,935**	2,799
Other acquisition costs		**1,412**	1,218
Amount attributed to insurance acquisition cash flows incurred during the year		**(3,820)**	(3,557)
Acquisition costs for non-participating investment contracts		**527**	460
Amortisation of insurance acquisition cash flows		**3,454**	3,104
Net impairment loss on assets for insurance acquisition cash flows		**1**	—
Change in deferred acquisition costs for non-participating investment contracts		**(3)**	(40)
Other fee and commission expense		**52**	45
Fee and commission expense		**4,031**	3,569
Other expenses			
Staff costs	10(b)	**1,595**	1,270
Central costs		**380**	246
Depreciation		**78**	62
Amortisation of acquired value of in-force business on non-participating investment contracts		**55**	52
Amortisation of intangible assets		**160**	130
Impairment of intangible assets		**7**	16
Other expenses (see below)[1]		**1,270**	1,138
Other net foreign exchange gains/(losses)		**71**	(109)
Other expenses[1]		**3,616**	2,804
Total expenses		**19,991**	16,682
Represented by expenses included within the income statement:			
Insurance service expense		**22,197**	18,240
Expense recovery from reinsurance contracts[3]		**(4,904)**	(3,648)
Other operating expenses		**2,627**	2,200
Other net foreign exchange gains/(losses)		**71**	(109)
Total expenses		**19,991**	16,682

1. Comparatives have been re-presented for expense categorisation alignment with Direct Line resulting in a reclassification between claims and benefits on general insurance and health business and other expenses
2. The recognition of a loss component on acquired claims in settlement is explained in note 39(b)(iii)
3. Expense recovery from reinsurance contracts is presented in the consolidated income statement within net expense from reinsurance contracts, which comprises an allocation of premiums paid to reinsurers of £(5,884) million (2024: £(4,337) million) and amounts recovered from reinsurers of £4,904 million (2024: £3,648 million)

Notes to the consolidated financial statements

Other expenses were £1,270 million (2024 re-presented: £1,138 million) which mainly included costs relating to written and maintenance expenses, investment management expenses, software and data services, and outsourced services and integration and restructuring costs. In 2025, it also included amounts relating to voting fees and costs associated with the cancellation of the Group's preference share capital, costs associated with acquisitions and product governance expenses partly offset by recoveries from professional indemnity insurers. 2024 included £19 million paid to bondholders in respect of modification to the terms and conditions of the Group's Tier 2 Fixed to Floating notes.

Other operating expenses presented on the consolidated income statement of £2,627 million (2024: £2,200 million) includes amortisation on AVIF and intangibles acquired in business combinations, expenses attributable to non-participating investment contracts, expenses attributable to non-insurance products such as wealth management services and Corporate Centre costs. Other operating expenses also includes integration and restructuring (I&R) costs of £360 million (2024: £217 million), which relate to a well-defined programme that materially changes the scope of our business or the manner in which it is conducted, and are not directly attributable to insurance contracts.

8 - OTHER FINANCE COSTS

This note analyses the interest costs on our borrowings (which are described in note 45) and similar charges. Other finance costs comprise:

	Note	**2025 £m**	2024 £m
Subordinated debt		**236**	229
Long term senior debt		**8**	8
Commercial paper		**2**	2
Interest expense on core structural borrowings at amortised cost		**246**	239
Amounts owed to financial institutions at amortised cost		**16**	25
Securitised mortgage loan notes at fair value		**61**	66
Interest expense on operational borrowings		**77**	91
Interest on collateral received		**18**	32
Net finance charge on pension schemes	44(b)(i)	**25**	23
Interest on lease liabilities		**12**	10
Other similar charges		**100**	96
Total other finance costs		**478**	491

9 - INVESTMENT VARIANCES AND ECONOMIC ASSUMPTION CHANGES

The investment variances and economic assumption changes impacting profit for the year in the Group consolidated income statement are set out below. Investment variances and economic assumption changes carried forward, including the impact of hedging on a Solvency II basis, impact IFRS Shareholders' equity.

	2025 £m	2024 £m
General insurance business	**65**	207
Life business[1]	**(105)**	(850)
Other operations[2]	**(77)**	(23)
Total investment variances and economic assumption changes	**(117)**	(666)

1. Life business includes IWR and International Investments
2. Other operations represents short-term fluctuations on Group centre investments, including the centre hedging programme

(a) Definitions

Group adjusted operating profit is based on expected investment returns on financial investments over the period, with consistent allowance for the corresponding expected movements in liabilities.

Changes due to economic items, such as market value movements and interest rate changes, which give rise to variances between actual and expected investment returns, and the impact of changes in economic assumptions on liabilities, are disclosed separately outside Group adjusted operating profit, in investment variances and economic assumption changes.

Notes to the consolidated financial statements

(b) Methodology and assumptions
The expected investment returns and corresponding expected movements in liabilities are calculated separately for each principal business unit.

The expected return on investments for both policyholders' and shareholders' funds is based on opening economic assumptions applied to the expected funds under management over the reporting period:

- For fixed interest securities the expected investment returns are based on average prospective yields for the actual assets held less an adjustment for credit risk (assessed on a best estimate basis).
- The expected return on equities and properties is calculated using the appropriate risk-free rate in the relevant currency plus a risk premium. The risk-free rates are consistent with those used to determine bottom-up discount rates applied to measurement of insurance contracts, as set out in note 39(g), and typically use the 1-year or 10-year duration. The use of risk premium reflects management's long-term expectations of asset return in excess of the risk-free yields from investing in these asset classes. The asset risk premiums are set out in the table below:

	2025	2024
Equity risk premium	**3.5 %**	3.5 %
Property risk premium	**2.0 %**	2.0 %

- The expected return on cash holdings is the 1-year risk-free rate in the relevant currency.
- Expected funds under management are equal to the opening value of funds under management, adjusted for sales and purchases during the year arising from expected operating experience.

The actual investment return is affected by differences between the actual and expected funds under management and changes in asset mix, as well as other market movements. To the extent that these differences arise from the operating experience, or management decisions to change asset mix, the effect is included in the Group adjusted operating profit. The residual difference between actual and expected investment return is included in investment variances, outside Group adjusted operating profit, but included in profit before tax attributable to shareholders' profits.

Similarly, the effect of differences between actual and expected economic experience on liabilities, and changes to economic assumptions used to value liabilities, are taken outside Group adjusted operating profit.

For many types of life business, including unit-linked and with-profits funds, movements in asset values are offset by corresponding changes in liabilities, limiting the net impact on profit. The profit impact of economic volatility on other business depends on the degree of matching of assets and liabilities, exposure to financial options and guarantees, and the application of relevant IFRS 17 risk-mitigation options.

Our hedging strategy, which reduces volatility from economic and market fluctuations, is focused on protecting the Solvency II capital position and securing our ability to pay dividends. This approach introduces IFRS volatility from the movement in the fair-value of assets which are held for the long term to back liabilities and for capital requirements.

Analysis of investment variances and economic assumption changes
(i) General insurance business
The gain of £65 million (2024: gain of £207 million) in relation to investment variances and economic assumption changes for the general insurance and health business was primarily driven by gains from global equity market movements and credit spreads, partially offset by losses from interest rate movements. The gain for 2024 was primarily driven by interest rate movements, equity market gains and currency movements.

(ii) Life business
The loss of £105 million (2024: loss of £850 million) in relation to investment variances and economic assumption changes on Life business was primarily due to UK long-term interest rates rising for terms over 10 years and losses from hedging against gains on equity markets; partially offset by gains from sovereign debt spreads and currency hedging. The adverse impact of equity market gains reflect the fact that we hedge on a Solvency II basis rather than an IFRS basis. For example, when equity markets increase we gain from the increase in the value of future annual management charges on unit-linked products on an economic basis which are not immediately recognised as IFRS profit, however, the loss from hedges in place is recognised on both Solvency II and IFRS bases.

The loss for 2024 was primarily due to UK 10-year term interest rates rising c.80 bps and losses from hedging gains on equity markets; partially offset by reduced credit risk allowances on equity release mortgages.

(iii) Other Operations
The loss of £77 million (2024: £23 million loss) in relation to investment variances and economic assumption changes for other operations was primarily driven by losses on loans denominated in Euro, following weakening of sterling.

Notes to the consolidated financial statements

10 - EMPLOYEE INFORMATION

This note shows where our staff are employed, excluding staff employed by our joint ventures and associates, and analyses the total staff costs.

(a) Employee numbers

The number of persons employed by the Group, including directors under a service contract, was:

	At 31 December		Average for the year[2]	
	2025	2024	**2025**	2024
	Number	Number	**Number**	Number
UK & Ireland General Insurance[1]	**19,041**	10,000	**14,589**	9,443
Canada General Insurance	**5,299**	5,132	**5,302**	5,003
Insurance, Wealth & Retirement (IWR)	**11,781**	10,944	**11,463**	10,388
Aviva Investors	**957**	973	**957**	959
International investments (India)	**1,502**	1,300	**1,401**	1,398
Other operations	**779**	742	**753**	682
Total employee numbers	**39,359**	29,091	**34,465**	27,873

1. Employee numbers increase driven by acquisition of Direct Line. Average employee numbers include Direct Line from 1 July 2025 to 31 December 2025
2. Average employee numbers have been calculated using a monthly average that takes into account recruitment, leavers, transfers, acquisitions and disposals of businesses during the year

(b) Employee costs

	Note	**2025 £m**	2024 £m
Wages and salaries		**1,749**	1,381
Social security costs		**221**	142
Post-retirement obligations			
Defined benefit schemes	44(d)	**34**	29
Defined contribution schemes	44(d)	**282**	225
Profit sharing and incentive plans		**286**	190
Equity compensation plans	32(d)	**74**	61
Termination benefits		**29**	17
Total staff costs		**2,675**	2,045

Staff costs are charged within:

	Note	**2025 £m**	2024 £m
Acquisition costs	7	**570**	497
Claims handling expenses	7	**434**	219
Central costs	7	**76**	59
Staff costs	7	**1,595**	1,270
Total staff costs		**2,675**	2,045

11 - DIRECTORS

Information concerning individual directors' emoluments, interests and transactions is given in the Directors' Remuneration report in the 'Corporate governance' section of this report. For the purposes of the disclosure required by Schedule 5 to the Companies Act 2006, the total aggregate emoluments of the directors in respect of 2025 was £9 million (2024: £8 million). Employer contributions to pensions for executive directors for qualifying periods were £nil in both 2025 and 2024. The aggregate net value of share awards granted to the directors in the year was £nil in both 2025 and 2024. No share options were exercised by directors during the year in either 2025 and 2024.

Notes to the consolidated financial statements

12 - AUDITORS' REMUNERATION

This note shows the total remuneration payable by the Group, excluding VAT and any overseas equivalent thereof, to our auditors.

	2025 £m	2024 £m
Fees payable to the auditor and its associates for the statutory audit of the Aviva Group and Company financial statements	**3**	3
Fees payable to the auditor and its associates for other services		
Audit of Group subsidiaries	**25**	17
Additional fees related to the prior year audit of Group subsidiaries	**—**	—
Total audit fees	**28**	20
Audit related assurance	**6**	5
Total audit and audit-related assurance fees	**34**	25
Other assurance services	**2**	2
Total audit and assurance fees	**36**	27
Fees payable to the auditor and its associates for services to Group companies	**36**	27

Fees payable for the audit of the Group's subsidiaries include fees for the statutory audit of the subsidiaries, both inside and outside the UK, and for the work performed by the principal auditors in respect of the subsidiaries for the purpose of the consolidated financial statements of the Group.

Audit related assurance comprises services in relation to statutory and regulatory filings. These include fees for the audit of the Group's Solvency II UK regulatory returns, services for the audit of other regulatory returns of the Group's subsidiaries and review of interim financial information under the Listing Rules of the UK Listing Authority. Total audit fees (including additional fees related to the audit of Group subsidiaries) and audit-related assurance fees were £34 million (2024: £25 million). The majority of the increase is due to the inclusion of Direct Line in the FY25 audit.

Other assurance services in 2025 of £2 million (2024: £2 million) mainly include assurance fees over a selection of non-financial reporting metrics.

In addition to these fees, audit fees payable in respect of investment funds and similar vehicles consolidated into the Group financial statements were £3 million (2024: £1 million). These fees are borne directly by the unitholders of the funds and investment vehicles.

Details of the Group's process for safeguarding and supporting the independence and objectivity of the external auditors are given in the Audit Committee report.

Notes to the consolidated financial statements

13 - TAX

This note analyses the tax charge for the year and explains the factors that affect it.

(a) Tax charged to the income statement

(i) The total tax charged comprises:

	2025 £m	2024 £m
For the period	**295**	201
Adjustments in respect of prior years	**(9)**	(19)
Current tax	**286**	182
Origination and reversal of temporary differences	**503**	380
Deferred tax	**503**	380
Total tax charged to income statement	**789**	562

(ii) Policyholder tax

The Group, as a proxy for policyholders in the UK and Ireland, is required to record taxes on investment income and gains each year. Accordingly, the tax benefit or expense attributable to UK and Ireland life insurance policyholder returns is included in the tax charge. The tax charge attributable to policyholder returns included in the charge above is £403 million (2024: charge of £270 million).

(iii) Global minimum tax

The Group is subject to the reform of the international tax system proposed by The Organisation for Economic Co-operation and Development (OECD) which introduces a global minimum effective rate of corporation tax of 15% and took effect in 2024. No current tax charge is included in respect of these provisions.

(iv) The tax charged to the income statement, comprising current and deferred tax, can be analysed as follows:

	2025 £m	2024 £m
UK tax	**716**	491
Overseas tax	**73**	71
Total tax charged to income statement	**789**	562

(v) Unrecognised tax losses and temporary differences

Unrecognised tax losses and temporary differences of previous years were used to reduce the current tax expense and deferred tax charge by £nil and £nil (2024: £nil and £nil) respectively.

(vi) Deferred tax charged to the income statement

Deferred tax charged to the income statement represents movements on the following items:

	2025 £m	2024 £m
Insurance and investment contract liabilities	**65**	185
Deferred acquisition costs	**3**	9
Unrealised gains on investments	**130**	79
Pensions and other post-retirement obligations	**(9)**	8
Unused losses and tax credits	**220**	(18)
Intangibles and additional value of in-force long-term business	**(37)**	(20)
Provisions and other temporary differences	**131**	137
Total deferred tax charged to income statement	**503**	380

(b) Tax charged/(credited) to other comprehensive income

(i) The total tax charged/(credited) comprises:

	2025 £m	2024 £m
In respect of pensions and other post-retirement obligations	**—**	(4)
In respect of foreign exchange movements	**(10)**	10
Current tax	**(10)**	6
In respect of pensions and other post-retirement obligations	**28**	(137)
Deferred tax	**28**	(137)
Total tax charged/(credited) to comprehensive income	**18**	(131)

(ii) Policyholder tax

There is no tax charge/(credit) attributable to policyholders' return included above in either 2025 or 2024.

Notes to the consolidated financial statements

(c) Tax credited/(charged) to equity
Tax tax credited directly to equity in the year was £21 million (2024: £nil)

(d) Tax reconciliation
The tax on the Group's profit before tax differs from the theoretical amount that would arise using the tax rate of the home country of the Group as follows:

	Shareholder £m	**Policyholder £m**	**2025 Total £m**	Shareholder £m	Policyholder £m	2024 Total £m
Total profit before tax	**1,440**	**403**	**1,843**	997	270	1,267
Tax calculated at standard UK corporation tax rate of 25.00% (2024: 25.00%)	**360**	**101**	**461**	249	68	317
Reconciling items						
Different basis of tax - policyholders	**—**	**305**	**305**	—	203	203
Adjustment to tax charge in respect of prior periods	**22**	**—**	**22**	108	—	108
Non-assessable income and items not taxed at the full statutory rate	**(25)**	**—**	**(25)**	(17)	—	(17)
Non-taxable profit on sale of subsidiaries and associates	**—**	**—**	**—**	(57)	—	(57)
Disallowable expenses	**49**	**—**	**49**	17	—	17
Different local basis of tax on overseas profits	**5**	**(3)**	**2**	3	(1)	2
Movement in valuation of deferred tax	**(4)**	**—**	**(4)**	7	—	7
Tax effect of profit from joint ventures and associates	**(22)**	**—**	**(22)**	(22)	—	(22)
Other	**1**	**—**	**1**	4	—	4
Total tax charged to income statement	**386**	**403**	**789**	292	270	562

The tax charge/(credit) attributable to policyholder returns is removed from the Group's total profit before tax in arriving at the Group's profit before tax attributable to shareholders' profits. As the net of tax profits attributable to with-profits and unit-linked policyholders is zero, the Group's pre-tax profit attributable to policyholders is an amount equal and opposite to the tax charge/(credit) attributable to policyholders included in the total tax charge.

In the Budget of 26 November 2025, the UK Government announced that the basic rate of tax on savings income will increase to 22% from 6 April 2027. Subsequently they announced a corresponding change to align the policyholder tax rate from 1 April 2027. As at 31 December 2025 these measures had not been substantively enacted and therefore no impact is reflected in the calculation of the Group's deferred tax assets and liabilities as at 31 December 2025. This measure is expected to increase the Group's deferred tax liabilities by £56 million.

In accordance with the amendments to IAS 12, endorsed in the UK on 19 July 2023, the Group has applied the exemption and not provided for deferred tax in respect of the global minimum tax reforms.

(e) Tax paid reconciliation
The tax on the Group's profit before tax differs from the tax paid per the consolidated statement of cash flows as follows:

	2025 £m	2024 £m
Total tax charged to income statement	**789**	562
Deferred tax	**(503)**	(380)
Adjustments in respect of prior years	**9**	19
Current tax recorded in other comprehensive income	**(10)**	6
Current tax recorded in equity	**(68)**	—
Accounts adjustments	**(572)**	(355)
Amounts paid for (in earlier)/later accounting periods	**(57)**	36
Amounts received relating to prior accounting periods	**(22)**	—
Payment timing differences	**(79)**	36
Total tax paid	**138**	243

Total tax paid has arisen in our main jurisdictions of the UK, Canada and Ireland of £73 million, £62 million and £2 million, respectively (2024: £165 million, £65 million and £12 million). Other jurisdictions accounted for £1 million (2024: £1 million).

Deferred tax represents the tax on profits or losses, which are required by legislation to be taxed in a different period to which they impact the Group's financial statements. Adjustments in respect of prior years arise where the final tax liability payable to tax authorities is different from the tax charge for the period reported in the Annual Report and Accounts.

Notes to the consolidated financial statements

14 – EARNINGS PER SHARE

This note shows how to calculate earnings per share on profit attributable to ordinary shareholders of Aviva plc, based both on the present shares in issue (the basic earnings per share) and the potential future shares in issue, including conversion of share options granted to employees (the diluted earnings per share). We have also shown the same calculations based on our Group adjusted operating profit (the operating earnings) as we believe this gives an important indication of operating performance. Consideration of both these measures gives a full picture of the performance of the business during the year.

(a) Basic and operating earnings per share

(i) Basic earnings per share

Basic earnings per share is profit attributable to shareholders' profits adjusted for tax and amounts not attributable to ordinary shareholders and divided by the weighted average ordinary shares. The calculation is show below:

	Note	**2025 £m**	2024 £m
Profit before tax attributable to shareholders' profits		**1,440**	997
Tax attributable to shareholders' profits		**(386)**	(292)
Profit for the year		**1,054**	705
Amount attributable to non-controlling interests[1]		**(21)**	(21)
Coupon payments in respect of tier 1 notes		**(54)**	(34)
Preference dividends		**(9)**	(17)
Special dividends paid on cancellation of preference shares[2]		**(203)**	—
Profit attributable to ordinary shareholders of Aviva plc		**767**	633
Weighted average number of shares	14(a)(iii)	**2,855**	2,685
Basic earnings per share		**26.9 p**	23.6 p

1. Amount attributable to non-controlling interests excludes the special dividend paid on the cancellation of preferences shares of GA plc of £109 million
2. Special dividends paid on the cancellation of preference shares of Aviva plc of £94 million and GA plc of £109 million were recorded directly in equity

(ii) Operating earnings per share

Operating earnings per share is Group adjusted operating profit adjusted for tax and amounts not attributable to ordinary shareholders of Aviva plc divided by the weighted average number of shares. Operating earnings per share does not include special dividends paid on the cancellation of preference shares of Aviva plc of £94 million and GA plc of £109 million which were recorded directly in equity.

	Note	**2025 £m**	**2024 £m**
Group adjusted operating profit	3(i)	**2,203**	1,767
Tax on operating profit		**(519)**	(407)
Amount attributable to non-controlling interests		**(21)**	(21)
Preference dividends and coupon payments in respect of tier 1 notes		**(63)**	(51)
Operating profit attributable to ordinary shareholders of Aviva plc		**1,600**	1,288
Weighted average number of shares	14(a)(iii)	**2,855**	2,685
Operating earnings per share		**56.0 p**	48.0 p

(iii) Weighted average number of shares

The calculation of basic earnings per share uses a weighted average of 2,855 million (2024: 2,685 million) ordinary shares in issue, after deducting treasury shares. The weighted average number of shares in the year includes the impact of the issue of 378 million Aviva plc shares to Direct Line shareholders on 1 July 2025, as part of the consideration for Direct Line.The actual number of shares in issue at 31 December 2025 was 3,058 million (2024: 2,678 million) or 3,048 million (2024: 2,660 million) excluding 10 million (2024: 18 million) treasury shares. See note 31 for further information on the movements in share capital during the year.

(b) Diluted earnings per share

Diluted earnings per share on Profit attributable to ordinary shareholders of Aviva plc and Operating profit attributable to ordinary shareholders of Aviva plc is calculated as follows:

	2025			2024		
	£m	**Weighted average number of shares**	**Per share pence**	£m	Weighted average number of shares	Per share pence
Profit attributable to ordinary shareholders of Aviva plc	**767**	**2,855**	**26.9**	633	2,685	23.6
Dilutive effect of share awards and options		**38**	**(0.4)**		31	(0.3)
Diluted earnings per share	**767**	**2,893**	**26.5**	633	2,716	23.3
Operating profit attributable to ordinary shareholders of Aviva plc	**1,600**	**2,855**	**56.0**	1,288	2,685	48.0
Dilutive effect of share awards and options		**38**	**(0.7)**		31	(0.6)
Diluted operating earnings per share	**1,600**	**2,893**	**55.3**	1,288	2,716	47.4

Notes to the consolidated financial statements

15 - DIVIDENDS AND APPROPRIATIONS

This note analyses the total dividends and other appropriations paid during the year, as set out in the table below. Details are also provided of the proposed final dividend for 2025, which is not accrued in these financial statements and is therefore excluded from the table.

	2025 £m	2024 £m
Interim 2025 – 13.1 pence per share, paid on 16 October 2025	**399**	—
Final 2024 – 23.8 pence per share, paid on 22 May 2025	**635**	—
Interim 2024 – 11.9 pence per share, paid on 17 October 2024	**—**	318
Final 2023 – 22.3 pence per share, paid on 23 May 2024	**—**	603
Ordinary dividends declared and charged to equity in the year	**1,034**	921
Preference dividends declared and charged to equity in the year	**9**	17
Coupon payments on tier 1 notes charged to equity in the year	**54**	34
	1,097	972
Special dividends declared and charged to equity on cancellation of Aviva plc preference shares[1]	**94**	**—**
Total dividends and appropriations	**1,191**	972

1. For details of the special dividends paid on cancellation of GA plc preference shares, see note 38. These special dividends are not included in the above table as the GA plc preference share capital was included within non-controlling interest and did not form part of the share capital of the Group.

Subsequent to 31 December 2025, the directors proposed a final dividend for 2025 of 26.2 pence per ordinary share, amounting to £801 million in total.The cash value of the dividend is calculated using 3,057,737,159 shares as at 2 March 2026 representing issued shares eligible for dividend payment. Subject to approval by shareholders at the AGM, the dividend will be paid on 14 May 2026 and will be accounted for as an appropriation of retained earnings in the year ending 31 December 2026. See shareholder services in the 'Other Information' section for further details.

16 - GOODWILL

This note analyses the changes to the carrying amount of goodwill during the year and details the results of our impairment testing on both goodwill and intangible assets with indefinite lives.

(a) Carrying amount

	2025			2024		
	Gross amount £m	**Accumulated impairment £m**	**Carrying amount £m**	Gross amount £m	Accumulated impairment £m	Carrying amount £m
At 1 January	**2,662**	**(78)**	**2,584**	2,182	(82)	2,100
Acquisitions and additions	**1,839**	**—**	**1,839**	493	—	493
Foreign exchange rate movements	**4**	**(2)**	**2**	(13)	4	(9)
At 31 December	**4,505**	**(80)**	**4,425**	2,662	(78)	2,584

Goodwill from acquisitions and additions in 2025 arose on the acquisition of Direct Line (see note 2) and the acquisition of Automobiles Iner-Lux Inc. in Canada. The goodwill of Direct Line is allocated to the cash generating unit of United Kingdom - general insurance for impairment testing purposes. Goodwill from acquisitions and additions in 2024 related to the acquisitions of AIG's UK Protection business, Probitas, Optiom and a number of acquisitions within Succession Wealth.

Impairment tests on goodwill were conducted as described in section (b).

(b) Goodwill allocation and impairment testing

A summary of the goodwill and intangibles with indefinite useful lives allocated to groups of cash generating units (CGUs) is presented below.

	2025			2024		
	Carrying amount of goodwill £m	**Carrying amount of intangibles with indefinite useful lives note 17 £m**	**Total £m**	Carrying amount of goodwill £m	Carrying amount of intangibles with indefinite useful lives note 17 £m	Total £m
United Kingdom – general insurance	**2,834**	**145**	**2,979**	998	145	1,143
United Kingdom - Insurance, Wealth and Retirement[1]	**1,399**	**—**	**1,399**	—	—	—
United Kingdom – long-term business[1]	**—**	**—**	**—**	993	—	993
United Kingdom – fund management business[1]	**—**	**—**	**—**	406	—	406
Ireland - general insurance	**96**	**—**	**96**	92	—	92
Canada	**96**	**—**	**96**	95	—	95
Total	**4,425**	**145**	**4,570**	2,584	145	2,729

1. During 2025 the United Kingdom – long-term business and United Kingdom – fund management business CGUs were combined to appropriately reflect the synergies arising between these businesses

Goodwill in all business units is tested for impairment by comparing the carrying value of the cash generating unit to which the goodwill relates, to the recoverable value of that CGU. The recoverable amount is the value in use of the CGU unless otherwise stated.

Notes to the consolidated financial statements

(i) General insurance, health and other businesses

Value in use is calculated as the discounted value of expected future profits of each business. The calculation uses cash flow projections based on business plans approved by management covering a ten-year period for United Kingdom - general insurance and a three-year period for other businesses. These plans reflect management's best estimate of future profits based on both historical experience and expected growth rates for the relevant cash generating unit. The underlying assumptions of these projections include market share, customer numbers, premium rate and fee income changes, claims inflation and commission rates and consider future risks associated with climate change.

Cash flows beyond the plan period are extrapolated using a steady growth rate. Growth rates and expected future profits are set with regards to past experience and relevant available market statistics.

Future profits are discounted using a risk adjusted discount rate which is based on the Capital Asset Pricing Model (CAPM). The inputs include the risk-free rate of interest appropriate to the geographic location of the cash flows related to each CGU being tested, market risk premium and beta.

	2025		2024	
Key assumptions	**Extrapolated future profits growth rate %**	**Future pre-tax profits discount rate %**	Extrapolated future profits growth rate %	Future pre-tax profits discount rate %
United Kingdom general insurance	**1.0**	**10.9**	1.0	10.9
Ireland general insurance	**Nil**	**8.2**	Nil	8.1
Canada general insurance	**5.0**	**8.5**	6.0	9.3

(ii) Insurance, Wealth and Retirement

Value in use has been calculated based on a shareholder value of the business calculated in accordance with Solvency II principles, adjusted where Solvency II does not represent a best estimate of shareholders' interests. The principal adjustments relate to the exclusion of the benefit of transitional measures on technical provisions and the volatility adjustment under Solvency II, and removal of restrictions on contract boundaries or business scope.

The present value of expected profits arising from future new business is included within the shareholder value and is calculated on an adjusted Solvency II basis, using profit projections based on the most recent three-year business plans approved by management. These plans reflect management's best estimate of future profits based on both historical experience and expected growth rates for the relevant cash generating unit. The underlying assumptions of these projections include market share, customer numbers, mortality, morbidity and persistency.

Expected profits from future new business are discounted using a risk adjusted discount rate. The discount rate is a combination of a risk-free rate and a risk margin to make prudent allowance for the risk that experience in future years for new business may differ from that assumed.

(iii) Insurance, Wealth and Retirement key assumptions

The Solvency II non-economic assumptions in relation to mortality, morbidity, persistency and expenses and other items are, based on management's best estimate assumptions. Economic assumptions are based on market data as at the end of each reporting period. The basic risk-free rate curves used to value the technical provisions reflect the curves, credit risk adjustment and fundamental spread for the matching adjustment published by the Bank of England and the European Insurance and Occupational Pensions Authority (EIOPA) on their websites. For the purposes of calculating value in use, the UK Solvency II risk margin is used as it is considered to apply an economic view.

Results of impairment testing

Management's impairment review of the Group's cash generating units did not identify any impairments to goodwill. There were no impairments in 2024.

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17 - ACQUIRED VALUE OF IN-FORCE BUSINESS (AVIF) AND INTANGIBLE ASSETS

This note shows the movements in cost, amortisation and impairment of the acquired value of in-force business and intangible assets during the year.

	2025					2024				
	AVIF on investment contracts (a) £m	**Internally generated intangible assets (b) £m**	**Other intangible assets with finite useful lives (b) £m**	**Intangible assets with indefinite useful lives (b) £m**	**Total £m**	AVIF on investment contracts (a) £m	Internally generated intangible assets (b) £m	Other intangible assets with finite useful lives (b) £m	Intangible assets with indefinite useful lives (b) £m	Total £m
Gross amount										
At 1 January	**1,430**	**977**	**941**	**145**	**3,493**	1,431	870	841	1	3,143
Effect of acquisitions in the period	**—**	**—**	**1,069**	**—**	**1,069**	—	—	121	144	265
Additions	**—**	**98**	**—**	**—**	**98**	—	115	—	—	115
Derecognition	**—**	**(125)**	**(31)**	**—**	**(156)**	—	—	—	—	—
Foreign exchange rate movements	**2**	**(1)**	**(4)**	**—**	**(3)**	(1)	(8)	(21)	—	(30)
At 31 December	**1,432**	**949**	**1,975**	**145**	**4,501**	1,430	977	941	145	3,493
Accumulated amortisation										
At 1 January	**(997)**	**(649)**	**(628)**	**—**	**(2,274)**	(945)	(582)	(576)	—	(2,103)
Amortisation for the year	**(55)**	**(40)**	**(120)**	**—**	**(215)**	(52)	(69)	(61)	—	(182)
Derecognition	**—**	**125**	**31**	**—**	**156**	—	—	—	—	—
Foreign exchange rate movements	**—**	**1**	**6**	**—**	**7**	—	2	9	—	11
At 31 December	**(1,052)**	**(563)**	**(711)**	**—**	**(2,326)**	(997)	(649)	(628)	—	(2,274)
Accumulated Impairment										
At 1 January	**(25)**	**(63)**	**—**	**—**	**(88)**	(25)	(47)	—	—	(72)
Impairment charges	**—**	**(7)**	**—**	**—**	**(7)**	—	(16)	—	—	(16)
Foreign exchange rate movements	**—**	**—**	**—**	**—**	**—**	—	—	—	—	—
At 31 December	**(25)**	**(70)**	**—**	**—**	**(95)**	(25)	(63)	—	—	(88)
Carrying amount at 1 January	**408**	**265**	**313**	**145**	**1,131**	461	241	265	1	968
Carrying amount at 31 December	**355**	**316**	**1,264**	**145**	**2,080**	408	265	313	145	1,131

(a) Acquired value of in-force business

Of the total of £355 million, £303 million (2024: £356 million) is expected to be recoverable more than one year after the statement of financial position date.

AVIF is reviewed for evidence of impairment, consistent with reviews conducted for other finite life intangible assets. If evidence of impairment exists, AVIF is tested at product portfolio level by reference to the value of future profits in accordance with Solvency II principles, adjusted where Solvency II does not represent a best estimate of shareholders' interests, consistent with the impairment test for goodwill for Insurance, Wealth and Retirement (see note 16(b)).

(b) Other intangible assets

Additions to internally generated intangible assets in 2025 relate to capitalisation of software costs in relation to the Group's digital initiatives. Impairments totalling £7 million (2024: £16 million) have been recognised in 2025. Derecognition in 2025 relates to software assets that were fully amortised and exhausted.

Acquisitions of other intangible assets with finite useful lives in 2025 relate to software assets, customer relationships, distribution agreements and brands arising from the acquisition of Direct Line (see note 2). The remaining closing balance primarily includes the value of bancassurance and other distribution agreements.

Indefinite life intangible assets consist of the syndicate underwriting capacity of Probitas, which provides the indefinite right to participate in future underwriting profits at Lloyds.

Notes to the consolidated financial statements

18 - INTERESTS IN, AND LOANS TO, JOINT VENTURES

In several businesses, Group companies and other parties jointly control certain entities. This note analyses these interests and describes the principal joint ventures in which we are involved.

(a) Carrying amount and details of joint ventures

(i) The movements in the carrying amount comprised:

	2025			2024		
	Goodwill and intangibles £m	**Equity interests £m**	**Total £m**	Goodwill and intangibles £m	Equity interests £m	Total £m
At 1 January	**—**	**1,257**	**1,257**	67	1,671	1,738
Share of profit after tax	**—**	**126**	**126**	—	93	93
Additions	**—**	**27**	**27**	—	17	17
Disposals	**—**	**(3)**	**(3)**	(66)	(480)	(546)
Dividends received from joint ventures	**—**	**(124)**	**(124)**	—	(23)	(23)
Foreign exchange rate movements	**—**	**(9)**	**(9)**	(1)	(21)	(22)
At 31 December	**—**	**1,274**	**1,274**	—	1,257	1,257

There are no material disposals in 2025. Disposals in 2024 of £546 million includes the sale of the Group's entire shareholding in its joint venture in Singapore, Aviva SingLife Holdings Pte Ltd, along with an associated debt instrument, to Sumitomo Life Insurance Company.

The Group's share of total comprehensive income related to joint venture entities is £126 million (2024: £93 million).

(ii) The carrying amount at 31 December comprised:

	2025	2024
	Equity interests £m	Equity interests £m
Property management undertakings	**846**	898
Long-term business undertakings	**428**	359
At 31 December	**1,274**	1,257

The property management undertakings perform property ownership and management activities, and are incorporated and operate in the UK. All such investments are held by subsidiary entities.

The long-term business undertakings perform life insurance activities. All investments in such undertakings are unlisted and held by subsidiaries, except for the shares in the Chinese joint venture, Aviva-COFCO Life Insurance Company Limited, which are held by Aviva plc. The Group's share of net assets of that company is £405 million (2024: £337 million) and the investment has a cost of £123 million (2024: £123 million).

(iii) Principal joint ventures

No joint ventures are considered to be material to the Group in either 2025 or 2024. The Group's principal joint ventures are defined as those where the carrying amount is 10% or more of the total interests in, and loans to, joint ventures at the period end.

The Group's principal joint ventures are as follows:

			2025	2024
	Nature of activities	Principal place of business	**Proportion of ownership interest %**	Proportion of ownership interest %
2-10 Mortimer Street Limited Partnership	Property management	UK	**50.00%**	50.00%
Aviva-COFCO Life Insurance Company Limited	Life insurance	China	**50.00%**	50.00%

(iv) Contingent liabilities and commitments

From time to time Group joint ventures may receive liability claims or become involved in actual or threatened related litigation. The joint ventures have no other contingent liabilities at 31 December 2025 (2024: none) to which the Group has significant exposure. The Group has no commitments to provide funding to property management joint ventures (2024: none).

In certain jurisdictions the ability of joint ventures to transfer funds in the form of cash dividends or to repay loans and advances made by the Group is subject to local corporate or insurance laws and regulations and solvency requirements.

Notes to the consolidated financial statements

19 - INTERESTS IN, AND LOANS TO, ASSOCIATES

This note analyses our interests in entities which we do not control but where we have significant influence. No associates are considered to be material from a Group perspective in either 2025 or 2024.

(a) Carrying amount and details of associates
(i) The movements in the carrying amount comprised:

	2025 £m	2024 £m
At 1 January	**38**	160
Share of profit after tax	**2**	43
Additions	**1**	2
Impairment	**(8)**	—
Disposals	**(14)**	(161)
Dividends received from associates	**(1)**	(6)
At 31 December	**18**	38

There are disposals of £14 million in 2025. (2024 : £161 million relate to the sale of the Group's entire shareholding in Balanced Commercial Property Trust Ltd to Starlight Bidco Ltd).

The Group's share of total comprehensive income related to associates is £2 million (2024: £43 million).

(ii) Contingent liabilities
The associates have no contingent liabilities to which the Group has significant exposure. The Group has no commitments to provide funding to property management associates (2024: none).

In certain jurisdictions the ability of associates to transfer funds in the form of cash dividends or to repay loans and advances made by the Group is subject to local corporate or insurance laws and regulations and solvency requirements.

(b) Impairment testing
The recoverable amount of property management undertakings is the fair value less costs to sell of the associate, measured in accordance with the Group's accounting policy for investment property (see accounting policy R).

There are impairment charges of £8 million in 2025 (2024 : £nil).

20 - PROPERTY AND EQUIPMENT

This note analyses our property and equipment, the total of which primarily consists of properties occupied by Group companies.

	2025						2024					
	Owner occupied properties						Owner occupied properties					
	Freehold £m	**Leasehold[2] £m**	**Motor vehicles[2] £m**	**Computer equipment £m**	**Other assets £m**	**Total £m**	Freehold £m	Leasehold £m	Motor vehicles £m	Computer equipment £m	Other assets £m	Total £m
Cost or valuation												
At 1 January	**9**	**752**	**11**	**72**	**141**	**985**	9	1,186	6	63	245	1,509
Additions	**16**	**42**	**4**	**24**	**49**	**135**	2	22	7	17	24	72
Effect of acquisitions in the period[1]	**45**	**49**	**13**	**2**	**8**	**117**	—	—	—	—	1	1
Disposals	**(1)**	**—**	**—**	**(6)**	**(9)**	**(16)**	—	(377)	(1)	—	(110)	(488)
Transfers	**(4)**	**3**	**—**	**—**	**1**	**—**	1	(73)	(1)	(5)	(4)	(82)
Fair value losses	**—**	**—**	**—**	**—**	**(2)**	**(2)**	(3)	—	—	—	(6)	(9)
Foreign exchange rate movements	**—**	**1**	**—**	**1**	**1**	**3**	—	(6)	—	(3)	(9)	(18)
At 31 December	**64**	**847**	**28**	**93**	**190**	**1,222**	9	752	11	72	141	985
Depreciation and impairment												
At 1 January	**—**	**(518)**	**(6)**	**(47)**	**(59)**	**(630)**	(1)	(937)	(3)	(43)	(101)	(1,085)
Charge for the year	**—**	**(41)**	**(4)**	**(13)**	**(20)**	**(78)**	—	(36)	(4)	(11)	(11)	(62)
Disposals	**—**	**2**	**—**	**6**	**9**	**17**	—	377	—	—	45	422
Impairment (charge)/ reversal	**(4)**	**—**	**—**	**—**	**2**	**(2)**	—	—	—	—	—	—
Transfers	**—**	**—**	**(2)**	**—**	**1**	**(1)**	—	75	1	5	5	86
Foreign exchange rate movements	**—**	**(1)**	**1**	**(1)**	**(1)**	**(2)**	1	3	—	2	3	9
At 31 December	**(4)**	**(558)**	**(11)**	**(55)**	**(68)**	**(696)**	—	(518)	(6)	(47)	(59)	(630)
Carrying amount at 31 December	**60**	**289**	**17**	**38**	**122**	**526**	9	234	5	25	82	355

1. £115 million of the effect of acquisitions in the period relate to Direct Line (note 2 (a))
2. For details of leasehold owner occupied properties and motor vehicles held under lease arrangements see note 22 (b)

Notes to the consolidated financial statements

Owner-occupied properties, excluding £289 million (2024: £234 million) held under lease arrangements, are stated at their revalued amounts, as assessed by qualified external valuers. The valuation assessment adopts market-based evidence and is in line with guidance from the International Valuation Standards Committee, which considers significant ESG factors and the ESG regulatory environment, in addition to the requirements of IAS 16 Property, Plant and Equipment. If owner-occupied properties carried at their revalued amount were stated on a historical cost basis, the carrying amount would be £64 million (2024: £9 million).

Owner-occupied properties held under lease arrangements are stated at amortised cost and are amortised on a straight-line basis over the lease term, unless the carrying value of the leased asset exceeds the recoverable amount. Where this is the case, the asset is impaired to its recoverable amount and the impaired carrying value is amortised on a straight-line basis over the remainder of the lease term. For further information on the Group's lease arrangements see note 22.

21 - INVESTMENT PROPERTY

This note gives details of the properties we hold for long-term rental yields or capital appreciation.

	Freehold £m	**Leasehold £m**	**2025 Total £m**	Freehold £m	Leasehold £m	2024 Total £m
At 1 January	**5,099**	**1,214**	**6,313**	5,107	1,125	6,232
Additions	**300**	**22**	**322**	124	226	350
Effect of acquisitions in the period	**240**	**54**	**294**	—	—	—
Capitalised expenditure on existing properties	**122**	**55**	**177**	100	44	144
Fair value gains/(losses)	**212**	**(9)**	**203**	67	(80)	(13)
Disposals	**(308)**	**(29)**	**(337)**	(292)	(94)	(386)
Foreign exchange rate movements	**8**	**7**	**15**	(7)	(7)	(14)
At 31 December	**5,673**	**1,314**	**6,987**	5,099	1,214	6,313

See note 23 for further information on the fair value measurement and valuation techniques of investment property.

The fair value of investment properties leased to third parties under operating leases at 31 December 2025 was £6,973 million (2024: £6,158 million). Future contractual aggregate minimum lease rentals receivable under the non-cancellable portion of these leases are given in note 22.

22 - LEASE ASSETS AND LIABILITIES

The Group's leased assets primarily consist of properties occupied by Group companies carried at amortised cost (see note 20), leasehold investment properties carried at fair value (see note 21) which are sublet to third parties and real estate long income finance leases (see note 28). Leasehold investment properties are measured in accordance with IAS 40 Investment Property (see accounting policy R).

Although the Group is exposed to changes in the residual value at the end of the current leases to third parties on investment property, the Group typically enters into new operating leases and therefore is not expected to immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

(a) The following amounts in respect of leased assets have been recognised in the Group's consolidated income statement

	2025 £m	2024 £m
Interest expense on lease liabilities	**12**	10
Total lease expenses recognised in the consolidated income statement	**12**	**10**

Total cash outflows recognised in the consolidated statement of cashflows in the year in relation to leases were £60 million (2024: £60 million).

(b) Right-of-use assets

The following table analyses the right-of-use assets held by Group companies.

	2025 £m	2024 £m
At 1 January	**234**	249
Additions[2]	**43**	22
Effect of acquisitions in the period[1]	**62**	—
Disposals	**2**	—
Foreign exchange rate movements	**1**	(2)
Depreciation[2]	**(45)**	(37)
Modification of right-of-use assets	**2**	2
At 31 December	**299**	234

1. Effect of acquisitions in the period includes leasehold owner occupied properties of £49 million and motor vehicles of £13 million (note 20) of which £60 million relates to the Direct Line acquisition
2. Additions includes £42 million of leasehold owner occupied properties and £1 million of motor vehicles. Depreciation includes leasehold owner occupied properties of £41 million and motor vehicles of £4 million (note 20).

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There were no gains arising from sale and leaseback transactions during the year. Included within the consolidated income statement is £3 million (2024: £4 million) of income in respect of sublets of right-of-use assets. The was no impairment of right-of-use assets in 2025 (2024: £nil).

(c) Future contractual aggregate minimum lease payments
Lease liabilities included within note 46 total £450 million (2024: £346 million). Future contractual aggregate minimum lease payments are as follows:

	2025 £m	2024 £m
Within one year	**88**	74
Later than one year and not later than five years	**256**	209
Later than five years	**202**	111
Total future contractual aggregate minimum lease payments	**546**	394

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

The lease agreements do not impose any covenants other than the security interest in the leased assets that are held by the lessor.

(d) Future contractual aggregate minimum lease rentals receivable
Future contractual aggregate minimum lease rentals receivable under non-cancellable operating leases are as follows:

	2025 £m	2024 £m
Within one year	**222**	206
Between one and two years	**208**	193
Between two and three years	**189**	177
Between three and four years	**164**	161
Between four and five years	**144**	135
Later than five years	**1,348**	1,143
Total future contractual aggregate minimum lease rentals receivable - operating leases	**2,275**	2,015

Future contractual aggregate minimum lease rentals receivable under non-cancellable finance leases are as follows:

	2025 £m	2024 £m
Within one year	**12**	5
Between one and two years	**13**	9
Between two and three years	**16**	9
Between three and four years	**24**	9
Between four and five years	**24**	9
Later than five years	**1,063**	397
Total future contractual aggregate minimum lease rentals receivable - finance leases	**1,152**	438

Finance income on the net investment in finance leases during the year was £12 million (2024: £4 million).

Unearned finance income in respect of finance leases at 31 December 2025, representing the difference between the gross and net investment in the leases, was £836 million (2024: £239 million). Unguaranteed residual value in respect of finance leases was £nil (2024: £nil).

23 - FAIR VALUE METHODOLOGY

This note explains the methodology for valuing our assets and liabilities measured at fair value and for fair value disclosures. It also provides an analysis of these according to a fair value hierarchy, determined by the market observability of valuation inputs.

(a) Basis for determining fair value hierarchy
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1
Inputs to Level 1 fair values are quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date. Level 1 inputs implicitly reflect market view of climate risks to future cashflows.

Level 2
Inputs to Level 2 fair values are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the instrument. Level 2 inputs include the following:

- Quoted prices for similar assets and liabilities in active markets;
- Quoted prices for identical or similar assets and liabilities in markets that are not active, the prices are not current, or price quotations vary substantially either over time or among market makers, or in which little information is released publicly;
- Inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, implied volatilities and credit spreads); and
- Market corroborated inputs.

Notes to the consolidated financial statements

Where we use broker quotes and no information as to the observability of inputs is provided by the broker, the investments are classified as follows:

- Where the broker price is validated by using internal models with market observable inputs and the values are similar, we classify the investment as Level 2; and
- In circumstances where internal models are not used to validate broker prices, or the observability of inputs used by brokers is unavailable, the investment is classified as Level 3.

Level 3
Inputs to Level 3 fair values are unobservable inputs for the asset or liability. Unobservable inputs may have been used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Unobservable inputs reflect the assumptions the business unit considers that market participants would use in pricing the asset or liability. Examples are investment properties and commercial and equity release mortgage loans. Climate risks are factored into the inputs to Level 3 fair values as described in note 23(g).

The majority of the Group's assets and liabilities measured at fair value are based on quoted market information or observable market data. Of the total assets and liabilities measured at fair value 12.8% (2024: 13.4%) of assets and 0.5% (2024: 0.6%) of liabilities are based on estimates and recorded as Level 3. Where estimates are used, these are based on a combination of independent third-party evidence and internally developed models, calibrated to market observable data where possible. Third-party valuations using significant unobservable inputs validated against Level 2 internally modelled valuations are classified as Level 3, where there is a significant difference between the third-party price and the internally modelled value. Where the difference is insignificant, the instrument would be classified as Level 2.

(b) Changes to valuation techniques
There were no changes in the valuation techniques during the year compared to those described in the Group's 2024 Annual Report and Accounts.

(c) Carrying amount and fair values of financial instruments
The carrying amounts of financial assets and financial liabilities are set out in the following table:

		2025				2024			
	Note	**Mandatorily held at FVTPL £m**	**Designated at FVTPL on initial recognition £m**	**Amortised cost £m**	**Total carrying amount £m**	Mandatorily held at FVTPL £m	Designated at FVTPL on initial recognition £m	Amortised cost £m	Total carrying amount £m
Financial assets									
Loans	24(a)	**27,105**	**—**	**3,742**	**30,847**	26,181	—	4,372	30,553
Cash and cash equivalents		**—**	**1,161**	**17,128**	**18,289**	—	1,096	22,385	23,481
Fixed maturity securities[1]		**127,508**	**—**	**725**	**128,233**	115,539	—	—	115,539
Equity securities		**113,353**	**—**	**—**	**113,353**	96,040	—	—	96,040
Other investments (including derivatives)		**61,820**	**—**	**—**	**61,820**	52,400	—	—	52,400
Financial investments	27(a)	**302,681**	**—**	**725**	**303,406**	263,979	—	—	263,979
Reinsurance assets for non-participating investment contracts	40	**5,770**	**—**	**—**	**5,770**	5,280	—	—	5,280
Financial liabilities									
Non-participating investment contracts	40	**—**	**208,399**	**—**	**208,399**	—	179,142	—	179,142
Net asset value attributable to unitholders		**—**	**17,630**	**—**	**17,630**	—	17,333	—	17,333
Borrowings	45(a)	**—**	**822**	**4,766**	**5,588**	—	887	4,725	5,612
Derivative liabilities[2]	53(b)	**7,115**	**—**	**—**	**7,115**	8,271	—	—	8,271

1. Fixed maturity securities of £725 million have been classified at amortised cost on initial recognition, in line with accounting policy (T)
2. Derivative financial liabilities meet the definition of held for trading

For financial liabilities designated at FVTPL where the change in the credit risk of the financial liability impacts the fair value, the amounts recognised in the income statement are set out below:

		2025		2024	
	Note	**During the year £m**	**From initial recognition £m**	During the year £m	From initial recognition £m
Financial liabilities					
Borrowings		**(27)**	**(67)**	(53)	(40)

Fair values for fixed maturity securities and borrowings held at amortised cost are presented in note 23(h). Fair values of the following financial assets and financial liabilities approximate to their carrying amounts:

- Receivables;
- Cash and cash equivalents;
- Loans at amortised cost; and
- Payables and other financial liabilities.

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(d) Fair value hierarchy analysis
An analysis of assets and liabilities measured at amortised cost and fair value categorised by fair value hierarchy is given below.

		2025						2024					
		Fair value hierarchy						Fair value hierarchy					
	Note	Level 1 £m	Level 2 £m	Level 3 £m	Fair value total £m	Amortised cost £m	Total carrying amount £m	Level 1 £m	Level 2 £m	Level 3 £m	Fair value total £m	Amortised cost £m	Total carrying amount £m
Recurring fair value measurements													
Investment property	21	**—**	**—**	**6,987**	**6,987**	**—**	**6,987**	—	—	6,313	6,313	—	6,313
Loans	24(a)	**—**	**—**	**27,105**	**27,105**	**3,742**	**30,847**	—	—	26,181	26,181	4,372	30,553
Cash and cash equivalents		**1,161**	**—**	**—**	**1,161**	**17,128**	**18,289**	1,096	—	—	1,096	22,385	23,481
Fixed maturity securities		**67,068**	**52,178**	**8,262**	**127,508**	**725**	**128,233**	57,434	51,033	7,072	115,539	—	115,539
Equity securities		**113,061**	**—**	**292**	**113,353**	**—**	**113,353**	95,703	—	337	96,040	—	96,040
Other investments (including derivatives)		**56,386**	**4,108**	**1,326**	**61,820**	**—**	**61,820**	47,854	3,777	769	52,400	—	52,400
Financial investments	27(a)	**236,515**	**56,286**	**9,880**	**302,681**	**725**	**303,406**	200,991	54,810	8,178	263,979	—	263,979
Reinsurance assets for non-participating investment contracts	40(a)	**5,770**	**—**	**—**	**5,770**	**—**	**5,770**	5,280	—	—	5,280	—	5,280
Total financial assets		**243,446**	**56,286**	**43,972**	**343,704**	**21,595**	**365,299**	207,367	54,810	40,672	302,849	26,757	329,606
Non-participating investment contracts	40(a)	**208,399**	**—**	**—**	**208,399**	**—**	**208,399**	179,142	—	—	179,142	—	179,142
Net asset value attributable to unitholders		**17,630**	**—**	**—**	**17,630**	**—**	**17,630**	17,333	—	—	17,333	—	17,333
Borrowings	45(a)	**—**	**—**	**822**	**822**	**4,766**	**5,588**	—	—	887	887	4,725	5,612
Derivative liabilities	53(b)	**16**	**6,854**	**245**	**7,115**	**—**	**7,115**	201	7,825	245	8,271	—	8,271
Total financial liabilities		**226,045**	**6,854**	**1,067**	**233,966**	**4,766**	**238,732**	196,676	7,825	1,132	205,633	4,725	210,358
Non-recurring fair value measurements													
Properties occupied by group companies		**—**	**—**	**60**	**60**	**—**	**60**	—	—	8	8	—	8
Total		**—**	**—**	**60**	**60**	**—**	**60**	—	—	8	8	—	8

IFRS 13 Fair Value Measurement permits assets and liabilities to be measured at fair value on either a recurring or non-recurring basis. Recurring fair value measurements are those that other IFRSs require or permit in the statement of financial position at the end of each reporting period, whereas non-recurring fair value measurements of assets or liabilities are those that other IFRSs require or permit in the statement of financial position in particular circumstances. The value of freehold owner-occupied properties measured on a non-recurring basis at 31 December 2025 was £60 million (2024: £8 million), stated at their revalued amounts in line with the requirements of IAS 16 Property, Plant and Equipment.

(e) Valuation approach for fair value assets and liabilities classified as Level 2
Please see section (a) for a description of typical Level 2 inputs.

Fixed maturity securities, in line with market practice, are generally valued using an independent pricing service. These valuations are determined using independent external quotations from multiple sources and are subject to a number of monitoring controls, such as monthly price variances, stale price reviews and variance analysis.

Pricing services, where available, are used to obtain the third-party broker quotes. Where pricing services providers are used, a single valuation is obtained and applied. When prices are not available from pricing services, quotes are sourced from brokers.

Over-the-counter derivatives are valued using broker quotes or models such as option pricing models, simulation models or a combination of models. The inputs for these models include a range of factors which are deemed to be observable, including current market and contractual prices for underlying instruments, period to maturity, correlations, yield curves and volatility of the underlying instruments.

Unit Trusts and other investment funds (included under the other investments category) are valued using net asset values which are not subject to a significant adjustment for restrictions on redemption or for limited trading activity.

(f) Transfers between levels of the fair value hierarchy
For financial instruments that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels of the fair value hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of the reporting period.

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Transfers between Level 1 and Level 2
There were no significant transfers between Level 1 and Level 2 (2024: no significant transfers).

Transfers to/from Level 3
£656 million (2024: £95 million) of assets transferred into Level 3 and £363 million (2024: £14 million) of assets transferred out of Level 3 relate to loans, fixed maturity securities and other investments held by our business in the UK. These are transferred between Levels depending on the availability of observable inputs and whether the counterparty and broker quotes are corroborated using valuation models with observable inputs.

There were no liabilities transferred into Level 3 during 2024 (2024: £nil). There were no liabilities transferred out of Level 3 during 2025 (2024: £nil).

(g) Further information on Level 3 assets and liabilities
The table below shows movement in the Level 3 assets measured at fair value.

	2025					2024				
	Investment Property £m	**Loans £m**	**Fixed maturity securities £m**	**Equity securities £m**	**Other investments (including derivatives) £m**	Investment Property £m	Loans £m	Fixed maturity securities £m	Equity securities £m	Other investments (including derivatives) £m
At 1 January	**6,313**	**26,181**	**7,072**	**337**	**769**	6,232	27,220	6,024	313	858
Total net gains/(losses) recognised in the income statement[1]	**195**	**426**	**34**	**(42)**	**4**	(53)	(828)	(309)	—	(40)
Effect of acquisitions in the period	**294**	**336**	**35**	**26**	**—**	—	—	—	—	—
Purchases	**508**	**1,965**	**1,449**	**84**	**488**	432	3,214	1,841	27	42
Issuances	**—**	**175**	**—**	**—**	**—**	—	172	—	—	—
Disposals	**(337)**	**(1,635)**	**(450)**	**(133)**	**(453)**	(283)	(3,592)	(557)	—	(81)
Settlements	**—**	**—**	**—**	**—**	**—**	—	—	—	—	—
Transfers into Level 3	**—**	**—**	**126**	**19**	**511**	—	—	95	—	—
Transfers out of Level 3	**—**	**(348)**	**(15)**	**—**	**—**	—	—	(13)	—	(1)
Foreign exchange rate movements	**14**	**5**	**11**	**1**	**7**	(15)	(5)	(9)	(3)	(9)
At 31 December	**6,987**	**27,105**	**8,262**	**292**	**1,326**	6,313	26,181	7,072	337	769

1. Total net gains/(losses) recognised in the income statement includes realised gains/(losses) on disposals

The table below shows movement in the Level 3 liabilities measured at fair value.

	2025		2024	
	Derivative liabilities £m	**Borrowings £m**	Derivative liabilities £m	Borrowings £m
At 1 January	**(245)**	**(887)**	(304)	(941)
Total net gains/(losses) recognised in the income statement[1]	**14**	**(31)**	19	(47)
Effect of acquisitions in the period	**—**	**—**	—	—
Purchases	**(14)**	**—**	—	—
Issuances	**—**	**—**	—	—
Disposals	**—**	**—**	39	—
Settlements	**—**	**96**	1	101
Transfers into Level 3	**—**	**—**	—	—
Transfers out of Level 3	**—**	**—**	—	—
Foreign exchange rate movements	**—**	**—**	—	—
At 31 December	**(245)**	**(822)**	(245)	(887)

1. Total net gains/(losses) recognised in the income statement includes realised gains/(losses) on disposals

Total net gains recognised in the income statement in the year ended 31 December 2025 in respect of Level 3 assets measured at fair value amounted to £617 million (2024: net losses of £1,230 million) with net losses in respect of liabilities of £17 million (2024: net losses of £28 million). Net gains of £695 million (2024: net losses of £1,006 million) attributable to assets and net losses of £16 million (2024: net losses of £28 million) attributable to liabilities relate to those still held at 31 December 2025.

The principal assets classified as Level 3, and the valuation techniques applied to them, are described below.

(i) Investment property
- Investment property is valued in the UK at least annually by external chartered surveyors in accordance with guidance issued by The Royal Institution of Chartered Surveyors, and using estimates during the intervening period. Outside the UK, valuations are produced by external qualified professional appraisers in the countries concerned. External valuers in the UK comply with the 'Sustainability and ESG in commercial property valuation and strategic advice' professional standard reissued by the Royal Institution of Chartered Surveyors on 31 January 2025. In a valuation context, sustainability involves the consideration of matters that include environment and climate change, health and wellbeing, and personal and corporate responsibility that can or do impact the valuation of an asset. This includes the consideration of capital expenditure required to maintain the utility of the asset due to the longer-term obsolescence and risk.

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- Investment properties are valued on an income approach that is based on current rental income plus anticipated uplifts at the next rent review, lease expiry, or break option taking into consideration lease incentives and assuming no further growth in the estimated rental value of the property. The uplift and discount rates are derived from rates implied by recent market transactions on similar properties. These inputs are deemed unobservable. The yield used to value the portfolio ranges from 51bps to 5021bps (2024: 17bps to 3407bps) with higher yields predominately relating to properties in the retail and leisure sectors. Over 95% of the portfolio is valued using spreads within the range from 51bps to 802bps (2024: 17bps to 792bps).

(ii) Loans

- Commercial mortgage loans and Primary Healthcare loans held by our IWR business are valued using a Portfolio Credit Risk Model. This model calculates a Credit Risk Adjusted Value for each loan. The risk adjusted cash flows are discounted using a yield curve plus an allowance for illiquidity. Loans valued using the Portfolio Credit Risk Model have been classified as Level 3 as the liquidity premium is deemed to be non-market observable. At 31 December 2025 the liquidity premium used in the discount rate was 160bps (2024: 185bps). The growth rates assumed for properties against which the loans are secured include deductions for the potential impact of climate risks on future commercial property values and deductions for capital expenditure.
- Equity release mortgage loans held by our IWR business are valued using an internal model, with fair value initially being equal to the transaction price. The value of these loans is dependent on the expected term of the mortgage and the forecast property value at the end of the term, and is calculated by adjusting future cash flows for credit risk and discounting using a yield curve plus an allowance for illiquidity. At 31 December 2025 the illiquidity premium used in the discount rate was 195bps (2024: 185bps).

  The equity release mortgages include a no negative equity guarantee ('NNEG') such that the cost of any potential shortfall between the value of the loan and the realised value of the property at the end of the term is recognised by a deduction to the value of the loan. Property valuations at the reporting date are obtained by taking the most recent valuation for the property and indexing using an internal house price index based on published Land Registry data. NNEG is calculated using base property growth rates reduced for the cost of potential dilapidations, using a stochastic model. In addition, a cost of capital charge is applied to reflect the variability in these cash flows. The base property growth rate assumption is RPI +0.75% (2024: RPI +0.75%). The modelled growth rates include an adjustment for the 5-year period 2025-2029 to reflect the market view of short-term growth being lower than long-term average growth.

  The combination of the adjusted rate over the first five years and the base property growth rate equates to a long-term average growth rate of 3.8% per annum at 31 December 2025 (2024: 3.7%) over a twenty five year projection. After applying the cost of capital charge, dilapidations and the stochastic distribution, the effective net long-term growth rate equates to 1.2% per annum (2024: 1.2%).
- Infrastructure and Private Finance Initiative (PFI) loans held by our IWR business are valued using a discounted cash flow model. This adds spreads for credit and illiquidity to a risk-free discount rate. Credit spreads used in the discount rate are calculated using an internally developed methodology which depends on the credit rating of each loan, credit spreads on publicly traded bonds and an estimated recovery rate in event of default and are deemed to be unobservable. At 31 December 2025, the illiquidity premium used in the discount rate was 150bps (2024: 150bps) for the PFI loans and ranged from 25bps to 680bps (2024: 25bps to 594bps) for the infrastructure loans.

(iii) Fixed maturity securities

- Structured bond-type, non-standard debt products and privately placed notes held by our business in the UK do not trade in an active market. These fixed maturity securities are valued using discounted cash flow model, designed to appropriately reflect the credit and illiquidity risk of the instrument. These bonds have been classified as Level 3 because the valuation approach includes significant unobservable inputs and an element of subjectivity in determining appropriate credit and illiquidity spreads.
- The unobservable credit and illiquidity spreads used in the discount rate range from 20bps to 722bps (2024: 34bps to 567bps) with 95% of the modelled assets valued using spreads within the range from 70bps to 322bps (2024: 38bps to 566bps).
- Other fixed maturity securities held by our Life business in the UK and Asian businesses which are not traded in an active market have been valued using third-party or counter party valuations. These prices are considered to be unobservable due to infrequent market transaction.

(iv) Equity securities

- Equity securities which primarily comprise private equity holdings held in the UK are valued by a number of third-party specialists. These are valued using a range of techniques, including earnings multiples, forecast cash flows and price/earnings ratios which are deemed to be unobservable.

(v) Other investments (including derivatives)

- Other investments are held for index-linked, unit-linked and with-profit funds and are valued based on external valuation reports received from fund managers. The investments consist of:
  - Unit trusts;
  - Other investment funds including property funds; and
  - Derivatives.
- Where valuations are at a date other than the balance sheet date, as is the case for some private equity funds, adjustments are made for items such as subsequent draw-downs and distributions and the fund manager's carried interest.

(vi) Liabilities

- The principal liabilities classified as Level 3 are securitised mortgage loan notes, presented within Borrowings, which are valued using a similar technique to the related Level 3 securitised mortgage assets. These liabilities are included within the relevant liability category within the sensitivity table below.

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Sensitivities

The valuation of Level 3 assets involves a high degree of judgement and estimation uncertainty due to the reliance of valuation models on unobservable inputs. Where possible, the Group tests the sensitivity of the fair values of Level 3 assets and liabilities to changes in unobservable inputs to reasonable alternatives. Level 3 valuations are sourced from independent third parties when available and, where appropriate, validated against internally-modelled valuations, third-party models or broker quotes. Where third-party pricing sources are unwilling to provide a sensitivity analysis for their valuations, the Group undertakes, where feasible, sensitivity analysis on the following basis:

- For third-party valuations validated against internally-modelled valuations using significant unobservable inputs, the sensitivity of the internally-modelled valuation to changes in unobservable inputs to a reasonable alternative is determined.
- For third-party valuations either not validated or validated against a third-party model or broker quote, the third-party valuation in its entirety is considered an unobservable input. Sensitivities are determined by flexing inputs of internal models to a reasonable alternative, including the yield, NAV multiple or other suitable valuation multiples of the financial instrument implied by the third-party valuation. For example, for a fixed income security the implied yield would be the rate of return which discounts the security's contractual cash flows to equal the third-party valuation.

The tables below show the sensitivity of the fair value of Level 3 assets and liabilities to changes in unobservable inputs to a reasonable alternative:

			2025 Sensitivities			2024 Sensitivities	
	Most significant unobservable input	**Reasonable alternative**	**Fair value £bn**	**Positive impact £bn**	**Negative impact £bn**	Fair value £bn	Positive impact £bn	Negative impact £bn
Investment property	Equivalent rental yields	**+/-5-10%**	**7.0**	**0.4**	**(0.4)**	6.3	0.2	(0.2)
Loans								
Commercial mortgage loans and Primary Healthcare loans	Illiquidity premium	**+/-20 bps**	**10.5**	**0.1**	**(0.1)**	10.1	0.1	(0.1)
Equity release mortgage loans	Base property growth rate	**+/-50 bps p.a.**	**9.1**	**0.1**	**(0.1)**	9.1	0.1	(0.1)
	Current property market values	**+/-10%**	—	**0.2**	**(0.2)**	—	0.3	(0.3)
Infrastructure and Private Finance Initiative (PFI) loans	Illiquidity premium	**+/-25 bps**[1]	**7.2**	**0.2**	**(0.2)**	6.2	0.1	(0.1)
Other	Illiquidity premium	**+/-25 bps**[1]	**0.3**	**—**	**—**	0.8	—	—
Fixed maturity securities								
Structured bond-type and non-standard debt products	Market spread (credit, liquidity and other)	**+/-25 bps**	**2.3**	**0.1**	**(0.1)**	2.2	0.2	(0.2)
Privately placed notes	Credit spreads	**+/-25 bps**[1]	**5.5**	**0.2**	**(0.2)**	4.6	0.2	(0.2)
Other fixed maturity securities	Credit and liquidity spreads	**+/-20-25 bps**	**0.4**	**—**	**—**	0.3	—	—
Equity securities	Market multiples applied to net asset values	**+/-30bps**	**0.3**	**—**	**—**	0.3	0.1	(0.1)
Other investments								
Property Funds	Market multiples applied to net asset values	**+/-5-20%**	**0.6**	**—**	**—**	0.2	—	—
Other investments (including derivatives)	Market multiples applied to net asset values	**+/-10-40%**[2]	**0.7**	**0.1**	**(0.1)**	0.6	0.1	(0.1)
Liabilities								
Borrowings	Illiquidity premium	**+/-50 bps**	**(0.8)**	**—**	**—**	(0.9)	—	—
Other liabilities (including derivatives)	Independent valuation vs counterparty	**N/A**	**(0.2)**	**—**	**—**	(0.2)	—	—
Total Level 3 investments			**42.9**	**1.4**	**(1.4)**	39.5	1.4	(1.4)

1. On discount rate spreads
2. Dependent on investment category

The above tables demonstrate the effect of a change in one unobservable input while other assumptions remain unchanged. In reality, there may be a correlation between the unobservable inputs and other factors. It should also be noted that some of these sensitivities are non-linear, and larger or smaller impacts should not be interpolated or extrapolated from these results.

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(h) Financial assets and financial liabilities not carried at fair value for which fair value is disclosed
The table below shows the fair value and fair value hierarchy for financial assets and financial liabilities not carried at fair value.

		2025					2024				
		Fair value hierarchy					Fair value hierarchy				
	Note	Level 1 £m	Level 2 £m	Level 3 £m	Fair value total £m	As recognised in the consolidated statement of financial position line item £m	Level 1 £m	Level 2 £m	Level 3 £m	Fair value total £m	As recognised in the consolidated statement of financial position line item £m
Financial assets not carried at fair value											
Fixed maturity securities		**759**	**—**	**—**	**759**	**725**	—	—	—	—	—
Financial liabilities not carried at fair value											
Borrowings	45(a)	**4,607**	**49**	**182**	**4,838**	**4,766**	4,427	49	180	4,656	4,725

24 - LOANS

This note analyses the loans our Group companies have made, the majority of which are mortgage loans.

(a) Carrying amounts
The carrying amounts of loans were as follows:

		2025			2024		
	Note	Mandatorily held at FVTPL £m	At amortised cost £m	Total £m	Mandatorily held at FVTPL £m	At amortised cost £m	Total £m
Loans to banks		**299**	**3,127**	**3,426**	463	4,023	4,486
Healthcare, infrastructure & PFI other loans		**9,990**	**—**	**9,990**	9,478	—	9,478
UK securitised mortgage loans	25	**1,440**	**—**	**1,440**	1,524	—	1,524
Non-securitised mortgage loans		**15,376**	**—**	**15,376**	14,716	—	14,716
Other loans		**—**	**615**	**615**	—	349	349
At 31 December		**27,105**	**3,742**	**30,847**	26,181	4,372	30,553

Of the above total loans, £26,016 million (2024: £25,131 million) are due to be recovered in more than one year after the consolidated statement of financial position date.

Loans at fair value
Fair values have been calculated by using cash flow models appropriate for each portfolio of mortgages. Further details of the fair value methodology and models utilised are given in note 23(g).

Healthcare, infrastructure and PFI other loans of £9,990 million (2024: £9,478 million) are secured against the income from healthcare and educational premises.

Non-securitised mortgage loans include £7,621 million (2024: £7,534 million) of residential equity release mortgages, £5,857 million (2024: £5,407 million) of commercial mortgages and £1,898 million (2024: £1,775 million) relating to UK primary healthcare and PFI businesses. The healthcare and PFI mortgage loans are secured against General Practitioner premises, other primary health-related premises or other emergency services related premises. For all such loans, government support is provided through either direct funding or reimbursement of rental payments to the tenants to meet income service and provide for the debt to be reduced substantially over the term of the loan. Although the loan principal is not government-guaranteed, the nature of these businesses and premises provides considerable comfort of an ongoing business model and low risk of default.

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

Loans at amortised cost
The carrying amount of these loans at both 31 December 2025 and 31 December 2024 was a reasonable approximation for their fair value.

(b) Analysis of loans carried at amortised cost

	2025			2024		
	At amortised cost £m	Impairment £m	Carrying Value £m	At amortised cost £m	Impairment £m	Carrying Value £m
Loans to banks	**3,127**	**—**	**3,127**	4,023	—	4,023
Other loans	**615**	**—**	**615**	349	—	349
Total loans at amortised cost	**3,742**	**—**	**3,742**	4,372	—	4,372

There are no material expected credit losses on these loans.

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(c) Collateral
Loans to banks include cash collateral received under stock lending arrangements (see note 54 for further discussion regarding these collateral positions). The obligation to repay this collateral is included in payables and other financial liabilities (see note 46). The Group holds collateral in respect of loans where it is considered appropriate in order to reduce the risk of non-recovery. This collateral generally takes the form of liens or charges over properties for the majority of the loan balances above. In all other situations, the collateral must be in a readily realisable form, such as listed securities, and is held in segregated accounts.

25 - SECURITISED MORTGAGES AND RELATED ASSETS

The Group, in its IWR business, has loans receivable, secured by mortgages, which have then been securitised through non-recourse borrowings. This note gives details of the relevant transactions.

(a) Description of current arrangements
In a UK long-term business subsidiary, Aviva Equity Release UK Limited (AER), the beneficial interest in certain portfolios of lifetime mortgages has been transferred to five special purpose securitisation companies (the ERF companies), in return for initial consideration and, at later dates, deferred consideration. The deferred consideration represents receipts accrued within the ERF companies after meeting all their obligations to the note holders, loan providers and other third parties in the priority of payments. The purchases of the mortgages were funded by the issue of fixed and floating rate notes by the ERF companies.

All the shares in the ERF companies are held by independent companies, whose shares are held on trust. Although AER does not own, directly or indirectly, any of the share capital of the ERF companies or their parent companies, it has control of the securitisation companies, and they have therefore been treated as subsidiaries in the consolidated financial statements. AER has no right to repurchase the benefit of any of the securitised mortgage loans, other than in certain circumstances where AER is in breach of warranty or loans are substituted in order to effect a further advance.

AER has purchased subordinated notes and granted subordinated loans to some of the ERF companies. In addition, Group companies have invested £160 million (2024: £172 million) in loan notes issued by the ERF companies. These have been eliminated on consolidation through offset against the borrowings of the ERF companies in the consolidated statement of financial position.

In all of the above transactions, the Company and its subsidiaries are not obliged to support any losses that may be suffered by the note holders and do not intend to provide such support. Additionally, the notes were issued on the basis that note holders are only entitled to obtain payment, of both principal and interest, to the extent that the available resources of the respective special purpose securitisation companies, including funds due from customers in respect of the securitised loans, are sufficient and that note holders have no recourse whatsoever to other companies in the Aviva Group.

(b) Carrying values
The following table summarises the securitisation arrangements:

		2025		2024	
	Note	**Securitised assets £m**	**Securitised liabilities £m**	Securitised assets £m	Securitised liabilities £m
Securitised mortgage loans and loan notes issued	24	**1,440**	**(982)**	1,524	(1,059)
Other securitisation assets/(liabilities)		**221**	**(680)**	278	(743)
Total securitisation arrangements		**1,661**	**(1,662)**	1,802	(1,802)

Loan notes held by third parties are as follows:

	Note	**2025 £m**	2024 £m
Total loan notes issued, as above		**982**	1,059
Less: Loan notes held by Group companies		**(160)**	(172)
Loan notes held by third parties	45(c)(i)	**822**	887

26 - INTERESTS IN STRUCTURED ENTITIES

A structured entity is defined as an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only, or when the relevant activities are directed by means of contractual arrangements.

The Group has interests in both consolidated and unconsolidated structured entities as described below.

The Group holds redeemable shares or units in investment vehicles, which consist of:

- Debt securities comprising of securitisation vehicles that Aviva does not originate. These investments are comprised of a variety of debt instruments, including asset-backed securities and other structured securities.
- Investment funds which include: hedge funds, liquidity funds, private equity funds, unit trusts, mutual funds and Private Finance Initiatives (PFIs).
- Specialised investment vehicles include Open-Ended Investment Companies (OEICs), Property Limited Partnerships (PLPs), Sociétés d'Investissement a Capital Variable (SICAVs), Tax Transparent Funds (TTFs) and other investment vehicles.

The Group's holdings in investment vehicles are subject to the terms and conditions of the respective investment vehicle's offering documentation and are susceptible to market price risk arising from uncertainties about future values of those investment vehicles. The investment manager makes investment decisions after extensive due diligence of the underlying investment vehicle including consideration of its strategy and the overall quality of the underlying investment vehicle's manager.

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All of the investment vehicles in the investment portfolio are managed by portfolio managers who are compensated by the respective investment vehicles for their services. Such compensation generally consists of an asset-based fee and a performance-based incentive fee, and is reflected in the valuation of the investment vehicles.

(a) Interests in consolidated structured entities

The Group has determined that where it has control over investment vehicles, these investments are consolidated structured entities. As at 31 December 2025, the Group has granted loans to consolidated PLPs for a total of £127 million (2024: £166 million). The purpose of these loans is to assist the consolidated PLPs to purchase or construct properties. The Group has also provided support, without having a contractual obligation to do so, to certain consolidated PLPs via letters of support amounting to £1 million (2024: £1 million). The Group has commitments to provide funding to consolidated structured entities of £187 million (2024: £31 million), primarily relating to a commitment to provide funding to the Aviva Investors Climate Transition Real Assets Fund.

The Group has also given support to five special purpose securitisation companies (the ERF companies) that are consolidated structured entities. As set out in note 25, at the inception of the securitisation vehicles, the UK subsidiary, Aviva Equity Release UK Limited (AER), has granted subordinated loan facilities to some of the ERF companies. AER receives various fees in return for the services provided to the entities. AER receives cash management fees based on the outstanding loan balance at the start of each quarter for the administration of the loan note liabilities. AER receives portfolio administration fees as compensation for managing the mortgage assets. See note 25 for details of securitised mortgages and related assets as at 31 December 2025.

As at the reporting date, the Group has no intentions to provide financial or other support in relation to any other investment vehicles.

(b) Interests in unconsolidated structured entities

As part of its investment activities, the Group invests in unconsolidated structured entities. As at 31 December 2025, the Group's total interest in unconsolidated structured entities was £73,323 million (2024: £63,444 million) on the Group's statement of financial position. The Group's total interest in unconsolidated structured entities is classified as 'interests in, and loans to, joint ventures and associates' and 'financial investments held at fair value through profit or loss'. The Group does not sponsor any of the unconsolidated structured entities.

A summary of the Group's interest in unconsolidated structured entities is as follows:

	2025					2024				
	Interest in, and loans to, joint ventures £m	**Interest in, and loans to, associates £m**	**Financial investments £m**	**Loans £m**	**Total assets £m**	Interest in, and loans to, joint ventures £m	Interest in, and loans to, associates £m	Financial investments £m	Loans £m	Total assets £m
Structured debt securities[1]	**—**	**—**	**4,369**	**—**	**4,369**	—	—	4,014	—	4,014
Unit trust and other investment vehicles	**—**	**—**	**56,194**	**—**	**56,194**	—	—	47,632	—	47,632
PLPs and property funds	**846**	**18**	**662**	**—**	**1,526**	898	37	651	—	1,586
Other	**—**	**—**	**557**	**—**	**557**	—	—	433	—	433
Other investments	**846**	**18**	**57,413**	**—**	**58,277**	898	37	48,716	—	49,651
Loans[2]	**—**	**—**	**—**	**10,677**	**10,677**	—	—	—	9,779	9,779
Total	**846**	**18**	**61,782**	**10,677**	**73,323**	898	37	52,730	9,779	63,444

1. Primarily reported within other debt securities in note 27(a)
2. Loans include Healthcare, Infrastructure & PFI other loans along with certain non-securitised mortgage loans

The Group's maximum exposure to loss related to the interests in unconsolidated structured entities is £73,323 million (2024: £63,444 million).

The majority of debt securities above are investment grade securities held by the UK business. In some cases, the Group may be required to absorb losses from an unconsolidated structured entity before other parties when and if Aviva's interest is more subordinated with respect to other owners of the same security.

For commitments to property management joint ventures and associates, please see notes 18 and 19, respectively. The Group has not provided any other financial or other support in addition to that described above as at the reporting date, and there are no intentions to provide support in relation to any other unconsolidated structured entities in the foreseeable future.

In relation to risk management, disclosures on debt securities and investment vehicles are given in note 52(b). In relation to other guarantees and commitments that the Group provides in the course of its business, please see note 48(f).

Aviva's interest in unconsolidated structured entities under management at 31 December 2025 amounts to £2,267 million (2024: £1,872 million) and the total funds under management relating to these investments at 31 December 2025 is £16,053 million (2024: £15,233 million).

(c) Other interests in unconsolidated structured entities

The Group receives management fees and other fees in respect of its asset management businesses. The Group does not sponsor any of the funds or investment vehicles from which it receives fees. Management fees received for investments that the Group manages, but does not have a holding in, also represent an interest in unconsolidated structured entities. As these investments are not held by the Group, the investment risk is borne by the external investors and therefore the Group's maximum exposure to loss relates to future management fees.

Notes to the consolidated financial statements

The table below shows the assets under management of entities that the Group manages but does not have a holding in and the fees earned from those entities.

	2025		2024	
	Assets under management £m	**Investment management fees £m**	Assets under management £m	Investment management fees £m
OEICs	**167**	**1**	—	—
PLPs	**2,173**	**12**	2,608	17
SICAVs	**424**	**2**	606	3
Specialised investment vehicles	**2,764**	**15**	3,214	20

27 - FINANCIAL INVESTMENTS

This note analyses our financial investments by type and shows their cost and fair value. These will change from one period to the next as a result of new business written, claims paid and market movements.

(a) Carrying amount

Financial investments comprise:

	Note	2025 £m	2024 £m
UK government		**27,997**	25,759
Non-UK government	27(d)	**27,567**	25,418
Corporate bonds - public utilities		**5,249**	4,334
Other corporate bonds		**43,303**	49,764
Other		**3,382**	2,656
Debt securities		**107,498**	107,931
Certificates of deposit		**20,735**	7,608
Fixed maturity securities		**128,233**	115,539
Public utilities		**3,237**	1,793
Banks, trusts and insurance companies		**25,519**	13,412
Industrial, miscellaneous and all other		**84,590**	80,809
Ordinary shares		**113,346**	96,014
Non-redeemable preference shares		**7**	26
Equity securities		**113,353**	96,040
Unit trusts and other investment vehicles		**56,193**	47,632
Derivative financial instruments	53	**4,043**	3,335
Deposits with credit institutions		**371**	267
Minority holdings in property management undertakings		**662**	651
Other investments – long-term		**293**	185
Other investments – short-term		**258**	330
Other investments		**61,820**	52,400
Total financial investments		**303,406**	263,979

The majority of financial investments are held mandatorily at fair value through profit or loss (FVTPL) as these investments are managed and their performance evaluated on a fair value basis to support the Group in managing its capital on a regulatory basis (Solvency II). Fixed maturity securities of £725 million (2024: £nil) are held at amortised cost, as the objective is to hold them to maturity to collect the contractual cash flows, and the contractual terms give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Of the above total, excluding those financial investments with no fixed contractual maturity date, £104,809 million (2024: £98,103 million) is due to be recovered in more than one year after the statement of financial position date.

Other debt securities of £3,382 million (2024: £2,656 million) include residential and commercial mortgage-backed securities, as well as other structured credit securities.

Financial investments include £3,731 million (2024: £4,428 million) in respect of non-cash collateral pledged to third parties where the economic rights are retained by the Group.

Notes to the consolidated financial statements

(b) Cost, unrealised gains and fair value

The following is a summary of the cost, gross unrealised gains and losses and fair value of financial investments measured at FVTPL:

	Mandatorily held at FVTPL					2025
	Cost £m	Unrealised gains £m	Unrealised losses and impairments £m	Fair value £m	Amortised Cost £m	Total £m
Fixed maturity securities	**135,311**	**1,009**	**(8,812)**	**127,508**	**725**	**128,233**
Equity securities	**86,271**	**31,072**	**(3,990)**	**113,353**	**—**	**113,353**
Unit trusts and other investment vehicles	**43,173**	**13,472**	**(452)**	**56,193**	**—**	**56,193**
Derivative financial instruments	**135**	**4,869**	**(961)**	**4,043**	**—**	**4,043**
Deposits with credit institutions	**371**	**—**	**—**	**371**	**—**	**371**
Minority holdings in property management undertakings	**630**	**67**	**(35)**	**662**	**—**	**662**
Other investments – long-term	**303**	**—**	**(10)**	**293**	**—**	**293**
Other investments – short-term	**258**	**—**	**—**	**258**	**—**	**258**
Other investments	**44,870**	**18,408**	**(1,458)**	**61,820**	**—**	**61,820**
Total financial investments	**266,452**	**50,489**	**(14,260)**	**302,681**	**725**	**303,406**

	Mandatorily held at FVTPL					2024
	Cost £m	Unrealised gains £m	Unrealised losses and impairments £m	Fair value £m	Amortised Cost £m	Total £m
Fixed maturity securities	124,443	1,316	(10,220)	115,539	—	115,539
Equity securities	78,080	22,742	(4,782)	96,040	—	96,040
Unit trusts and other investment vehicles	39,457	8,825	(650)	47,632	—	47,632
Derivative financial instruments	(82)	4,396	(979)	3,335	—	3,335
Deposits with credit institutions	267	—	—	267	—	267
Minority holdings in property management undertakings	661	56	(66)	651	—	651
Other investments – long-term	216	14	(45)	185	—	185
Other investments – short-term	330	—	—	330	—	330
Other investments	40,849	13,291	(1,740)	52,400	—	52,400
Total financial investments	243,372	37,349	(16,742)	263,979	—	263,979

All unrealised gains and losses and impairments on financial investments classified as fair value through profit or loss have been recognised in the income statement.

Unrealised gains and losses on financial investments classified as fair value through profit or loss, recognised in the income statement in the year, were a net gain of £16,693 million (2024: £10,142 million net gain). Of this net gain, £15,157 million net gain (2024: £11,845 million net gain) related to investments designated as other than trading and £1,536 million net gain (2024: £(1,703) million net loss) related to financial investments designated as trading.

The movement in the unrealised gain/loss position reported in the statement of financial position during the year, shown in the table above, includes foreign exchange movements on the translation of unrealised gains and losses on financial investments held by foreign subsidiaries, which are recognised in other comprehensive income, as well as transfers due to the realisation of gains and losses on disposal and the recognition of impairment losses.

(c) Financial investment arrangements

(i) Stock lending arrangements

The Group has entered into stock lending arrangements in the UK and overseas in accordance with established market conventions. The majority of the Group's stock lending transactions occur in the UK, where investments are lent to EEA-regulated, locally domiciled counterparties and governed by agreements written under English law.

The Group receives collateral in order to reduce the credit risk of these arrangements, either in the form of securities or cash. See note 54 for further discussion regarding collateral positions held by the Group.

(ii) Other arrangements

In carrying on its bulk purchase annuity business, the Group's IWR operation is required to place certain investments in trust on behalf of the policyholders. Amounts become payable from the trust funds to the trustees if the Group were to be in breach of its payment obligations in respect of policyholder benefits. At 31 December 2025, £1,368 million (2024: £1,419 million) of financial investments were restricted in this way.

Certain financial investments are also required to be deposited under local laws in various overseas countries as security for the holders of policies issued in those countries. Other investments are pledged as security collateral for bank letters of credit.

Notes to the consolidated financial statements

(d) Non-UK government fixed maturity securities (gross of non-controlling interests)
The following is a summary of non-UK government debt.

	2025 Total £m	2024 Total £m
Belgium	**978**	849
Spain	**574**	319
France	**1,338**	935
Germany	**965**	375
Italy	**732**	428
Luxembourg	**219**	354
Poland	**770**	653
European supranational debt	**1,093**	1,132
Other European countries	**1,470**	2,051
Europe	**8,139**	7,096
Canada	**2,996**	2,776
United States	**6,113**	6,296
North America	**9,109**	9,072
Chile	**478**	432
China	**703**	707
India	**885**	921
Indonesia	**760**	560
Japan	**2,009**	2,439
Mexico	**356**	240
South Korea	**628**	598
United Arab Emirates	**368**	382
Other supranational debt	**525**	605
Other	**3,607**	2,366
Asia Pacific and other	**10,319**	9,250
Total Non-UK government fixed maturity securities	**27,567**	25,418

28 - RECEIVABLES

This note analyses our total receivables.

	2025 £m	2024 £m
Amounts owed by contract holders for non-participating investment contracts	**316**	148
Amounts owed by intermediaries	**1,221**	1,239
Amounts due from reinsurers for non-participating investment contracts	**223**	126
Amounts due from brokers for investment sales	**139**	107
Amounts receivable for collateral pledged	**28**	153
Amounts due from government, social security and taxes	**943**	797
Finance lease receivables	**317**	197
Other receivables	**1,728**	1,046
Total receivables	**4,915**	3,813
Expected to be recovered in less than one year	**4,570**	3,775
Expected to be recovered in more than one year	**345**	38
Total receivables	**4,915**	3,813

Exposure to significant concentrations of credit risk is limited due to the regulations applicable in most markets and the Group credit policy and limits framework, which limits investments in individual assets and asset classes.

Notes to the consolidated financial statements

29 – DEFERRED ACQUISITION COSTS ON NON-PARTICIPATING INVESTMENT CONTRACTS

(a) Carrying amount and movements in the year

	2025 Total £m	2024 Total £m
Carrying amount at 1 January	**821**	788
Acquisition costs deferred during the year	**106**	96
Amortisation	**(103)**	(45)
Impact of assumption changes	**—**	(10)
Foreign exchange rate movements	**10**	(8)
Carrying amount at 31 December	**834**	821

Deferred acquisition costs (DAC) on non-participating investment contracts are generally recoverable in more than one year. Of the above total, £712 million (2024: £712 million) is expected to be recovered in more than one year after the statement of financial position date. Where amortisation of the DAC balance depends on projected profits, the amount expected to be recovered is estimated and actual experience will differ.

Where amortisation of the DAC balance depends on projected profits, changes to economic conditions may lead to a movement in the DAC balance and a corresponding impact on profit.

At both 31 December 2025 and 31 December 2024 the DAC balance has been restricted by the value of projected future profits.

30 – PENSION SURPLUSES, OTHER ASSETS, PREPAYMENTS AND ACCRUED INCOME

(a) Pension surpluses and other assets – carrying amount

The carrying amount comprises:

	Note	**2025 £m**	2024 £m
Surpluses in the staff pension schemes	44(a)	**561**	451
Other assets		**35**	10
Total pension surpluses and other assets		**596**	461

Surpluses in the staff pension schemes and £nil (2024: £nil) of other assets are recoverable more than one year after the statement of financial position date.

(b) Prepayments and accrued income

Prepayments and accrued income of £3,159 million (2024: £3,344 million) are expected to be recovered within one year.

31 – ORDINARY SHARE CAPITAL

This note gives details of Aviva plc's ordinary share capital and shows the movements during the year.

(a) Carrying amount

Details of the Company's ordinary share capital are as follows:

	2025 £m	2024 £m
The allotted, called up and fully paid share capital of the Company was: 3,057,731,705 (2024: 2,677,649,489) ordinary shares of 32 $^{17/19}$ pence each	**1,006**	881

At the Annual General Meeting that took place on 30 April 2025, the Company was authorised to allot up to a further maximum nominal amount of:

- £586 million of which £293 million can be in connection with an offer by way of a rights issue
- £150 million in relation to any issue of UK Solvency II compliant capital instruments

Notes to the consolidated financial statements

(b) Movement in issued share capital

	Note	**$32^{17/19}$p each**	**2025 Share capital £m**	$32^{17/19}$p each	2024 Share capital £m
At 1 January		**2,677,649,489**	**881**	2,739,487,140	901
Shares issued under the Group's Employee and Executive Share Option Schemes		**1,885,575**	**1**	977,966	—
Shares issued in relation to the acquisition of Direct Line	31(b)(i)	**378,196,641**	**124**	—	—
Shares cancelled through buyback	31(b)(ii)	**—**	**—**	(62,815,617)	(20)
As at 31 December		**3,057,731,705**	**1,006**	2,677,649,489	881

Ordinary shares in issue in the Company rank pari passu with any new ordinary shares issued in the Company. All the ordinary shares in issue carry the same right to receive all dividends and other distributions declared, made or paid by the Company.

(i) Acquisition of Direct Line Insurance Group plc
On 3 July 2025, following the completion of Aviva's acquisition of Direct Line Insurance Group plc on 1 July 2025, Aviva announced the admission of 378,143,305 new ordinary shares of $32^{17/19}$ pence on the Official List maintained by the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities. On 22 July 2025, Aviva announced the admission of a further 53,336 new ordinary shares of $32^{17/19}$ pence on the Official List maintained by the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities.

(ii) Share buyback
On 7 March 2024, Aviva announced a share buyback programme for up to a maximum aggregate consideration of £300 million to commence immediately (the "Programme"). On 1 July 2024, Aviva announced that it had successfully completed the Programme. In total, shares were purchased with a nominal value of £20 million and were subsequently cancelled, giving rise to an additional capital redemption reserve of an equivalent amount. The 62,815,617 shares were acquired at an average price of 478 pence per share.

(c) Subsequent events

On 4 March 2026, Aviva plc approved a share buyback of its own ordinary shares for up to a maximum aggregate consideration of £350 million which is expected to commence on 9 March 2026.

The buyback will reduce IFRS net asset value and Solvency II own funds by £350 million.

32 - GROUP'S SHARE PLANS

This note describes various equity compensation plans operated by the Group, and shows how the Group values the options and awards of shares in the Company.

(a) Description of the plans

The Group maintains a number of active share option and award plans and schemes across all markets (the Group's share plans). All employees are eligible for share plans and the plans offered are as follows:

Plan	Description
(i) Savings-related options	These are options granted under the tax-advantaged Save As You Earn (SAYE) share option scheme in the UK and Irish revenue-approved SAYE share option scheme in Ireland. The SAYE allows eligible employees to acquire options over the Company's shares at a discount of up to 20% of their market value at the date of grant. Options are normally exercisable during the six month period following either the third or fifth anniversary of the start of the relevant savings contract. Savings contracts are subject to the statutory savings limits of £500 per month in the UK and €500 per month in Ireland.
(ii) Aviva long-term incentive plan awards	These awards have been made under the Aviva Long-Term Incentive Plan (LTIP), and are described in section (b) below and in the directors' remuneration report.
(iii) Aviva annual bonus plan awards	These awards have been made under the Aviva Annual Bonus Plan (ABP), and are described in section (b) below and in the directors' remuneration report.
(iv) Aviva recruitment and retention share plan awards	These are conditional awards granted under the Aviva Recruitment and Retention Share Award Plan (RRSAP) in relation to the recruitment or retention of senior managers excluding executive directors. The awards vest in tranches on various dates and vesting is conditional upon the participant being employed by the Group on the vesting date and not having served notice of resignation. Some awards can be subject to performance conditions. If a participant's employment is terminated due to resignation or dismissal, any tranche of the award which has vested within the 12 months prior to the termination date will be subject to clawback and any unvested tranches of the award will lapse in full.
(v) Aviva Investors deferred share award plan awards	These awards have been made under the Aviva Investors Deferred Share Award Plan (AI DSAP), where employees can choose to have the deferred element of their bonus deferred into awards over Aviva shares. The awards vest in three equal tranches on the second, third and fourth year following the year of grant.
(vi) Various all employee share plans	The Company maintains a number of active stock option and share award voluntary schemes: a) The global matching share plan b) Aviva Group employee share ownership scheme

No new Aviva plc ordinary shares will be issued to satisfy awards made under plans (iv), (v), (vi b).

Notes to the consolidated financial statements

(b) Outstanding options
The following table summarises information about options outstanding at 31 December:

	2025			2024		
Range of exercise prices	**Outstanding options**	**Weighted average remaining contractual life**	**Weighted average exercise price**	Outstanding options number	Weighted average remaining contractual life years	Weighted average exercise price pence
£2.20 – £3.16	**20,924,671**	**1.45**	**2.77**	25,945,027	2.24	269.98
£3.17 – £3.67	**3,071,912**	**1.27**	**3.35**	7,182,408	1.57	334.00
£3.68 – £4.19	**6,477,272**	**2.92**	**4.03**	7,005,319	3.93	403.00
£4.20 - £5.20	**9,680,853**	**4.05**	**5.16**	—	—	—

(c) Movements in the year
A summary of the status of the option and share plans as at 31 December 2025 and 2024, and changes during the years ended on those dates, is shown below.

	2025			2024		
	Options number	**Weighted average exercise price years**	**Awards**	Options number	Weighted average exercise price years	Awards number
Outstanding at 1 January	**40,132,754**	**304.66**	**37,859,342**	44,271,817	275.76	36,796,790
Granted during the year	**9,797,200**	**516.00**	**22,550,980**	7,125,550	403.00	17,149,117
Exercised during the year	**(8,393,592)**	**283.00**	**(14,707,789)**	(9,438,680)	243.12	(12,801,800)
Forfeited during the year	**(508,065)**	**345.00**	**(4,361,460)**	(1,531,527)	311.15	(3,284,766)
Cancelled during the year	**(800,324)**	**371.00**	**—**	(219,853)	283.42	—
Expired during the year	**(73,265)**	**306.00**	**—**	(74,553)	265.38	—
Outstanding at 31 December	**40,154,708**	**359.00**	**41,341,073**	40,132,754	304.66	37,859,342
Exercisable at 31 December	**6,845,772**	**244.00**	**—**	2,652,142	308.30	—

(d) Expense charged to the income statement
The total expense recognised for the year arising from equity compensation plans was as follows:

	2025	2024
	£m	£m
Equity-settled expense	**(74)**	(61)

(e) Fair value of options and awards
The weighted average fair values of options and awards granted during the year, estimated by using the Binomial option pricing model and Monte Carlo Simulation model, were £1.80 and £5.71 (2024: £0.96 and £4.73) respectively.

(i) Share options
The fair value of the options was estimated on the date of grant, based on the following weighted average assumptions:

Weighted average assumption	**2025**	2024
Share price	**691p**	484p
Exercise price	**516p**	403p
Expected volatility	**24.88 %**	24.58 %
Expected life	**4.3 years**	4.19 years
Expected dividend yield	**5.34 %**	7.07%
Risk-free interest rate	**3.94 %**	3.63%

The expected volatility used was based on the historical volatility of the share price over a period equivalent to the expected life of the option prior to its date of grant. The risk-free interest rate was based on the yields available on UK government bonds as at the date of grant. The bonds chosen were those with a similar remaining term to the expected life of the options. 8,393,592 options were exercised during the year (2024: 9,438,680).

(ii) Share awards
The fair value of the awards was estimated on the date of grant based on the following weighted average assumptions:

Weighted average assumption	**2025**	2024
Share price	**571p**	489p
Expected volatility[1]	**23 %**	30 %
Expected volatility of comparator companies' share price[1]	**28 %**	29 %
Correlation between Aviva and comparator competitors' share price	**48 %**	49 %
Expected life[1]	**3.00 years**	3.00 years
Expected dividend yield	**0.00 %**	0.00%
Risk-free interest rate[1]	**4.02 %**	4.02 %

1. For awards with market-based performance conditions only

Notes to the consolidated financial statements

33 - TREASURY SHARES

Prior to 2021, we primarily issued new shares except where it is necessary to use shares held by an employee share trust. From 2021, we satisfy awards and options granted under the Group's share plans primarily through shares purchased in the market and held by employee share trusts. This note gives details of the shares held in these trusts.

Movements in the carrying value of shares held by employee trusts comprise:

	2025		2024	
	number	**£m**	number	£m
At 1 January	**17,993,161**	**81**	21,193,467	87
Acquired in the year	**3,888,119**	**25**	11,013,221	53
Effect of acquisitions in the period	**2,735,957**	**4**	—	—
Distributed in the year	**(14,213,220)**	**(67)**	(14,213,527)	(59)
At 31 December	**10,404,017**	**43**	17,993,161	81

The shares are owned by employee share trusts with an undertaking to satisfy awards of shares in the Company under the Company's share plans and schemes. Details of the features of the plans can be found in the directors' remuneration report and/or in note 32.

These shares were purchased in the market and are carried at weighted average cost. At 31 December 2025, they had an aggregate nominal value of £3,422,374 (2024: £5,918,803) and a market value of £71,236,304 (2024: £84,351,939). The trustees have waived their rights to dividends on the shares held in the trusts.

34 - PREFERENCE SHARE CAPITAL

The issued and paid up preference share capital of the Company at 31 December was:

	2025	2024
	£m	£m
100,000,000 8.375% cumulative irredeemable preference shares of £1 each	**—**	100
100,000,000 8.75% cumulative irredeemable preference shares of £1 each	**—**	100
Total preference share capital	**—**	200

Cancellation of preference shares

On 11 March 2025 the Group launched a parallel cancellation and tender offer process in relation to its £200 million of preference share capital issued by Aviva plc.

The cancellation in full of both series of the Aviva plc preference shares was approved by shareholders on 15 April 2025 and sanctioned by court on 13 May 2025. The cancellation of the Aviva plc preference shares became effective on 14 May 2025. Special dividends of £44 million and £50 million were paid on cancellation of the 8.375% cumulative irredeemable preference shares and 8.75% cumulative irredeemable preference shares respectively. These have been recognised directly in retained earnings in note 36.

35 - TIER 1 NOTES

The carrying amount of Tier 1 Notes at 31 December was:

	2025	2024
	£m	£m
6.875% £500 million fixed rate tier 1 notes - issued 2022	**496**	496
7.750% £500 million fixed rate tier 1 notes - issued 2025	**496**	—
Total tier 1 notes	**992**	496

On 31 March 2025, Aviva plc issued £500 million of 7.750% Fixed Rate Reset Perpetual Restricted Tier 1 Contingent Convertible Notes. The RT1 Notes are callable at par between 30 September 2032 and 31 March 2033 (the First Reset Date) inclusive and thereafter every five years after the First Reset Date. If not called, the coupon from 31 March 2033 will be reset to the prevailing five year benchmark gilt yield plus 3.194%.

On 15 June 2022, Aviva plc issued £500 million of 6.875% Fixed Rate Reset Perpetual Restricted Tier 1 Contingent Convertible Notes. The RT1 Notes are callable at par between 15 December 2031 and 15 June 2032 (the First Reset Date) inclusive and thereafter every five years after the First Reset Date. If not called, the coupon from 15 June 2032 will be reset to the prevailing five year benchmark gilt yield plus 4.649%.

Both Notes have no fixed maturity date. Optional cancellation of coupon payments is at the discretion of Aviva plc and cancellation is mandatory upon the occurrence of certain conditions. The RT1 Notes are therefore treated as equity and the coupon payments are recognised directly in equity. During the year coupon payments of £54 million were made (31 December 2024: £34 million). On the occurrence of certain conversion trigger events the Notes are convertible into ordinary shares of Aviva plc.

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36 - CAPITAL RESERVES AND RETAINED EARNINGS

This note analyses the movements in the consolidated capital reserves and retained earnings during the year, which form part of IFRS Shareholders' equity.

		Full year 2025				Full year 2024			
		Capital reserves				Capital reserves			
	Note	**Share premium** £m	**Capital redemption reserve** £m	**Merger reserve** £m	**Retained earnings** £m	Share premium £m	Capital redemption reserve £m	Merger reserve £m	Retained earnings £m
At 1 January		**17**	**44**	**5,224**	**1,388**	17	24	5,224	2,228
Profit for the year attributable to equity shareholders		**—**	**—**	**—**	**924**	—	—	—	683
Remeasurements of pension schemes	44(b)(i)	**—**	**—**	**—**	**108**	—	—	—	(386)
Dividends and appropriations	15	**—**	**—**	**—**	**(1,097)**	—	—	—	(972)
Forfeited dividends	15	**—**	**—**	**—**	**2**	—	—	—	—
Special dividends paid to Aviva plc preference shareholders	34	**—**	**—**	**—**	**(94)**	—	—	—	—
Shares purchased in buyback	31(b)(i)	**—**	**—**	**—**	**—**	—	20	—	(300)
Direct Line Acquisition									
Issue of share capital - acquisition of Direct Line		**—**	**—**	**2,198**	**—**	—	—	—	—
Other movements									
Net shares issued under equity compensation plans		**—**	**—**	**—**	**2**	—	—	—	(27)
Owner-occupied properties fair value gains transferred to retained earnings on disposals		**—**	**—**	**—**	**—**	—	—	—	21
Aggregate tax effect		**—**	**—**	**—**	**(7)**	—	—	—	141
At 31 December		**17**	**44**	**7,422**	**1,226**	17	44	5,224	1,388

(a) Acquisition of Direct Line

During 2025, the balance of the merger reserve has increased by £2,198 million to £7,422 million (2024: £5,224 million) due to the acquisition of Direct Line which attracted merger relief under section 612 of the Companies Act 2006. Refer to note 2 for further details regarding the acquisition of Direct Line.

(b) Aviva plc company

Retained earnings of Aviva plc, the Company, were £11,781 million at 31 December 2025 (2024: £10,397 million) (see note H on the Company Financial statements).

Notes to the consolidated financial statements

37 - OTHER RESERVES

This note gives details of the other reserves forming part of the Group's consolidated equity and shows the movements during the year excluding non-controlling interests:

	2025						2024					
	Currency translation reserve	**Owner occupied properties reserve**	**Investment valuation reserve**	**Hedging instruments reserve**	**Equity compensation reserve**	**Total Other reserves**	Currency translation reserve	Owner occupied properties reserve	Investment valuation reserve	Hedging instruments reserve	Equity compensation reserve	Total Other reserves
Accounting policy	**E**	**P**	**T**	**U**	**AB**		E	P	T	U	AB	
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	£m	£m	£m	£m	£m	£m
At 1 January	**208**	**1**	**(3)**	**(205)**	**135**	**136**	378	22	(3)	(240)	122	279
Foreign exchange rate movements	**(74)**	**—**	**—**	**(36)**	**—**	**(110)**	(156)	—	—	52	—	(104)
Aggregate tax effect – shareholders' tax	**—**	**—**	**—**	**10**	**—**	**10**	3	—	—	(13)	—	(10)
Total other comprehensive income for the year	**(74)**	**—**	**—**	**(26)**	**—**	**(100)**	(153)	—	—	39	—	(114)
Fair value gains transferred to retained earnings on disposals	**—**	**—**	**—**	**—**	**—**	**—**	—	(21)	—	—	—	(21)
Transfer to profit on disposal of subsidiaries, joint ventures and associates	**—**	**—**	**—**	**—**	**—**	**—**	(17)	—	—	(4)	—	(21)
Reserves credit for equity compensation plans	**—**	**—**	**—**	**—**	**74**	**74**	—	—	—	—	61	61
Shares issued under equity compensation plans	**—**	**—**	**—**	**—**	**(88)**	**(88)**	—	—	—	—	(48)	(48)
At 31 December	**134**	**1**	**(3)**	**(231)**	**121**	**22**	208	1	(3)	(205)	135	136

Foreign exchange rate movements recorded in the consolidated statement of comprehensive income of £(117) million (2024: £(107) million) relate to foreign exchange rate movements on the currency translation reserve of £(74) million (2024: £(156) million), the hedging instrument reserve of £(36) million (2024: £52 million) and non-controlling interests (see note 38) of £(7) million (2024: £(3) million).

38 - NON-CONTROLLING INTERESTS

This note gives details of the Group's non-controlling interests and shows the movements during the year.

	2025 £m	2024 £m
At 1 January	**316**	318
Profit for the year attributable to non-controlling interests[1]	**130**	22
Foreign exchange rate movements	**(7)**	(3)
Total comprehensive income attributable to non-controlling interests	**123**	19
Non-controlling interests share of dividends declared in the year, excluding special dividends	**(20)**	(21)
Preference share cancellation	**(250)**	—
Special dividend paid to GA plc preference shareholders	**(109)**	—
Non-controlling interest in acquired subsidiaries	**343**	—
Changes in non-controlling interests in subsidiaries	**—**	—
As at 31 December	**403**	316
Comprising:		
Equity shares in subsidiaries	**60**	66
Preference shares in subsidiaries	**—**	250
Tier 1 notes in subsidiaries	**343**	—
Total non-controlling interests	**403**	316

1. Profit for the year attributable to non-controlling interests includes the special dividends paid on the cancellation of preferences shares of GA plc of £109 million, see 38(b).

Notes to the consolidated financial statements

a) Direct Line
Following the acquisition of Direct Line on 1 July 2025 (see note 2), Non-Controlling Interests above includes £350 million of 4.75% fixed rate perpetual Restricted Tier 1 contingent convertible notes (the RT1 notes) which were issued by Direct Line on 7 December 2017. The RT1 notes are callable at par on 7 December 2027 (the First Call Date) and thereafter every five years after the First Call Date. If not called, the coupon from 7 December 2027 will be reset to the prevailing five year mid-swap rate plus 3.394%. The notes have no fixed maturity date. Optional cancellation of coupon payments is at the discretion of Direct Line. RT1 notes are therefore treated as equity and recognised within non-controlling interests at their acquisition date fair value of £343 million.

b) Preference shares
On 11 March 2025 the Group launched a parallel cancellation and tender offer process in relation to its £250 million of preference share capital issued by GA plc.

The cancellation in full of the preference shares was approved by shareholders on 15 April 2025 and sanctioned by court on 5 June 2025. The cancellation of the GA plc preference shares became effective on 6 June 2025. £109 million of special dividends were paid on cancellation of the preference shares.

39 - INSURANCE AND REINSURANCE CONTRACTS

For the purpose of this note, all references to insurance contracts include participating investment contracts. The Group has presented the information about insurance and reinsurance contracts using the following product groups.

Reportable product group	Products and services	Measurement model
Life risk (see note 39(b)(i))	• Annuities (bulk purchase and individual), term assurance, income protection and critical illness • Includes participating pension saving contracts with guaranteed annuity terms as these contracts are expected to convert to annuity contracts and the predominant characteristics are life risk	General Measurement Model (GMM)
Life participating (see note 39(b)(ii))	• With profits savings contracts, unit linked insurance and unit linked participating contracts	Predominantly measured using the Variable Fee Approach (VFA). There is some participating business which is measured using the GMM.
Non-life (see note 39(b)(iii))	• General insurance contracts • Health insurance contracts	Predominantly measured using the Premium Allocation Approach (PAA). Non-life business measured using the GMM includes reinsurance contracts covering the adverse development of incurred claims and claims in settlement acquired in business combinations.

This note analyses the following in respect of these insurance and reinsurance contracts:
(a) Carrying amount
(b) Movements in the year
(c) Assets of insurance acquisition cashflows
(d) Effect of contracts initially recognised in the year
(e) Contractual service margin (CSM) emergence
(f) Non-life claims development
(g) Significant judgements, estimates and assumptions
(h) Financial guarantees and options

(a) Carrying amount
Insurance and reinsurance contracts at 31 December comprised:

	Note	**Life risk £m**	**Participating £m**	**Non-life £m**	**2025 Total £m**	Life risk £m	Participating £m	Non-life £m	2024 Total £m
Insurance contracts									
Insurance contract balances	39(b)	**74,382**	**36,982**	**21,710**	**133,074**	71,452	37,225	15,694	124,371
Assets for insurance acquisition cashflows	39(c)	**—**	**—**	**(219)**	**(219)**	—	—	(220)	(220)
Total insurance contract liabilities		**74,382**	**36,982**	**21,491**	**132,855**	71,452	37,225	15,474	124,151
Reinsurance contracts									
Reinsurance contract assets	39(b)	**(8,062)**	**—**	**(3,809)**	**(11,871)**	(7,579)	—	(2,121)	(9,700)

Carrying amounts of insurance and reinsurance contracts expected to be settled/(recovered) more than 12 months from reporting date:

	2025 £m	2024 £m
Insurance contract and participating investment contract liabilities	116,851	110,330
Reinsurance contract assets	(10,211)	(8,330)

At 31 December 2025, the maximum exposure to credit risk from insurance contracts is £2,957 million (2024: £2,319 million), which primarily relates to premiums receivable for services that the Group has already provided, and the maximum exposure to credit risk from reinsurance contracts is £9,814 million (2024: £7,742 million)

Notes to the consolidated financial statements

(b) Movements in the year

The following movements have occurred in the carrying amount of insurance contract balances in the year:

Carrying amount	Note	**2025 £m**	2024 £m
At 1 January		**124,371**	122,050
Insurance revenue	4	**(25,437)**	(20,747)
Insurance service expenses		**22,197**	18,240
Insurance finance expense		**7,393**	1,121
Foreign exchange rate movements and other charges		**(37)**	(571)
Premiums received		**24,745**	25,928
Claims and expenses paid, including investment component		**(21,360)**	(19,446)
Acquisition cash flows		**(3,818)**	(3,557)
Effect of portfolio transfers, acquisitions and disposals		**5,020**	1,353
At 31 December		**133,074**	124,371

Included within the carrying amounts are: the present value of expected future cashflows, representing a best estimate view; risk adjustment for non-financial risk; and CSM representing the unearned profit for future service.

The carrying amount for reinsurance contracts are recognised separately from insurance contract balances. Detailed movements on both are included in sections 39(b)(i) to 39(b)(iii).

The following summarises movements in CSM that have occurred during the year:

	Life risk £m	**Participating £m**	**Non-life £m**	**2025 Total £m**	Life risk £m	Participating £m	Non-life £m	2024 Total £m
CSM in respect of insurance contracts								
At 1 January	**8,497**	**1,123**	**6**	**9,626**	7,378	1,040	—	8,418
CSM recognised for services provided	**(888)**	**(150)**	**(8)**	**(1,046)**	(821)	(178)	(1)	(1,000)
Other movements in CSM	**1,048**	**138**	**20**	**1,206**	1,575	261	7	1,843
Effect of portfolio transfers, acquisitions and disposals	**(6)**	**—**	**—**	**(6)**	365	—	—	365
At 31 December	**8,651**	**1,111**	**18**	**9,780**	8,497	1,123	6	9,626
CSM in respect of reinsurance contracts								
At 1 January	**(1,852)**	**—**	**(2)**	**(1,854)**	(1,170)	—	—	(1,170)
CSM recognised for services received	**151**	**—**	**—**	**151**	129	—	—	129
Other movements in CSM	**(358)**	**—**	**4**	**(354)**	(495)	—	(2)	(497)
Effect of portfolio transfers, acquisitions and disposals	**—**	**—**	**—**	**—**	(316)	—	—	(316)
At 31 December	**(2,059)**	**—**	**2**	**(2,057)**	(1,852)	—	(2)	(1,854)
Net CSM at 1 January	**6,645**	**1,123**	**4**	**7,772**	6,208	1,040	—	7,248
Net CSM at 31 December	**6,592**	**1,111**	**20**	**7,723**	6,645	1,123	4	7,772

Other movements in CSM include:

- Recognition of additional CSM in respect of new insurance and reinsurance contracts recognised in the year;
- Remeasurement of existing contracts (covering non-financial assumption changes and experience variances for all contracts, plus financial assumption changes and experience variances for contracts in scope of the VFA); and
- For contracts in scope of the GMM, interest accretion on the CSM balance which is recognised within net finance expense/ income from insurance contracts;

There are also changes in CSM arising as a result of portfolio transfers, acquisitions and disposals.

Each of these items can be seen in more detail in the respective tables in section 39(b)(i) for life risk, 39(b)(ii) for participating and 39(b)(iii) for non-life.

The other movements in CSM in 2025 has reduced compared to that in 2024, mainly due to lower investment returns and bulk-purchase annuity new business volumes returning to more normal levels after an extremely high 2024. Neither year included material demographic assumption changes.

Assumption changes are described in more detail in note 41.

The CSM recognised for services provided on insurance contracts in the year of £1,046 million (2024: £1,000 million) is a key component of insurance revenue.

Notes to the consolidated financial statements

The following summarises movements in the risk adjustment that have occurred during the year:

2025	Life Risk £m	Life Participating £m	Non-life PAA £m	Non-life GMM £m	Non-life Total £m	Total £m
Risk adjustment in respect of insurance contracts						
At 1 January	**1,390**	**55**	**550**	**9**	**559**	**2,004**
Change in risk adjustment for risk expired	**(122)**	**(4)**	**—**	**(83)**	**(83)**	**(209)**
Other movements in risk adjustment	**(12)**	**15**	**126**	**17**	**143**	**146**
Effect of portfolio transfers, acquisitions and disposals	**(1)**	**—**	**—**	**355**	**355**	**354**
At 31 December	**1,255**	**66**	**676**	**298**	**974**	**2,295**
Risk adjustment in respect of reinsurance contracts						
At 1 January	**(735)**	**—**	**(71)**	**(80)**	**(151)**	**(886)**
Change in risk adjustment for risk expired	**57**	**—**	**—**	**55**	**55**	**112**
Other movements in risk adjustment	**66**	**—**	**(35)**	**(38)**	**(73)**	**(7)**
Effect of portfolio transfers, acquisitions and disposals	**—**	**—**	**—**	**(188)**	**(188)**	**(188)**
At 31 December	**(612)**	**—**	**(106)**	**(251)**	**(357)**	**(969)**
Net risk adjustment at 1 January	**655**	**55**	**479**	**(71)**	**408**	**1,118**
Net risk adjustment at 31 December	**643**	**66**	**570**	**47**	**617**	**1,326**

2024	Life Risk £m	Life Participating £m	Non-life PAA £m	Non-life GMM £m	Non-life Total £m	Total £m
Risk adjustment in respect of insurance contracts						
At 1 January	1,363	65	523	—	523	1,951
Change in risk adjustment for risk expired	(109)	(3)	—	(1)	(1)	(113)
Other movements in risk adjustment	61	(7)	27	—	27	81
Effect of portfolio transfers, acquisitions and disposals	75		—	10	10	85
At 31 December	1,390	55	550	9	559	2,004
Risk adjustment in respect of reinsurance contracts						
At 1 January	(639)	—	(80)	(70)	(150)	(789)
Change in risk adjustment for risk expired	44	—	—	8	8	52
Other movements in risk adjustment	(78)	—	9	(13)	(4)	(82)
Effect of portfolio transfers, acquisitions and disposals	(62)			(5)	(5)	(67)
At 31 December	(735)	—	(71)	(80)	(151)	(886)
Net risk adjustment at 1 January	724	65	443	(70)	373	1,162
Net risk adjustment at 31 December	655	55	479	(71)	408	1,118

The change in risk adjustment for risk expired is recognised in insurance revenue.

The net risk adjustment has increased in the year. Other movements in risk adjustment include the risk adjustment established on new business (details of which can be seen in note 39(d)) and the impact of movements in discount rates.

Movements in carrying amounts of insurance and reinsurance contracts

The following reconciliations present the movements in the carrying amounts of insurance and reinsurance contracts in each product group.

For life risk and participating contracts each table presents a different analysis of the movements in both insurance and reinsurance balances. The first disclosure, split by remaining coverage and incurred claims, presents the income statement items that constitute insurance revenue, insurance service expenses and net expenses from reinsurance contracts. The sum of these items represents the contribution to insurance service result. Movements in the balances relating to finance expenses and cash flows are shown below the insurance service result.

In the second disclosure, split by measurement component (present value of expected future cash flows, risk adjustment and CSM), the movements are presented by driver of change. The insurance service result and subsequent movements have consistent totals across the two disclosure tables.

For non-life business for both gross and reinsurance contracts, the movements in balances are presented split by remaining coverage and incurred claims with the incurred claims further analysed between the cash flow and risk adjustment components.

A further table then follows for both gross and reinsurance contracts to display the results exclusively for the sub-group of contracts measured under the GMM.

Notes to the consolidated financial statements

(i) Life risk

Insurance contracts

The following table shows life risk insurance contracts analysed by remaining coverage and incurred claims:

		2025				2024			
		Liabilities for remaining coverage				Liabilities for remaining coverage			
Carrying amount	Note	Excluding loss component	Loss component	Liabilities for incurred claims	Total	Excluding loss component	Loss component	Liabilities for incurred claims	Total
		£m	£m	£m	£m	£m	£m	£m	£m
Opening liabilities at 1 January		**69,550**	**414**	**1,488**	**71,452**	66,473	418	1,243	68,134
Changes in comprehensive income									
Insurance revenue	4	**(8,514)**	**—**	**—**	**(8,514)**	(7,788)	—	—	(7,788)
Contracts under the modified retrospective transition approach		**(147)**	**—**	**—**	**(147)**	(156)	—	—	(156)
Contracts under the fair value transition approach		**(4,066)**	**—**	**—**	**(4,066)**	(4,107)	—	—	(4,107)
Other contracts		**(4,301)**	**—**	**—**	**(4,301)**	(3,525)	—	—	(3,525)
Insurance service expenses		**341**	**64**	**7,177**	**7,582**	336	(21)	6,569	6,884
Incurred claims and other insurance service expenses		**—**	**(75)**	**7,177**	**7,102**	—	(67)	6,569	6,502
Amortisation of insurance acquisition cash flows		**341**	**—**	**—**	**341**	336	—	—	336
Losses and reversals of losses on onerous contracts		**—**	**139**	**—**	**139**	—	46	—	46
Investment components and premium refunds		**(1,094)**	**—**	**1,094**	**—**	(1,033)	—	1,033	—
Insurance service result		**(9,267)**	**64**	**8,271**	**(932)**	(8,485)	(21)	7,602	(904)
Net finance expenses/(income) from insurance contracts	5	**2,861**	**40**	**—**	**2,901**	(1,236)	20	—	(1,216)
Effect of movements in exchange rates		**31**	**2**	**13**	**46**	(109)	(3)	(11)	(123)
Total changes in comprehensive income		**(6,375)**	**106**	**8,284**	**2,015**	(9,830)	(4)	7,591	(2,243)
Cash flows									
Premiums received		**9,396**	**—**	**—**	**9,396**	12,668	—	—	12,668
Claims and other insurance service expenses paid, including investment component		**—**	**—**	**(7,774)**	**(7,774)**	—	—	(7,508)	(7,508)
Insurance acquisition cash flows		**(649)**	**—**	**—**	**(649)**	(633)	—	—	(633)
Total cash flows		**8,747**	**—**	**(7,774)**	**973**	12,035	—	(7,508)	4,527
Effect of portfolio transfers, acquisitions and disposals		**(58)**	**—**	**—**	**(58)**	872	—	162	1,034
Closing liabilities at 31 December		**71,864**	**520**	**1,998**	**74,382**	69,550	414	1,488	71,452

The 2025 acquisition movements for Life risk insurance contracts reflect the settlement of pre-existing balances in respect of insurance contract liabilities arising from a buy-in contract held by the Direct Line staff pension scheme.

Notes to the consolidated financial statements

The following table shows life risk insurance contracts analysed by measurement component:

				Contractual service margin (CSM)				
2025 Carrying amount	Note	Estimates of present value of future cash flows £m	Risk adjustment for non-financial risk £m	Contracts under modified retrospective transition approach £m	Contracts under fair value transition approach £m	Other contracts £m	CSM Total £m	Total £m
Opening liabilities at 1 January		61,565	1,390	—	3,718	4,779	8,497	71,452
Changes in comprehensive income								
CSM recognised for services provided		—	—	—	(377)	(511)	(888)	(888)
Change in risk adjustment for risk expired		—	(122)	—	—	—	—	(122)
Experience adjustments		(61)	—	—	—	—	—	(61)
Changes that relate to current services		(61)	(122)	—	(377)	(511)	(888)	(1,071)
Contracts initially recognised in the period		(607)	130	—	—	482	482	5
Changes in estimates that adjust the CSM		(36)	(178)	—	(40)	254	214	—
Changes in estimates that result in losses and reversal of losses on onerous contracts		134	—	—	—	—	—	134
Changes that relate to future services		(509)	(48)	—	(40)	736	696	139
Insurance service result		(570)	(170)	—	(417)	225	(192)	(932)
Net finance expenses from insurance contracts	5	2,535	30	—	170	166	336	2,901
Effect of movements in exchange rates		24	6	—	9	7	16	46
Total changes in comprehensive income		1,989	(134)	—	(238)	398	160	2,015
Cash flows								
Premiums received		9,396	—	—	—	—	—	9,396
Claims and other insurance service expenses paid, including investment components		(7,774)	—	—	—	—	—	(7,774)
Insurance acquisition cash flows		(649)	—	—	—	—	—	(649)
Total cash flows		973	—	—	—	—	—	973
Effect of portfolio transfers, acquisitions and disposals		(51)	(1)	—	—	(6)	(6)	(58)
Closing liabilities at 31 December		64,476	1,255	—	3,480	5,171	8,651	74,382

Notes to the consolidated financial statements

2024 Carrying amount	Note	Estimates of present value of future cash flows £m	Risk adjustment for non-financial risk £m	Contractual service margin (CSM): Contracts under modified retrospective transition approach £m	Contractual service margin (CSM): Contracts under fair value transition approach £m	Contractual service margin (CSM): Other contracts £m	Contractual service margin (CSM): CSM Total £m	Total £m
Opening liabilities at 1 January		59,393	1,363	1	3,652	3,725	7,378	68,134
Changes in comprehensive income								
CSM recognised for services provided		—	—	—	(392)	(429)	(821)	(821)
Change in risk adjustment for risk expired		—	(109)	—	—	—	—	(109)
Experience adjustments		(20)	—	—	—	—	—	(20)
Changes that relate to current services		(20)	(109)	—	(392)	(429)	(821)	(950)
Contracts initially recognised in the period		(971)	222	—	—	750	750	1
Changes in estimates that adjust the CSM		(519)	(23)	(1)	301	242	542	—
Changes in estimates that result in losses and reversal of losses on onerous contracts		45	—	—	—	—	—	45
Changes that relate to future services		(1,445)	199	(1)	301	992	1,292	46
Insurance service result		(1,465)	90	(1)	(91)	563	471	(904)
Net finance (income)/expenses from insurance contracts	5	(1,382)	(132)	—	165	133	298	(1,216)
Effect of movements in exchange rates		(102)	(6)	—	(8)	(7)	(15)	(123)
Total changes in comprehensive income		(2,949)	(48)	(1)	66	689	754	(2,243)
Cash flows								
Premiums received		12,668	—	—	—	—	—	12,668
Claims and other insurance service expenses paid, including investment components		(7,508)	—	—	—	—	—	(7,508)
Insurance acquisition cash flows		(633)	—	—	—	—	—	(633)
Total cash flows		4,527	—	—	—	—	—	4,527
Effect of portfolio transfers, acquisitions and disposals		594	75	—	—	365	365	1,034
Closing liabilities at 31 December		**61,565**	**1,390**	**—**	**3,718**	**4,779**	**8,497**	**71,452**

Key changes that impact the income statement include the release of CSM for services provided and the release of risk adjustment for expired risks.

Changes that relate to future service include:

- New contracts initially recognised in the year which give rise to a CSM liability representing unearned future profit on service yet to be provided;
- Experience variances and assumption changes on profitable contracts that impact the expected fulfilment cash flows and adjust the CSM liability; and
- Recognition of new onerous contracts and experience variances or assumption changes on onerous contracts impacting the income statement immediately.

The changes in estimates that increase the CSM include the effect of both experience variances and assumption changes on expected future cash flows. Assumption changes are explained in more detail in note 41.

The net finance expenses from insurance contracts of £2,901 million (2024: £(1,216) million net finance income) recognised in the income statement includes the impact of the change in financial assumptions, the unwind of discounting on the fulfilment cash flows and interest accretion on the CSM. The change in discount rates during 2025, with rates decreasing at shorter durations and increasing at longer durations, resulting in an overall increase in the value of the liabilities.

Notes to the consolidated financial statements

Reinsurance contracts
The following table shows life risk reinsurance contracts analysed by remaining coverage and incurred claims:

		2025				2024			
		Assets for remaining coverage				Assets for remaining coverage			
Carrying amount	Note	**Excluding loss recovery component** £m	**Loss recovery component** £m	**Assets for incurred claims** £m	**Total** £m	Excluding loss recovery component £m	Loss recovery component £m	Assets for incurred claims £m	Total £m
Opening assets at 1 January		**6,876**	**(56)**	**759**	**7,579**	5,245	(11)	505	5,739
Changes in comprehensive income									
Allocation of reinsurance premiums paid		**(3,808)**	**—**	**—**	**(3,808)**	(3,287)	—	—	(3,287)
Recoveries of incurred claims and other insurance service expenses		**—**	**(7)**	**3,497**	**3,490**	—	(2)	3,116	3,114
Recoveries and reversals of recoveries of losses on onerous underlying contracts		**—**	**58**	**—**	**58**	—	(45)	—	(45)
Adjustments to assets for incurred claims		**—**	**—**	**—**	**—**	—	—	—	—
Amounts recoverable from reinsurers		**—**	**51**	**3,497**	**3,548**	—	(47)	3,116	3,069
Investment components and premium refunds		**(1)**	**—**	**1**	**—**	(3)	—	3	—
Net expenses from reinsurance contracts		**(3,809)**	**51**	**3,498**	**(260)**	(3,290)	(47)	3,119	(218)
Net finance income/(expenses) from reinsurance contracts	5	**141**	**5**	**—**	**146**	(213)	2	—	(211)
Effect of movements in exchange rates		**32**	**—**	**4**	**36**	(32)	—	(4)	(36)
Total changes in comprehensive income		**(3,636)**	**56**	**3,502**	**(78)**	(3,535)	(45)	3,115	(465)
Cash flows									
Premiums paid		**4,005**	**—**	**—**	**4,005**	4,366	—	—	4,366
Amounts received		**—**	**—**	**(3,444)**	**(3,444)**	—	—	(3,045)	(3,045)
Total cash flows		**4,005**	**—**	**(3,444)**	**561**	4,366	—	(3,045)	1,321
Effect of portfolio transfers, acquisitions and disposals		**—**	**—**	**—**	**—**	800	—	184	984
Closing assets at 31 December		**7,245**	**—**	**817**	**8,062**	6,876	(56)	759	7,579

Notes to the consolidated financial statements

The following table shows life risk reinsurance contracts analysed by measurement component:

				Contractual service margin (CSM)				
2025 Carrying amount	Note	Estimates of present value of future cash flows £m	Risk adjustment for non-financial risk £m	Contracts under modified retrospective transition approach £m	Contracts under fair value transition approach £m	Other contracts £m	CSM Total £m	Total £m
Opening assets at 1 January		4,992	735	(66)	459	1,459	1,852	7,579
Changes in comprehensive income								
CSM recognised for services provided		—	—	6	(49)	(108)	(151)	(151)
Change in risk adjustment for risk expired		—	(57)	—	—	—	—	(57)
Experience adjustments		(110)	—	—	—	—	—	(110)
Changes that relate to current services		(110)	(57)	6	(49)	(108)	(151)	(318)
Contracts initially recognised in the period		(133)	79	—	—	59	59	5
Changes in estimates that adjust the CSM		(49)	(177)	5	(18)	239	226	—
Changes in estimates that relate to losses and reversals of losses on onerous underlying contracts		53	—	—	—	—	—	53
Changes that relate to future services		(129)	(98)	5	(18)	298	285	58
Net (expenses)/income from reinsurance contracts		(239)	(155)	11	(67)	190	134	(260)
Net finance income/(expenses) from reinsurance contracts	5	46	30	(2)	19	53	70	146
Effect of movements in exchange rates		31	2	—	3	—	3	36
Total changes in comprehensive income		(162)	(123)	9	(45)	243	207	(78)
Cash flows								
Premiums paid		4,005	—	—	—	—	—	4,005
Amounts received		(3,444)	—	—	—	—	—	(3,444)
Total cash flows		561	—	—	—	—	—	561
Closing assets at 31 December		5,391	612	(57)	414	1,702	2,059	8,062

Notes to the consolidated financial statements

2024 Carrying amount	Note	Estimates of present value of future cash flows £m	Risk adjustment for non-financial risk £m	Contractual service margin (CSM): Contracts under modified retrospective transition approach £m	Contractual service margin (CSM): Contracts under fair value transition approach £m	Contractual service margin (CSM): Other contracts £m	Contractual service margin (CSM): CSM Total £m	Total £m
Opening assets at 1 January		3,930	639	(76)	451	795	1,170	5,739
Changes in comprehensive income								
CSM recognised for services provided		—	—	7	(53)	(83)	(129)	(129)
Change in risk adjustment for risk expired		—	(44)	—	—	—	—	(44)
Experience adjustments		—	—	—	—	—	—	—
Changes that relate to current services		—	(44)	7	(53)	(83)	(129)	(173)
Contracts initially recognised in the period		(347)	186	—	—	162	162	1
Changes in estimates that adjust the CSM		(236)	(46)	6	46	230	282	—
Changes in estimates that relate to losses and reversals of losses on onerous underlying contracts		(46)	—	—	—	—	—	(46)
Changes that relate to future services		(629)	140	6	46	392	444	(45)
Net (expenses)/income from reinsurance contracts		(629)	96	13	(7)	309	315	(218)
Net finance (expenses)/income from reinsurance contracts	5	(206)	(59)	(3)	18	39	54	(211)
Effect of movements in exchange rates		(30)	(3)	—	(3)	—	(3)	(36)
Total changes in comprehensive income		(865)	34	10	8	348	366	(465)
Cash flows								
Premiums paid		4,366	—	—	—	—	—	4,366
Amounts received		(3,045)	—	—	—	—	—	(3,045)
Total cash flows		1,321	—	—	—	—	—	1,321
Effect of portfolio transfers, acquisitions and disposals		606	62	—	—	316	316	984
Closing assets at 31 December		4,992	735	(66)	459	1,459	1,852	7,579

Some gross onerous contracts do not have reinsurance in place so movements in the gross loss component occur without a corresponding movement being seen in the reinsurance loss recovery component.

Notes to the consolidated financial statements

(ii) Participating
Insurance contracts
The following table shows participating insurance contracts analysed by remaining coverage and incurred claims:

		2025				2024			
		Liabilities for remaining coverage				Liabilities for remaining coverage			
Carrying amount	Note	Excluding loss component £m	Loss component £m	Liabilities for incurred claims £m	Total £m	Excluding loss component £m	Loss component £m	Liabilities for incurred claims £m	Total £m
Opening liabilities at 1 January		**36,532**	**18**	**675**	**37,225**	38,677	9	858	39,544
Changes in comprehensive income									
Insurance revenue	4	**(682)**	**—**	**—**	**(682)**	(533)	—	—	(533)
Contracts under the modified retrospective transition approach		**(158)**	**—**	**—**	**(158)**	(147)	—	—	(147)
Contracts under the fair value transition approach		**(484)**	**—**	**—**	**(484)**	(354)	—	—	(354)
Other contracts		**(40)**	**—**	**—**	**(40)**	(32)	—	—	(32)
Insurance service expenses		**6**	**12**	**337**	**355**	7	11	312	330
Incurred claims and other insurance service expenses		**—**	**(1)**	**337**	**336**	—	(2)	312	310
Amortisation of insurance acquisition cash flows		**6**	**—**	**—**	**6**	7	—	—	7
Losses and reversals of losses on onerous contracts		**—**	**13**	**—**	**13**	—	13	—	13
Investment components and premium refunds		**(3,606)**	**—**	**3,606**	**—**	(3,973)	—	3,973	—
Insurance service result		**(4,282)**	**12**	**3,943**	**(327)**	(4,499)	11	4,285	(203)
Net finance expenses from insurance contracts	5	**3,838**	**7**	**—**	**3,845**	1,986	(2)	—	1,984
Effect of movements in exchange rates		**(5)**	**(1)**	**—**	**(6)**	(41)	—	(1)	(42)
Total changes in comprehensive income		**(449)**	**18**	**3,943**	**3,512**	(2,554)	9	4,284	1,739
Cash flows									
Premiums received		**305**	**—**	**—**	**305**	434	—	—	434
Claims and other insurance service expenses paid, including investment component		**—**	**—**	**(4,045)**	**(4,045)**	—	—	(4,467)	(4,467)
Insurance acquisition cash flows		**(15)**	**—**	**—**	**(15)**	(25)	—	—	(25)
Total cash flows		**290**	**—**	**(4,045)**	**(3,755)**	409	—	(4,467)	(4,058)
Closing liabilities at 31 December		**36,373**	**36**	**573**	**36,982**	36,532	18	675	37,225

Notes to the consolidated financial statements

The following table shows participating insurance contracts analysed by measurement component:

				Contractual service margin (CSM)			
2025 Carrying amount	Note	Estimates of present value of future cash flows £m	Risk adjustment for non-financial risk £m	Contracts under modified retrospective transition approach £m	Contracts under fair value transition approach £m	CSM Total £m	Total £m
Opening liabilities at 1 January		**36,047**	**55**	**383**	**740**	**1,123**	**37,225**
Changes in comprehensive income							
CSM recognised for services provided		**—**	**—**	**(68)**	**(82)**	**(150)**	**(150)**
Change in risk adjustment for risk expired		**—**	**(4)**	**—**	**—**	**—**	**(4)**
Experience adjustments		**43**	**—**	**—**	**—**	**—**	**43**
Revenue recognised for incurred policyholder tax expenses		**(229)**	**—**	**—**	**—**	**—**	**(229)**
Changes that relate to current services		**(186)**	**(4)**	**(68)**	**(82)**	**(150)**	**(340)**
Changes in estimates that adjust the CSM		**(142)**	**8**	**99**	**35**	**134**	**—**
Changes in estimates that result in losses and reversal of losses on onerous contracts		**13**	**—**	**—**	**—**	**—**	**13**
Changes that relate to future services		**(129)**	**8**	**99**	**35**	**134**	**13**
Insurance service result		**(315)**	**4**	**31**	**(47)**	**(16)**	**(327)**
Net finance expenses from insurance contracts	5	**3,835**	**7**	**—**	**3**	**3**	**3,845**
Effect of movements in exchange rates		**(7)**	**—**	**—**	**1**	**1**	**(6)**
Total changes in comprehensive income		**3,513**	**11**	**31**	**(43)**	**(12)**	**3,512**
Cash flows							
Premiums received		**305**	**—**	**—**	**—**	**—**	**305**
Claims and other insurance service expenses paid, including investment components		**(4,045)**	**—**	**—**	**—**	**—**	**(4,045)**
Insurance acquisition cash flows		**(15)**	**—**	**—**	**—**	**—**	**(15)**
Total cash flows		**(3,755)**	**—**	**—**	**—**	**—**	**(3,755)**
Closing liabilities at 31 December		**35,805**	**66**	**414**	**697**	**1,111**	**36,982**

Notes to the consolidated financial statements

Full year 2024	Note	Estimates of present value of future cash flows £m	Risk adjustment for non-financial risk £m	Contracts under modified retrospective transition approach £m	Contracts under fair value transition approach £m	CSM Total £m	Total £m
				Contractual service margin (CSM)			
Opening liabilities at 1 January		38,439	65	388	652	1,040	39,544
Changes in comprehensive income							
CSM recognised for services provided		—	—	(90)	(88)	(178)	(178)
Change in risk adjustment for risk expired		—	(3)	—	—	—	(3)
Experience adjustments		(22)	—	—	—	—	(22)
Revenue recognised for incurred policyholder tax expenses		(13)	—	—	—	—	(13)
Changes that relate to current services		(35)	(3)	(90)	(88)	(178)	(216)
Changes in estimates that adjust the CSM		(259)	1	85	173	258	—
Changes in estimates that result in losses and reversal of losses on onerous contracts		13	—	—	—	—	13
Changes that relate to future services		(246)	1	85	173	258	13
Insurance service result		(281)	(2)	(5)	85	80	(203)
Net finance expenses/(income) from insurance contracts	5	1,989	(8)	—	3	3	1,984
Effect of movements in exchange rates		(42)	—	—	—	—	(42)
Total changes in comprehensive income		1,666	(10)	(5)	88	83	1,739
Cash flows							
Premiums received		434	—	—	—	—	434
Claims and other insurance service expenses paid, including investment components		(4,467)	—	—	—	—	(4,467)
Insurance acquisition cash flows		(25)	—	—	—	—	(25)
Total cash flows		(4,058)	—	—	—	—	(4,058)
Closing liabilities at 31 December		36,047	55	383	740	1,123	37,225

Key changes that impact the income statement include the release of CSM for services provided and experience variances for the period. Other changes that relate to current services include revenue recognised for policyholder tax expenses, representing income tax on policyholders' investment return, charged to the policyholder funds.

Net finance (income)/expenses mainly represents investment returns on the net assets held in policyholder funds.

Notes to the consolidated financial statements

(iii) Non-life

Claims in settlement acquired in business combination are assigned to groups based on the nature of the risks as at the acquisition date. Liabilities for acquired claims in settlement (and reinsurance assets thereof) are measured at their fair value as at the acquisition date, with a CSM established equal to the fair value less fulfilment cashflows (where this is negative a loss component is established). For the Direct Line acquisition, the CSM in respect of acquired claims in settlement (and reinsurance assets thereof) was determined to be £nil at the acquisition date.

Acquired claims in settlement are subsequently measured under the GMM. Where fewer of these acquired claims were settled in the period than was expected, this leads to a positive experience variance within the insurance service result: expected claims are reported in insurance revenue (in contrast with the PAA treatment of equivalent non-acquired claims, for which no further insurance revenue would be recognised); and settled claims are reported in insurance service expenses. Consequently, there is an unexpected increase in the end of period fulfilment cash flows. If there is no CSM for that group of contracts this causes a loss component to be established, which offsets the positive experience variance within the insurance service result. Acquired claims in settlement have been settled more slowly than expected during 2025 resulting in a loss component being established for some groups, but this is a result of a timing difference and is not indicative of adverse claims development. The insurance service result for acquired claims in settlement is positive in 2025.

Insurance contracts

The following table shows non-life insurance contracts analysed by remaining coverage and incurred claims (contracts measured under the PAA or GMM):

		Liabilities for remaining coverage		Liabilities for incurred claims			
					Contracts under PAA		
2025 Carrying amount	Note	Excluding loss component £m	Loss component £m	Contracts not under PAA £m	Estimates of present value of future cash flows £m	Risk adjustment for non-financial risk £m	Total £m
Opening liabilities at 1 January		3,246	26	—	11,872	550	15,694
Changes in comprehensive income							
Insurance revenue	4	(16,241)	—	—	—	—	(16,241)
Incurred claims and other insurance service expenses		—	(57)	676	10,289	214	11,122
Amortisation of insurance acquisition cash flows		3,072	—	—	—	—	3,072
Losses and reversals of losses on onerous contracts		—	264	—	—	—	264
Adjustments to liabilities for incurred claims		—	—	—	(91)	(107)	(198)
Insurance service expenses		3,072	207	676	10,198	107	14,260
Insurance service result		(13,169)	207	676	10,198	107	(1,981)
Net finance expenses from insurance contracts	5	130	—	—	496	21	647
Effect of movements in exchange rates		(11)	—	—	(64)	(2)	(77)
Total changes in comprehensive income		(13,050)	207	676	10,630	126	(1,411)
Cash flows							
Premiums received		15,044	—	—	—	—	15,044
Claims and other insurance service expenses paid, including investment component		—	—	(676)	(8,865)	—	(9,541)
Insurance acquisition cash flows		(3,154)	—	—	—	—	(3,154)
Total cash flows		11,890	—	(676)	(8,865)	—	2,349
Effect of portfolio transfers, acquisitions and disposals		5,078	—	—	—	—	5,078
Closing liabilities at 31 December		7,164	233	—	13,637	676	21,710

The £(107) million adjustment to the risk adjustment in the liability for incurred claims comprises the release of the risk adjustment as claims are paid and also includes assumption changes in calculating the risk adjustment.

Notes to the consolidated financial statements

2024 Carrying amount	Note	Liabilities for remaining coverage: Excluding loss component £m	Liabilities for remaining coverage: Loss component £m	Liabilities for incurred claims: Contracts not under PAA £m	Liabilities for incurred claims: Contracts under PAA: Estimates of present value of future cash flows £m	Liabilities for incurred claims: Contracts under PAA: Risk adjustment for non-financial risk £m	Total £m
Opening liabilities at 1 January		2,727	31	—	11,091	523	14,372
Changes in comprehensive income							
Insurance revenue	4	(12,426)	—	—	—	—	(12,426)
Incurred claims and other insurance service expenses		—	(50)	6	8,204	171	8,331
Amortisation of insurance acquisition cash flows		2,762	—	—	—	—	2,762
Losses and reversals of losses on onerous contracts		—	47	—	—	—	47
Adjustments to liabilities for incurred claims		—	—	—	27	(141)	(114)
Insurance service expenses		2,762	(3)	6	8,231	30	11,026
Insurance service result		(9,664)	(3)	6	8,231	30	(1,400)
Net finance expenses from insurance contracts	5	4	—	—	338	11	353
Effect of movements in exchange rates		(67)	(2)	—	(323)	(14)	(406)
Total changes in comprehensive income		(9,727)	(5)	6	8,246	27	(1,453)
Cash flows							
Premiums received		12,826	—	—	—	—	12,826
Claims and other insurance service expenses paid, including investment component		—	—	(6)	(7,465)	—	(7,471)
Insurance acquisition cash flows		(2,899)	—	—	—	—	(2,899)
Total cash flows		9,927	—	(6)	(7,465)	—	2,456
Effect of portfolio transfers, acquisitions and disposals		319	—	—	—	—	319
Closing liabilities at 31 December		3,246	26	—	11,872	550	15,694

The £(141) million adjustment to the risk adjustment in the liability for incurred claims comprises the release of the risk adjustment as claims are paid and also includes assumption changes in calculating the risk adjustment.

Notes to the consolidated financial statements

The following table shows non-life insurance contracts analysed by measurement component (contracts measured under the GMM).

2025 Carrying amount	Note	Estimates of present value of future cash flows £m	Risk adjustment for non-financial risk £m	Contractual service margin (CSM) Other contracts £m	Contractual service margin (CSM) CSM Total £m	Total £m
Opening liabilities at 1 January		**166**	**9**	**6**	**6**	**181**
Changes in comprehensive income						
CSM recognised for services provided		**—**	**—**	**(8)**	**(8)**	**(8)**
Change in risk adjustment for risk expired		**—**	**(83)**	**—**	**—**	**(83)**
Experience adjustments		**(442)**	**—**	**—**	**—**	**(442)**
Changes that relate to current services		**(442)**	**(83)**	**(8)**	**(8)**	**(533)**
Changes in estimates that adjust the CSM		**(3)**	**(17)**	**20**	**20**	**—**
Changes in estimates that result in losses and reversal of losses on onerous contracts		**224**	**21**	**—**	**—**	**245**
Changes that relate to future services		**221**	**4**	**20**	**20**	**245**
Insurance service result		**(221)**	**(79)**	**12**	**12**	**(288)**
Net finance expenses from insurance contracts		**119**	**13**	**—**	**—**	**132**
Effect of movements in exchange rates		**—**	**—**	**—**	**—**	**—**
Total changes in comprehensive income		**(102)**	**(66)**	**12**	**12**	**(156)**
Cash flows						
Premiums received		**—**	**—**	**—**	**—**	**—**
Claims and other insurance service expenses paid, including investment components		**(676)**	**—**	**—**	**—**	**(676)**
Insurance acquisition cash flows		**—**	**—**	**—**	**—**	**—**
Total cash flows		**(676)**	**—**	**—**	**—**	**(676)**
Effect of portfolio transfers, acquisitions and disposals		**4,185**	**355**	**—**	**—**	**4,540**
Closing liabilities at 31 December		**3,573**	**298**	**18**	**18**	**3,890**

2024 Carrying amount	Note	Estimates of present value of future cash flows £m	Risk adjustment for non-financial risk £m	Contractual service margin (CSM) Other contracts £m	Contractual service margin (CSM) CSM Total £m	Total £m
Opening liabilities at 1 January		—	—	—	—	—
Changes in comprehensive income						
CSM recognised for services provided		—	—	(1)	(1)	(1)
Change in risk adjustment for risk expired		—	(1)	—	—	(1)
Experience adjustments		(6)	—	—	—	(6)
Changes that relate to current services		(6)	(1)	(1)	(1)	(8)
Changes in estimates that adjust the CSM		(6)	(1)	7	7	1
Changes in estimates that result in losses and reversal of losses on onerous contracts		—	—	—	—	—
Changes that relate to future services		(6)	(1)	7	7	1
Insurance service result		(12)	(2)	6	6	(7)
Net finance expenses from insurance contracts		4	1	—	—	5
Effect of movements in exchange rates		—	—	—	—	—
Total changes in comprehensive income		(8)	(1)	6	6	(3)
Cash flows						
Premiums received		—	—	—	—	—
Claims and other insurance service expenses paid, including investment components		(6)	—	—	—	(6)
Insurance acquisition cash flows		—	—	—	—	—
Total cash flows		(6)	—	—	—	(6)
Effect of portfolio transfers, acquisitions and disposals		180	10	—	—	190
Closing liabilities at 31 December		166	9	6	6	181

Notes to the consolidated financial statements

Reinsurance contracts
The following table shows non-life reinsurance contracts analysed by remaining coverage and incurred claims (contracts measured under the PAA or GMM):

		Assets for remaining coverage			Assets for incurred claims		
2025 Carrying amount	Note	**Excluding loss recovery component £m**	**Loss recovery component**	**Contracts not under PAA £m**	**Estimates of present value of future cash flows £m**	**Risk adjustment for non-financial risk £m**	**Total £m**
Opening assets at 1 January		**852**	**1**	**—**	**1,197**	**71**	**2,121**
Changes in comprehensive income			**—**				
Allocation of reinsurance premiums paid		**(2,077)**	**—**	**—**	**—**	**—**	**(2,077)**
Recoveries of incurred claims and other insurance service expenses		**74**	**36**	**301**	**886**	**49**	**1,346**
Adjustments to assets for incurred claims		**—**	**—**	**—**	**21**	**(15)**	**6**
Amounts recoverable from reinsurers		**74**	**36**	**301**	**907**	**34**	**1,352**
Effect of changes in non-performance risk of reinsurers		**13**	**—**	**—**	**(8)**	**—**	**5**
Net (expenses)/income from reinsurance contracts		**(1,990)**	**36**	**301**	**899**	**34**	**(720)**
Net finance income from reinsurance contracts	5	**104**	**—**	**—**	**29**	**2**	**135**
Effect of movements in exchange rates		**—**	**—**	**—**	**3**	**(1)**	**2**
Total changes in comprehensive income		**(1,886)**	**36**	**301**	**931**	**35**	**(583)**
Cash flows							
Premiums paid		**1,716**	**—**	**—**	**—**	**—**	**1,716**
Amounts received		**—**	**—**	**(301)**	**(699)**	**—**	**(1,000)**
Total cash flows		**1,716**	**—**	**(301)**	**(699)**	**—**	**716**
Effect of portfolio transfers, acquisitions and disposals		**1,102**	**—**	**—**	**453**	**—**	**1,555**
Closing assets at 31 December		**1,784**	**37**	**—**	**1,882**	**106**	**3,809**

		Assets for remaining coverage		Assets for incurred claims			
					Contracts under PAA		
2024 Carrying amount	Note	Excluding loss recovery component £m	Loss recovery component	Contracts not under PAA £m	Estimates of present value of future cash flows £m	Risk adjustment for non-financial risk £m	Total £m
Opening assets at 1 January		844	—	—	1,041	80	1,965
Changes in comprehensive income							
Allocation of reinsurance premiums paid		(1,049)	—	—	—	—	(1,049)
Recoveries of incurred claims and other insurance service expenses		19	1	77	446	21	564
Adjustments to assets for incurred claims		—	—	—	49	(31)	18
Amounts recoverable from reinsurers		19	1	77	495	(10)	582
Effect of changes in non-performance risk of reinsurers		1	—	—	(4)	—	(3)
Net (expenses)/income from reinsurance contracts		(1,029)	1	77	491	(10)	(470)
Net finance income from reinsurance contracts	5	14	—	—	27	2	43
Effect of movements in exchange rates		(10)	—	—	(33)	(1)	(44)
Total changes in comprehensive income		(1,025)	1	77	485	(9)	(471)
Cash flows							
Premiums paid		880	—	—	—	—	880
Amounts received		—	—	(77)	(329)	—	(406)
Total cash flows		880	—	(77)	(329)	—	474
Effect of portfolio transfers, acquisitions and disposals		153	—	—	—	—	153
Closing assets at 31 December		852	1	—	1,197	71	2,121

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The following table shows non-life reinsurance contracts analysed by measurement component (contracts measured under the GMM):

2025 Carrying amount	Note	Estimates of present value of future cash flows £m	Risk adjustment for non-financial risk £m	Contractual service margin (CSM): Contracts under fair value transition approach £m	Contractual service margin (CSM): Other contracts £m	Contractual service margin (CSM): CSM Total £m	Total £m
Opening assets at 1 January		**854**	**80**	**—**	**2**	**2**	**936**
Changes in comprehensive income							
Change in risk adjustment for risk expired		**—**	**(55)**	**—**	**—**	**—**	**(55)**
Experience adjustments		**(170)**	**—**	**—**	**—**	**—**	**(170)**
Changes that relate to current services		**(170)**	**(55)**	**—**	**—**	**—**	**(225)**
Changes in estimates that adjust the CSM		**14**	**(11)**	**(2)**	**(1)**	**(3)**	**—**
Changes in estimates for adverse development cover		**67**	**14**	**—**	**(1)**	**(1)**	**80**
Changes in estimates that relate to losses and reversals of losses on onerous underlying contracts		**24**	**24**	**—**	**—**	**—**	**48**
Changes that relate to future services		**105**	**27**	**(2)**	**(2)**	**(4)**	**128**
Effect of changes in non-performance risk of reinsurers		**13**	**—**	**—**	**—**	**—**	**13**
Net expenses from reinsurance contracts		**(52)**	**(28)**	**(2)**	**(2)**	**(4)**	**(84)**
Net finance income from reinsurance contracts		**92**	**11**	**—**	**—**	**—**	**103**
Effect of movements in exchange rates		**1**	**—**	**—**	**—**	**—**	**1**
Total changes in comprehensive income		**41**	**(17)**	**(2)**	**(2)**	**(4)**	**20**
Cash flows							
Premiums paid		**6**	**—**	**—**	**—**	**—**	**6**
Amounts received		**(301)**	**—**	**—**	**—**	**—**	**(301)**
Total cash flows		**(295)**	**—**	**—**	**—**	**—**	**(295)**
Effect of portfolio transfers, acquisitions and disposals		**1,557**	**188**	**—**	**—**	**—**	**1,745**
Closing assets at 31 December		**2,157**	**251**	**(2)**	**—**	**(2)**	**2,406**

2024 Carrying amount	Note	Estimates of present value of future cash flows £m	Risk adjustment for non-financial risk £m	Contractual service margin (CSM): Contracts under fair value transition approach £m	Contractual service margin (CSM): Other contracts £m	Contractual service margin (CSM): CSM Total £m	Total £m
Opening assets at 1 January		852	70	—	—	—	922
Changes in comprehensive income							
Change in risk adjustment for risk expired		—	(8)	—	—	—	(8)
Experience adjustments		(5)	—	—	—	—	(5)
Changes that relate to current services		(5)	(8)	—	—	—	(13)
Changes in estimates that adjust the CSM		(2)	—	—	2	2	—
Changes in estimates for adverse development cover		7	7	—	—	—	14
Changes in estimates that relate to losses and reversals of losses on onerous underlying contracts		(3)	6	—	—	—	3
Changes that relate to future services		2	13	—	2	2	17
Effect of changes in non-performance risk of reinsurers		2	—	—	—	—	2
Net (expenses)/income from reinsurance contracts		(1)	5	—	2	2	6
Net finance income from reinsurance contracts		5	—	—	—	—	5
Effect of movements in exchange rates		(14)	—	—	—	—	(14)
Total changes in comprehensive income		(10)	5	—	2	2	(3)
Cash flows							
Premiums paid		—	—	—	—	—	—
Amounts received		(77)	—	—	—	—	(77)
Total cash flows		(77)	—	—	—	—	(77)
Effect of portfolio transfers, acquisitions and disposals		89	5	—	—	—	94
Closing assets at 31 December		854	80	—	2	2	936

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(c) Assets for insurance acquisition cashflows

The following table sets out carrying amount and movement of assets for non-life insurance acquisition cash flows at 31 December:

Carrying amount	**2025 £m**	2024 £m
At 1 January	**220**	175
Effect of portfolio transfers, acquisitions and disposals	**37**	28
Amounts incurred during the year	**97**	70
Amounts derecognised and included in the measurement of insurance contracts	**(134)**	(53)
Impairment losses and reversals	**(1)**	—
Balance at 31 December	**219**	220

The following table sets out when the Group expects to derecognise assets for non-life insurance acquisition cash flows after the reporting date:

	2025 £m	2024 £m
Less than one year	**75**	88
One to two years	**52**	45
Two to three years	**37**	38
Three to four years	**29**	30
Four to five years	**9**	6
Five to ten years	**17**	13
Total	**219**	220

(d) Effect of contracts initially recognised in the year

	Note	**2025 Life risk £m**	**Participating £m**	**Total £m**	2024 Life risk £m	Participating £m	Total £m
Expected premiums from new insurance contracts		**8,172**	**—**	**8,172**	11,576	—	11,576

The following tables summarise the effect on the measurement components arising from the initial recognition of insurance and reinsurance contracts not measured under the PAA in the year.

(i) Life risk

Insurance contracts

	2025 Profitable contracts issued £m	**Onerous contracts issued £m**	**Total £m**	2024 Profitable contracts issued £m	Onerous contracts issued £m	Total £m
Claims and other insurance service expenses payable	**6,675**	**261**	**6,936**	9,627	315	9,942
Insurance acquisition cash flows	**622**	**7**	**629**	538	125	663
Estimates of present value of cash outflows	**7,297**	**268**	**7,565**	10,165	440	10,605
Estimates of present value of cash inflows	**(7,904)**	**(268)**	**(8,172)**	(11,126)	(450)	(11,576)
Risk adjustment	**125**	**5**	**130**	211	11	222
CSM	**482**	**—**	**482**	750	—	750
Losses recognised on initial recognition	**—**	**5**	**5**	—	1	1

Reinsurance contracts

	2025 Contracts initiated without a loss recovery component £m	**Contracts initiated with a loss recovery component £m**	**Total £m**	2024 Contracts initiated without a loss recovery component £m	Contracts initiated with a loss recovery component £m	Total £m
Estimates of present value of cash outflows	**4,158**	**335**	**4,493**	8,659	267	8,926
Estimates of present value of cash inflows	**(4,036)**	**(324)**	**(4,360)**	(8,295)	(284)	(8,579)
Risk adjustment	**(74)**	**(5)**	**(79)**	(177)	(9)	(186)
CSM	**(48)**	**(11)**	**(59)**	(187)	25	(162)
Income recognised on initial recognition	**—**	**(5)**	**(5)**	—	(1)	(1)

Notes to the consolidated financial statements

(ii) Participating
There were no Participating business contracts initially recognised in either the current or prior year.

(iii) Non-life
There were no non-life insurance contracts initially recognised (due to writing new business) in the prior year or current year measured under the GMM. The effect of non-life insurance contracts measured under the GMM initially recognised as a result of acquisitions in the year are disclosed in 39b(iii).

(e) Contractual service margin emergence
The following tables set out when the Group expects to recognise the remaining CSM in the income statement for contracts measured under the GMM or VFA, after allowing for future accretion of interest on the CSM for GMM contracts. The amounts presented represent the net impact in each period of expected release of the CSM recognised in revenue less the accretion of interest on the CSM recognised in insurance finance expenses.

2025	Less than one year £m	One to two years £m	Two to three years £m	Three to four years £m	Four to five years £m	Five to ten years £m	10 to 15 years £m	15 to 20 years £m	Greater than 20 years £m	Total £m
Life risk	**585**	**520**	**469**	**437**	**415**	**1,784**	**1,402**	**1,079**	**1,960**	**8,651**
Participating	**143**	**127**	**113**	**99**	**87**	**295**	**139**	**60**	**48**	**1,111**
Non-life	**—**	**1**	**1**	**—**	**1**	**3**	**3**	**2**	**7**	**18**
Insurance contracts	**728**	**648**	**583**	**536**	**503**	**2,082**	**1,544**	**1,141**	**2,015**	**9,780**
Life risk	**78**	**75**	**72**	**72**	**71**	**347**	**335**	**310**	**699**	**2,059**
Participating	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Non-life	**—**	**—**	**—**	**—**	**—**	**(1)**	**—**	**—**	**(1)**	**(2)**
Reinsurance contracts	**78**	**75**	**72**	**72**	**71**	**346**	**335**	**310**	**698**	**2,057**
Net CSM	**650**	**573**	**511**	**464**	**432**	**1,736**	**1,209**	**831**	**1,317**	**7,723**

2024	Less than one year £m	One to two years £m	Two to three years £m	Three to four years £m	Four to five years £m	Five to ten years £m	10 to 15 years £m	15 to 20 years £m	Greater than 20 years £m	Total £m
Life risk	514	476	428	407	391	1,713	1,362	1,055	2,151	8,497
Participating	117	109	99	90	81	296	160	83	88	1,123
Non-life	1	1	1	1	1	1	—	—	—	6
Insurance contracts	632	586	528	498	473	2,010	1,522	1,138	2,239	9,626
Life risk	59	62	58	59	59	298	291	271	695	1,852
Participating	—	—	—	—	—	—	—	—	—	—
Non-life	1	1	—	—	—	—	—	—	—	2
Reinsurance contracts	60	63	58	59	59	298	291	271	695	1,854
Net CSM	572	523	470	439	414	1,712	1,231	867	1,544	7,772

(f) Non-life claims development
The table illustrates how estimates of cumulative claims for the Group's non-life business have developed over time on a gross and net of reinsurance basis. Each table shows how the Group's estimates of total claims for each accident year have developed over time and reconciles the cumulative claims to the amount included in the statement of financial position. Balances have been translated at the exchange rates prevailing at the reporting date as per note 1.

In the claims development table, the cumulative claim payments and estimates of cumulative claims for each accident year are translated into sterling at the exchange rates that applied at the end of that accident year. The impact of using varying exchange rates is shown at the bottom of each table. Disposals are dealt with by treating all outstanding and IBNR claims of the disposed entity as 'paid' at the date of disposal.

The claims development table include information on asbestos and environmental pollution claims provisions from business written more than 10 years ago. The undiscounted claim provisions, net of reinsurance, in respect of this business at 31 December 2025 were £80 million (2024: £82 million). The movement in asbestos and environmental pollution liabilities in the year reflects a decrease of £2 million due to favourable movement within Agencies & Branches.

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	All prior years £m	2016 £m	2017 £m	2018 £m	2019 £m	2020 £m	2021 £m	2022 £m	2023 £m	2024 £m	2025 £m	Total £m
Gross of reinsurance												
Estimates of undiscounted cumulative claims		5,287	5,270	5,719	5,471	5,426	4,973	6,299	7,200	8,296	16,148	
At end of accident year		5,334	5,354	5,613	5,422	5,345	5,044	6,123	7,239	8,502	16,148	—
One year		5,362	5,310	5,644	5,384	5,383	5,104	6,216	7,159	8,296	—	—
Two years		5,312	5,307	5,710	5,431	5,378	4,987	6,292	7,200	—	—	—
Three years		5,286	5,301	5,741	5,414	5,460	4,974	6,299	—	—	—	—
Four years		5,305	5,291	5,734	5,423	5,380	4,973	—	—	—	—	—
Five years		5,307	5,283	5,706	5,451	5,426	—	—		—	—	—
Six years		5,319	5,282	5,690	5,471	—	—	—	—	—	—	—
Seven years		5,298	5,302	5,719	—	—	—	—	—	—	—	—
Eight years		5,289	5,270	—	—	—	—	—	—	—	—	—
Nine years		5,287	—	—	—	—	—	—	—	—	—	—
Cumulative gross claims paid		(5,157)	(5,112)	(5,487)	(5,075)	(4,675)	(4,286)	(5,088)	(5,582)	(5,560)	(5,960)	
	2,900	130	158	232	396	751	687	1,211	1,618	2,736	10,188	21,007
Effect of discounting	(1,165)	(23)	(17)	(21)	(75)	(33)	(45)	(84)	(123)	(193)	(1,905)	(3,684)
Effect of the risk adjustment for non-financial risk	169	4	6	10	15	25	29	50	64	101	501	974
Effect of claims payable	1	1	1	1	1	1	1	2	3	7	13	32
Cumulative effect of foreign exchange movements	4	(5)	(6)	(6)	(7)	(15)	(14)	(46)	(52)	(14)	—	(161)
Effect of acquisitions	14	2	—	—	—	—	—	—	—	—	—	16
Claims liabilities classified within liability for remaining coverage	—	—	—	—	—	—	—	—	—	(162)	(3,709)	(3,871)
Gross liabilities for incurred claims included in the statement of financial position	1,923	109	142	216	330	729	658	1,133	1,510	2,475	5,088	14,313
Net of reinsurance												
Estimates of undiscounted net cumulative claims		4,909	5,135	5,531	5,275	4,915	4,728	5,921	6,877	7,691	12,440	
At end of accident year		4,996	5,193	5,457	5,263	4,889	4,876	5,794	6,912	7,909	12,440	—
One year		5,008	5,138	5,457	5,247	4,861	4,838	5,893	6,885	7,691	—	—
Two years		4,939	5,146	5,530	5,285	4,858	4,762	5,911	6,877	—	—	—
Three years		4,917	5,144	5,562	5,262	4,890	4,721	5,921	—	—	—	—
Four years		4,923	5,135	5,560	5,253	4,832	4,728	—	—	—	—	—
Five years		4,922	5,115	5,516	5,230	4,915	—	—	—	—	—	—
Six years		4,929	5,141	5,516	5,275	—	—	—	—	—	—	—
Seven years		4,912	5,149	5,531	—	—	—	—	—	—	—	—
Eight years		4,908	5,135	—	—	—	—	—	—	—	—	—
Nine years		4,909	—	—	—	—	—	—	—	—	—	—
Cumulative net claims paid		(4,793)	(4,979)	(5,322)	(4,951)	(4,312)	(4,109)	(4,831)	(5,357)	(5,265)	(5,438)	
	1,259	116	156	209	324	603	619	1,090	1,520	2,426	7,002	15,324
Effect of discounting	(400)	(17)	(17)	(18)	(36)	(30)	(41)	(76)	(117)	(173)	(1,048)	(1,973)
Effect of the risk adjustment for non-financial risk	49	4	6	8	12	16	25	41	59	83	314	617
Effect of non-performance risk of reinsurers	—	—	—	—	—	—	—	—	—	—	—	—
Effect of claims payable	4	—	—	—	7	(52)	7	(1)	(7)	(19)	5	(56)
Cumulative effect of foreign exchange movements	13	(10)	(5)	(6)	(7)	(12)	(13)	(40)	(48)	(12)	—	(140)
Effect of acquisitions	14	2	—	—	—	—	—	—	—	—	—	16
Claims liabilities classified within liability for remaining coverage	897	—	—	—	—	—	—	—	—	(80)	(2,280)	(1,463)
Net liabilities for incurred claims included in the statement of financial position	1,836	95	140	193	300	525	597	1,014	1,407	2,225	3,993	12,325

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(g) Significant judgements, estimates and assumptions
This note gives details of the significant judgements made in applying IFRS 17, explaining the inputs, assumptions, methods and estimation techniques used to measure insurance, participating investment and reinsurance contracts. Accounting policy C sets out the critical accounting judgements and the material accounting estimates that are considered particularly susceptible to changes in estimates and assumptions. This note provides further detail of how these are applied in the context of IFRS 17.

The Group underwrites life business primarily in the UK and Ireland. This is mainly written in the 'Non-Profit' funds and in a number of 'With-Profits' sub-funds. In the 'Non-Profit' funds shareholders are entitled to 100% of the distributed profits. In the 'With-Profits' sub-funds the with-profits policyholders are entitled to between 40% and 100% of distributed profits, depending on the fund rules. There is also the Reattributed Inherited Estate External Support Account (RIEESA) in the UK, which does not itself underwrite any business, but provides capital support to one of the 'With-Profits' sub-funds and receives any surplus or deficit emerging from it. In the RIEESA, shareholders are entitled to 100% of the distributed profits, but these can only be distributed in line with the criteria set by the Reattribution Scheme.

The Group underwrites non-life business in the UK, Ireland and Canada, providing individual and corporate customers with a wide range of insurance products.

Significant judgments, estimates and assumptions associated with measuring insurance products and associated reinsurance are outlined below.

(i) Fulfilment cash flows
Fulfilment cash flows comprise:

- estimates of future cash flows;
- an adjustment (discount rate) to reflect the time value of money and the financial risks related to future cash flows, to the extent that the financial risks are not included in the estimates of future cash flows; and
- a risk adjustment.

The Group's objective in estimating future cash flows is to determine the expected value of a range of scenarios that reflects the full range of possible outcomes. A deterministic approach, producing point estimates based on best estimate assumptions, is used for valuing most of the Group's business. The exception is for contracts with embedded options and guarantees, in particular with-profits participation business, where a stochastic approach based on the average of a number of scenarios is used. Stochastic modelling involves projecting future cash flows under a large number of possible economic scenarios for market variables such as interest rates and equity returns.

Estimates of future cash flows
In estimating future cash flows, the Group incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience, updated to reflect current expectations of future events.

The estimates of future cash flows reflect the Group's view of current conditions at the reporting date, using market variables consistent with observable market prices, where applicable.

When estimating future cash flows, the Group takes into account current expectations of future events that might affect those cash flows. However, expectations of future changes in legislation that would change or discharge a present obligation or create new obligations under existing contracts are not taken into account until the change in legislation is substantively enacted. For cash flows which are contractually linked to an index of prices or wages, the Group derives an assumption for future RPI from RPI swap curves, and adjusts this to derive future inflation assumptions for other price and wage indices.

Cash flows within the boundary of a contract relate directly to the fulfilment of the contract, including those for which the Group has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling contracts.

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs. This includes initial and recurring commissions payable on instalment premiums receivable within the contract boundary. Other costs that are incurred in fulfilling the contracts include:

- claims handling, maintenance and administration costs;
- costs that the Group will incur in providing investment services;
- costs that the Group will incur in performing investment activities to the extent that the Group performs them to enhance benefits from insurance coverage for policyholders by generating an investment return from which policyholders will benefit if an insured event occurs; and
- income tax and other costs specifically chargeable to the policyholders under the terms of the contracts.

Insurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads.

Cash flows are attributed to acquisition activities, other fulfilment activities and other activities at local entity level using activity-based costing techniques. Cash flows attributable to acquisition and other fulfilment activities are allocated to groups of contracts using methods that are systematic and rational and are consistently applied to all costs that have similar characteristics.

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Contract boundaries
The assessment of the contract boundary, that defines which future cash flows are included in the measurement of a contract, requires judgement and consideration of the Group's substantive rights and obligations under the contract as follows.

Insurance contracts
Group protection policies issued by the Group have terms that are guaranteed to be renewable every two or three years. The Group determines that the cash flows related to future renewals (i.e. the guaranteed renewable terms) of these contracts are outside the contract boundary. This is because the premium charged for the period reflects the Group's expectation of its exposure to risk for that period and, on renewal, the Group can reprice the premium to reflect the reassessed risks for the next period based on claims experience and expectations for the respective portfolio. Any renewal of the contract is treated as a new contract and is recognised, separately from the initial contract, when the recognition criteria are met.

Pension savings contracts with guaranteed annuity terms allow the policyholder to convert, on maturity of the stated term, the maturity benefit into an immediately starting life-contingent annuity at a predetermined rate. The Group has assessed the contract boundary for the entire contract, including the option, and concluded that the cash flows related to the fulfilment of the annuity option fall within the boundary of the contract. This is because the Group does not have the practical ability to reprice the contract on maturity of the stated term.

Reinsurance contracts
Quota share - The Group manages risks arising from Life insurance contracts through external quota share reinsurance contracts. These reinsurance contracts cover underlying contracts issued within the term on a risk-attaching basis and provides unilateral rights to both the Group and the reinsurer to terminate the cession of new business subject to giving notice to the other party. Notice can usually be given at any time, with termination to new business effective three months from notice being given, albeit a limited number of the Group's quota share reinsurance contract currently stipulate a different notice period. On initial recognition, the cash flows within the reinsurance contract boundary are determined to be those arising from underlying contracts that the Group expects to issue and cede under the reinsurance contract within the next three months. Subsequently risks expected to attach beyond the end of this initial notice period are considered cash flows of new reinsurance contracts and are recognised, separately from the initial contract, as they fall within the rolling three-month notice period.

Excess of loss - The Group's non-Life excess of loss reinsurance contracts held provide coverage for claims incurred during an accident year. Thus, all cash flows arising from claims incurred and expected to be incurred in the accident year are included in the measurement of the reinsurance contracts held. Some of these contracts include mandatory reinstatement premiums, which are guaranteed per the contractual arrangements and are thus within the contract boundary. Estimated reinstatement premiums due are offset against recoveries within the liability for incurred claims.

Risk attaching reinsurance - The Group's risk-attaching non-life treaties have varying coverage periods, ranging from annual treaties to indefinite treaties. Such treaties provide unilateral rights to the Group and reinsurer to either terminate the cession of new business or change the reinsurance premium rates to fully reflect the risks, by giving notice to the other party based upon notice periods defined by the treaty. On initial recognition, the cash flows within the reinsurance contract boundary are determined to be those arising from underlying contracts that the Group expects to issue and cede under the reinsurance contract within the notice period. Subsequently risks attaching beyond the end of the initial notice period are considered cash flows of new reinsurance contracts and are recognised, separately from the initial contract, as they fall within subsequent notice periods.

Adverse development cover - The Group's non-Life adverse development cover treaties are deemed to expire when all uncertainty associated with the ceded claims liabilities has expired. The contract boundary is based upon the best estimate of when all obligations associated with the liabilities will be extinguished.

Life contracts
Death and other claim benefits
Death and other claim benefits are projected using decrements appropriate to each class of business, including persistency, mortality and morbidity.

Mortality assumptions are set with regard to recent Company experience and general industry trends. Local, generally accepted, published standard mortality tables are used for different categories of business as appropriate.

The mortality tables used in the valuation for the most material lines of business are summarised below:

		2025	2024
UK business	Life protection	**AM00/AF00 or TM16/TF16 adjusted for smoker status and age/sex specific factors with allowance for future mortality improvements**	AM00/AF00 or TM16/TF16 adjusted for smoker status and age/sex specific factors with allowance for future mortality improvements
	Pure endowments and deferred annuities before vesting	**AM00/AF00 adjusted with allowance for improvements**	AM00/AF00 adjusted with allowance for improvements
Ireland business	Life protection	**TMS08/TMN08/TFS08/TFN08 adjusted plus allowance for future mortality improvement**	TMS08/TMN08/TFS08/TFN08 adjusted plus allowance for future mortality improvement

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Annuity payments
The conventional immediate and deferred annuity business is valued by discounting future benefit payments with an allowance for mortality, including future improvements in mortality. Mortality assumptions are set with regard to company experience and general industry trends.

The most material mortality tables used are summarised below:

		2025	2024
UK business	Pensions business and general annuity business	**PMA16_IND/PFA16_IND or PMA16_IND_INT/PFA16_IND_INT plus allowance for future mortality improvement**	PMA16_IND/PFA16_IND or PMA16_IND_INT/PFA16_IND_INT plus allowance for future mortality improvement
	Bulk purchase annuities	**CV6 plus allowance for future mortality improvement**	CV6 plus allowance for future mortality improvement
Ireland business	Annuities	**PMA08/PFA08 (conventional) adjusted plus allowance for future mortality improvement**	PMA08/PFA08 (conventional) adjusted plus allowance for future mortality improvement

For the largest portfolio of pensions annuity business, the underlying mortality assumptions for males, before risk adjustment are 102.8% of PMA16_IND with base year 2016 (2024: 104.1% of PMA16_IND with base year 2016). For females the underlying mortality assumptions, before risk adjustment, are 100.9% of PFA16_IND with base year 2016 (2024: 100.0% of PFA16_IND with base year 2016). The base rates on some contracts are adjusted for lifestyle, medical, and other factors.

Improvements before risk adjustment are based on 'CMI_2024 (S=7.25) Advanced with adjustments' (2024: 'CMI_2023 (S=7.25) Advanced with adjustments') with zero weight on 2020-2024 data within the model (2024: zero weight on 2020-2023). Instead of placing weight on post-pandemic data within the CMI improvements model, a separate adjustment is made to reflect the impact that the drivers of excess mortality post-pandemic are expected to have in future years (for 2024 the same approach was taken with respect to CMI_2023). We use a long-term improvement rate of 1.5% for both males and females (31 December 2024: 1.5% for both males and females). An allowance has been made to adjust for greater mortality improvements in the annuitant population relative to the general population on which CMI_2024 is based, using a parameter of 0.15% for males and 0.20% for females (for 2024 the same approach was taken with respect to CMI_2023).

Expenses
Maintenance expense assumptions for life business are generally expressed as a per policy charge set with regards to an allocation of current year expense levels by category of business, adjusted for known changes in contractual arrangements with external suppliers and using the policy counts for in-force business. Expenses are generally charged to with-profits funds using a fixed per policy charge in line with a memorandum of understanding between the with-profits funds and the non-profit fund within the company. Any differential between that and the total charge for each policy accrues to the non-profit fund and is also included in the fulfilment cash flows. The assumptions also include an allowance for future expense inflation over the lifetime of each contract, which is assumed to be in line with RPI. An additional liability is held if projected per policy expenses in future years are expected to exceed current assumptions. A further allowance is made for non-discretionary project costs that typically relate to mandatory requirements. Investment expense assumptions are generally expressed as a proportion of the assets backing the liabilities.

Non-life contracts
The Group establishes reserves for claim events that occurred before the valuation date, whether reported or not. When calculating claim costs, the Group takes into account estimated future recoveries from salvage and subrogation. Where non-Life contracts are onerous, the measurement of the loss component includes an estimate of future claims that are expected to occur within the remaining coverage period.

The undiscounted ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as the Chain Ladder and Bornhuetter-Ferguson methods. Historical claims development is mainly analysed by accident period, although underwriting or notification period is also used where this is considered appropriate.

The assumptions used in most non-life actuarial projection techniques, including future rates of claims inflation or loss ratio assumptions, are implicit in the historical claims development data on which the projections are based. Additional qualitative judgement is used to assess the extent to which past trends may not apply in the future in order to arrive at a point estimate for the ultimate cost of claims that represents the likely outcome. The ultimate cost of outstanding claims includes provision for expenses associated with handling claims.

UK mesothelioma claims
The level of uncertainty associated with latent claims is considerable due to the relatively small number of claims and the long-tail nature of the liabilities. UK mesothelioma claims account for a large proportion of the Group's latent claims. The key assumptions underlying the estimation of these claims include claim numbers, the base average cost per claim, future inflation in the average cost of claims and legal fees. The best estimate of the liabilities considers the latest available market information and studies and how these might impact Aviva's liabilities.

Lump sums payable to bodily injury claimants
Lump sum payments in settlement of UK bodily injury claims are influenced by the Ogden discount rate among other factors. The Ogden discount rate is set by the Lord Chancellor and is applied when calculating the present value of future care costs and loss of earnings for claims settlement purposes. The Lord Chancellor announced in December 2024 that the Ogden discount rate applicable to claims settled from 11th January 2025 is +0.5% (previously -0.25%).

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Discount rates

All cash flows are discounted using risk-free yield curves adjusted to reflect the characteristics of the cash flows and the liquidity of the insurance contracts. For the risk-free yield curves, the Group generally uses the risk-free interest rate curves published by the PRA and EIOPA for regulatory reporting, which are based on swap rates and in the UK based on SONIA (Sterling Over Night Index Average). In Canada, the Group uses the Bank of Canada zero-coupon bond curve. Where necessary, yield curves are interpolated between the last available market data point and an ultimate forward rate, which reflects long-term real interest rate and inflation expectations.

The Group uses a bottom-up discount rate for all life and non-life insurance contracts except for annuities. A top-down discount rate is applied to annuities to reflect more appropriately the characteristics of the annuity liabilities. For other contracts where liabilities are subject to lapse risk or where cash flows depend on underlying asset performance (such as unit-linked and with-profits), the characteristics of the liability can be reflected using the bottom-up method which requires the application of less judgement.

Under the top-down approach, the discount rate is determined from the yield implicit in the fair value of an appropriate reference portfolio of assets that reflects the characteristics of the liabilities. Adjustments are made for differences between the reference portfolio and liability cash flows, including an allowance for defaults which reflects the compensation a market participant would require for credit risk.

For the measurement of new annuity business at inception only, the discount rates are based on assets expected to be originated for new business at initial recognition of the contracts. On subsequent measurement of the fulfilment cash flows the reference portfolio is based on the assets held to match the portfolio of liabilities. For recently written contracts, an adjustment is made to liabilities where appropriate assets are yet to be sourced.

Under the bottom-up approach, the discount rate is determined as the risk-free yield, adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free yield and the relevant liability cash flows (known as an 'illiquidity premium').

For UK and Ireland business, the illiquidity premium is determined as a percentage of the current spread over the risk-free yield on an index of covered bonds. For Canadian business, the illiquidity premium is determined with reference to a spread of bonds available on the market. The percentage applied reflects the liquidity characteristics of the liabilities including the propensity and ability of policyholders to lapse or surrender their contracts; for example, 100% for structured settlements where surrenders are not possible, and 0% for unit-linked contracts where policyholders can normally immediately surrender their contract for the unit value. An intermediate percentage is applied for other types of business. In Canada, a single illiquidity premium is selected given the limited duration differences and similar liquidity characteristics.

The tables below set out key points on the yield curves used to discount the cash flows of insurance contracts for major currencies:

	2025						2024					
	1 year	**5 years**	**10 years**	**15 years**	**20 years**	**40 years**	1 year	5 years	10 years	15 years	20 years	40 years
Life contracts												
Immediate and deferred annuities												
GBP	**5.2 %**	**5.4 %**	**5.7 %**	**6.0 %**	**6.2 %**	**6.1 %**	6.2 %	5.8 %	5.8 %	6.0 %	6.0 %	5.8 %
EUR	**3.1 %**	**3.3 %**	**3.7 %**	**3.9 %**	**3.9 %**	**4.1 %**	3.4 %	3.3 %	3.4 %	3.4 %	3.4 %	3.7 %
Life protection contracts												
GBP	**3.7 %**	**3.8 %**	**4.2 %**	**4.5 %**	**4.7 %**	**4.6 %**	4.7 %	4.3 %	4.3 %	4.4 %	4.5 %	4.2 %
EUR	**2.1 %**	**2.4 %**	**2.7 %**	**2.9 %**	**2.9 %**	**3.1 %**	2.5 %	2.4 %	2.5 %	2.6 %	2.5 %	2.7 %
With-profits contracts												
GBP	**3.8 %**	**3.9 %**	**4.3 %**	**4.6 %**	**4.8 %**	**4.7 %**	4.8 %	4.4 %	4.4 %	4.5 %	4.6 %	4.3 %
EUR	**2.1 %**	**2.4 %**	**2.7 %**	**2.9 %**	**2.9 %**	**3.1 %**	2.5 %	2.4 %	2.5 %	2.6 %	2.5 %	2.7 %
Unit-linked contracts												
GBP	**3.5 %**	**3.7 %**	**4.0 %**	**4.4 %**	**4.5 %**	**4.4 %**	4.5 %	4.0 %	4.1 %	4.2 %	4.3 %	4.0 %
EUR	**2.1 %**	**2.4 %**	**2.7 %**	**2.9 %**	**2.9 %**	**3.1 %**	2.5 %	2.4 %	2.5 %	2.6 %	2.5 %	2.7 %
Non-life contracts												
Structured settlements												
GBP	**3.8 %**	**4.0 %**	**4.3 %**	**4.7 %**	**4.8 %**	**4.7 %**	4.9 %	4.5 %	4.5 %	4.7 %	4.7 %	4.5 %
Latent claims												
GBP	**3.8 %**	**3.9 %**	**4.3 %**	**4.6 %**	**4.8 %**	**4.7 %**	4.8 %	4.4 %	4.4 %	4.5 %	4.6 %	4.3 %
EUR	**2.3 %**	**2.7 %**	**3.1 %**	**3.3 %**	**3.4 %**	**3.5 %**	2.6 %	2.5 %	2.7 %	2.7 %	2.6 %	2.9 %
Other general insurance claims												
GBP	**3.7 %**	**3.8 %**	**4.2 %**	**4.5 %**	**4.7 %**	**4.6 %**	4.7 %	4.3 %	4.3 %	4.4 %	4.5 %	4.2 %
EUR	**2.2 %**	**2.6 %**	**3.0 %**	**3.3 %**	**3.4 %**	**3.5 %**	2.5 %	2.4 %	2.5 %	2.6 %	2.5 %	2.8 %
CAD	**2.9 %**	**3.5 %**	**3.9 %**	**4.1 %**	**4.3 %**	**4.4 %**	3.6 %	3.6 %	3.8 %	3.9 %	3.9 %	4.0 %

The yields used are after a reduction for risk, but before allowance for investment expenses (which are included in the expected future cash flows).

For annuity business, the allowance for risk comprises long-term assumptions for defaults or, in the case of equity release assets, expected losses arising from the No-Negative-Equity Guarantee. These allowances vary by asset category and for some asset classes by rating.

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The risk allowances made for corporate bonds (including overseas government bonds and structured finance assets), mortgages (including healthcare mortgages, commercial mortgages and infrastructure assets), and equity release equated to 24bps, 29bps, and 49bps respectively at 31 December 2025 (2024: 34bps, 23bps, and 52bps respectively).

For with-profits business, the liabilities associated with guarantees and options are measured using a market-consistent stochastic model. The cash flows are discounted at scenario-specific rates calibrated, on average, to be the bottom-up discount rates. Volatility assumptions are set with reference to implied volatility data on traded market instruments, where available, or on a best estimate basis where not.

	2025	2024
Equity returns	**15.2 %**	15.3 %
Property returns	**14.5 %**	14.5 %

The equity volatility used depends on term, moneyness and region. The figure shown is for a sample UK equity, at the money, with a ten-year term.

Risk adjustments for non-financial risk

The risk adjustment for non-financial risk reflects the compensation required by the Group to accept the uncertainty about the amount and timing of future cash flows that arises from non-financial risk. The calculation of the risk adjustment is calibrated with reference to the Group's pricing and capital allocation framework. The calibration leverages the Solvency II view of non-financial risk, considering a lifetime view, but excludes financial risks which are included within the Solvency II risk margin. The risk adjustment includes diversification between different portfolios of insurance and participating investment contracts, financial and non-financial risks, non-participating investment contracts and other non-insurance contracts using correlation matrix techniques. Diversification between entities across the Group is not included.

For life business, the risk adjustment is allocated to individual contracts, including reinsurance contracts, using provisions for adverse deviation (PADs) applied to the best estimate non-financial assumptions.

For non-life business, the risk adjustment is allocated to groups of contract level based upon their capital intensity, with a greater amount allocated to contract groups with greater valuation uncertainty. Initially the Group applies these techniques on a net of reinsurance basis before calculating gross up factors for each group of contracts and calculating the reinsurance risk adjustment as the difference between net and gross.

For with-profits contracts the risk adjustment reflects the shareholder's interest in the with-profits fund. However, for non-profit contracts in the with-profit funds, the fund is treated as the entity and the risk adjustment reflects a 100% share of the risk, as for other non-profit business.

The Group estimates the Risk Adjustment's corresponding confidence level by comparing the combined value of best estimate cash flows and Risk Adjustment with a distribution of possible outcomes on an ultimate horizon. For life and participating contracts the confidence interval, net of reinsurance corresponds to the 72nd percentile (2024: 68th percentile), for non-life contracts it corresponds to the 83rd percentile (2024: 80th percentile). The percentiles disclosed benefit from the diverse profile of entities within the Group, but not from diversification between the Group's Life and non-Life segments and are uncertain estimates made as of 31 December, which could reasonably change within 12 months. Factors which could cause them to change include variations in the Company's risk profile or quantification thereof, for example as might arise from economic factors such as changes in risk-free discount rates or changes in the composition of insurance liabilities. the movements in the value of the net risk adjustment required to move the confidence level by 2.5 percentage points can be seen in the table below. The figures assume that there are no changes in estimate of future cashflows when in reality a lot of factors which influence the risk adjustment calibration will also impact the estimate of future cashflows.

	2025 £m	2024 £m
Life and participating business		
Movement in net risk adjustment required for 2.5pp confidence level increase	**65**	54
Movement in net risk adjustment required for 2.5pp confidence level reduction	**(65)**	(54)
Non-life business		
Movement in net risk adjustment required for 2.5pp confidence level increase	**73**	46
Movement in net risk adjustment required for 2.5pp confidence level reduction	**(65)**	(44)

For life risk and participating contracts, this is the confidence level that the liabilities recognised and associated reinsurance balances, excluding CSM, are sufficient to cover the ultimate cost of in-force insurance liabilities applying period end assumptions. For non-life contracts, this represents the confidence level that net claims liabilities recognised are sufficient to cover the ultimate cost of claims. Net non-life claims liabilities include the liability for incurred claims, asset for incurred claims, the liability for remaining coverage on claims in settlement acquired in business combinations and the asset for remaining coverage on reinsurance contracts held that reinsure against adverse development on incurred claims.

(ii) Contractual service margin

Determination of coverage units

The amount of CSM recognised in profit or loss to reflect services provided in each year is determined by considering, for each group of contracts, coverage units that reflect the quantity of the benefits provided in each period and the expected coverage period. The coverage units are reviewed and updated at each reporting date.

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The coverage units used by major product lines are:

Product line	Coverage units
Immediate annuity	Annuity outgo
Deferred annuity	Annuity outgo for insurance service post retirement and weighted expected investment return for the investment return service provided prior to retirement
Individual and Group Protection	Sum assured
Individual and Group Income Protection	Benefit amount payable
Unit linked insurance	Sum assured including unit value
With-profits	Cost of guarantees plus asset share

For deferred annuities, judgement has been applied in determining the appropriate method for measuring coverage units and the weighting of those coverage units across the investment return service provided prior to retirement and the insurance service provided post-retirement. That judgement was supported by evidence of market pricing of these services, resulting in an approach that targets equivalence at retirement with the CSM for immediate annuities (when pricing in an active market) that provide an insurance service equivalent to that provided by the deferred annuities post-retirement.

The coverage units for the investment return service combine the expected investment return with the weighting that produces the target CSM after allowing for expected retirement date, transfers and commutations. There is limited estimation uncertainty arising when applying this approach, not least because the weighting of services does not directly impact on the measurement of the CSM, instead it impacts on the pattern of CSM release over the long life of these contracts. Expected investment return is calculated using the locked in discount rate throughout the life of the contract, to represent the investment return that policyholders benefit from through the pricing of their contract.

Expected rates of transfers taken by retirement date and take up rates for tax free cash (the main commutations taken at retirement in the UK) are not typically subject to significant fluctuations.

Coverage units for reinsurance contracts held are typically consistent with the underlying gross contracts, adjusted for differences in the services provided.

Risk mitigation option
The Group uses derivatives and financial investments to mitigate the financial risk arising from equity and interest rate exposures in UK with-profit funds, in accordance with its documented risk management objective and strategy for mitigating financial risk. An economic offset exists between the insurance contracts and the risk-mitigating items (derivatives and financial investments held at FVTPL), and credit risk does not dominate the economic offset.

For the with-profit sub-fund supported by the RIEESA, the Group has chosen to apply the risk mitigation option. Certain changes in variable fee cash flows are recognised in profit or loss, and do not adjust the CSM, as they arise from changes in equity and interest rate risks that are mitigated by the use of derivatives and financial investments held at FVTPL.

(iii) Investment components
The Group identifies the investment component of a contract by determining the amount that it would be required to repay to the policyholder in all scenarios with commercial substance. These include circumstances in which an insured event occurs or the contract matures or is terminated without an insured event occurring. Investment components and rights to withdraw are both excluded from insurance revenue and insurance service expenses, and variances between actual and expected cash flows adjust the CSM.

Participating and some non-participating whole-life contracts have explicit surrender values. The non-distinct investment component excluded from insurance revenue and insurance service expenses is determined as the surrender value specified in the contractual terms.

Immediate annuities with a guarantee period contain a non-distinct investment component equal to the value of those guaranteed payments.

Deferred annuities include a non-distinct investment component if all of the following features are present:

- transfer value in the deferral period;
- death benefit in the deferral period; and
- guarantee period once the annuity is in payment.

The investment component excluded from insurance revenue and insurance service expenses is determined as the lower of the present value of each of those possible payments. Any amounts in excess of the investment component, or any payments made under those features that do not qualify as an investment component, are treated as rights to withdraw. In either case, transfer values paid during the deferral period are presented as premium refunds.

(iv) Fair value of insurance contracts and measurement of contracts on transition to IFRS 17
When the Group acquires insurance contracts measured under the GMM or VFA in a business combination it measures the CSM at acquisition by reference to the fair value of the contracts at the acquisition date less the fulfilment cash flows. The Group also applied the fair value approach on transition to IFRS 17 to all life business written prior to 2016, including annuities, except for groups to which the modified retrospective approach (MRA) was applied (as described below).

In this context fair value is derived in accordance with IFRS 13 Fair Value Measurement (except, where relevant, a demand deposit floor is not applied) and represents the price a market participant would require to assume the insurance contract liabilities in an orderly transaction. As quoted market prices are not available for groups of insurance contracts, valuation models are used to calculate the fair value of each group at the transition or acquisition date. The choice of model and inputs to the model involves judgement and this gives rise to a range of plausible fair values.

Whilst the fair value at acquisition or transition impacts the size of the CSM that will subsequently be recognised in profit over the remaining life of the contracts applying the accounting policy set out in accounting policy M, the fair value model and inputs to that model will not be applied to, or result in adjustment to, any subsequent measurement of the CSM.

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The valuation models applied at transition and to subsequent acquisitions determined the fair value using a cost of capital approach. Expected cash flows and the required capital to run the business were projected forward, applying an appropriate weighted average cost of capital (WACC). Inputs were calibrated to those Aviva would expect market participants to have used had they priced the insurance contracts for transfer to them at the transition or acquisition date.

The Group also applied the MRA to certain groups of UK individual protection business written in the period 2012-2015 and certain groups of acquired UK unit-linked and with-profits business on transition to IFRS 17. Where information was not available to undertake the fully retrospective approach (FRA) in relation to UK unit-linked and with-profit business, modifications were applied in respect of: calculation of the CSM at the transition date and use of information available at the transition date for the assessment of contracts within the scope of IFRS 17, eligibility for the VFA measurement model and grouping of contracts. The aim was to achieve the closest possible outcome to the FRA.

(h) Financial guarantees and options

This note details the financial guarantees and options inherent in some of our insurance and participating investment contracts. For insurance and participating investment contracts, the Group's objective in estimating future cash flows is to determine the expected value of a range of scenarios that reflects the full range of possible outcomes. For contracts with embedded options and guarantees, in particular with-profits business, a stochastic approach based on the average of a number of scenarios is typically used. Stochastic modelling involves projecting future cash flows under a large number of possible economic scenarios for market variables such as interest rates and equity returns.

(a) UK non-profit business

The material guarantees and options relating to non-profit business are:

(i) Guaranteed annuity options

The Group's UK non-profit funds have written contracts which contain guaranteed annuity rate options (GAOs), where the policyholder has the option to take the benefits from a policy in the form of an annuity based on guaranteed conversion rates. Liabilities for these guarantees do not materially differ from a provision based on a market-consistent stochastic model, and amount to £25 million at 31 December 2025 (2024: £29 million).

(ii) Guaranteed unit price on certain products

Certain pension products linked to long-term life insurance funds provide policyholders with guaranteed benefits at retirement or death. No additional liability is held for this guarantee as the investment management strategy for these funds is designed to ensure that the guarantee can be met from the fund, mitigating the impact of large falls in investment values and interest rates.

(iii) Return of Premium guarantees

German pension products sold in Friends Life between 2006 and 2014 are subject to a return of premium guarantee whereby the product guarantees to return the maximum of the unit fund value or total premiums paid (before deductions). Liabilities for this guarantee are calculated using a market-consistent stochastic model and amount to £56 million at 31 December 2025 (2024: £77 million).

(b) UK with-profits business

The material guarantees and options relating to with-profit business are:

(i) Maturity value and death benefit guarantees

Significant conventional and unitised with-profits business have minimum maturity (and in some cases death benefit) values reflecting the sum assured plus declared annual bonus. For some unitised with-profits life contracts the amount paid after the fifth policy anniversary is guaranteed to be at least as high as the premium paid increased in line with the rise in retail price index (RPI) or consumer price index (CPI).

(ii) No market valuation reduction (MVR) guarantees

For unitised business, there are circumstances where a 'no MVR' guarantee is applied, for example on certain policy anniversaries, guaranteeing that no market value reduction will be applied to reflect the difference between the accumulated value of units and the market value of the underlying assets.

(iii) Guaranteed annuity options

The Group's UK with-profits funds have written individual and group pension contracts which contain GAOs, where the policyholder has the option to take the benefits from a policy in the form of an annuity based on guaranteed conversion rates. The Group also has exposure to GAOs and similar options on deferred annuities.

Liabilities for the cost of guarantees in respect of GAOs in the UK with-profits funds were £300 million at 31 December 2025 (2024: £439 million). With the exception of the with-profits sub-fund supported by the RIEESA, movements in the GAO liabilities in the with-profits funds are offset by a corresponding movement in the estate to be distributed between policyholders and shareholders. The (immediate) impact on profit arises from the mismatch between the remeasurement of the variable fee (using current market consistent financial assumptions) and remeasurement of the CSM (using locked-in financial assumptions), together with the incremental amortisation of the change to the CSM. Liabilities for GAOs in the with-profits sub-fund supported by the RIEESA were £26 million at 31 December 2025 (2024: £32 million).

(iv) Guaranteed minimum pension

The Group's UK with-profits funds also have certain policies that contain a guaranteed minimum level of pension as part of the condition of the original transfer from state benefits to the policy.

(v) Guaranteed minimum maturity payments on mortgage endowments

The with-profits funds made promises to certain policyholders in relation to their with-profits mortgage endowments. Top-up payments will be made on these policies at maturity to meet the mortgage value up to a maximum of the 31 December 1999 illustrated shortfall.

(c) Ireland

(i) Guaranteed annuity options and guaranteed maturity values

Guarantees and options in Ireland include GAOs, minimum maturity values on conventional with-profits business, guaranteed minimum bonus rates on unitised with profits business, and a 'no MVR' guarantee that may apply at certain policy anniversaries. Guarantees and options are measured using stochastic methods, and for some smaller with-profit funds closed form solutions.

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40 - NON-PARTICIPATING INVESTMENT CONTRACTS

This note analyses our gross liabilities and reinsurance assets for non-participating investment contracts and describes the calculation of these contracts.

(a) Carrying amount

Non-participating investment contracts as at 31 December comprised:

	2025 £m	2024 £m
Liabilities for non-participating investment contracts	**208,399**	179,142
Reinsurance assets for non-participating investment contracts	**(5,770)**	(5,280)
Net non-participating investment contracts	**202,629**	173,862

(b) Group practice

Investment contracts are those that do not transfer significant insurance risk from the contract holder to the issuer and if they do not contain a significant discretionary participation feature they are treated as financial instruments in scope of IFRS 9.

Many investment contracts contain a discretionary participation feature in which the contract holder has a contractual right to receive additional benefits as a supplement to guaranteed benefits. These are referred to as participating contracts and are measured according to the methodology as prescribed by IFRS 17 insurance contracts.

Investment contracts that do not contain a discretionary participation feature are referred to as non-participating contracts and the liability is measured at fair value. For non-participating investment contracts designated at FVTPL, the Group elects to present the change in fair value attributable to a change in the credit risk of the contracts in the income statement.

Of the non-participating investment contracts measured at fair value, £208,164 million at 2025 (31 December 2024: £179,070 million) are unit-linked in structure. The fair value of the liability is equal to the current unit fund value, including any unfunded units, plus if required, additional non-unit reserves based on a discounted cash flow analysis.

These contracts are generally classified as Level 1 in the fair value hierarchy, as the unit reserve is calculated as the publicly quoted unit price multiplied by the number of units in issue, and any non-unit reserve is insignificant.

For unit-linked business, a deferred acquisition cost asset and deferred income reserve liability are recognised in respect of transaction costs and front-end fees respectively, that relate to the provision of investment management services, and which are amortised on a systematic basis over the contract term. The amount of the related deferred acquisition cost asset is shown in note 29 and the deferred income liability is shown in note 47.

For non-participating investment contracts acquired in a business combination, an acquired value of in-force business asset is recognised in respect of the fair value of the investment management services component of the contracts, which is amortised on a systematic basis over the useful lifetime of the related contracts. The amount of the acquired value of in-force business asset is shown in note 17, which relates primarily to the acquisition of Friends Life in 2015 and Friends First in 2018.

(c) Movements in the year

The following movements have occurred in the gross provisions for non-participating investment contracts in the year:

Carrying amount	**2025 £m**	2024 £m
At 1 January	**179,142**	158,588
Liabilities in respect of new business	**9,617**	5,212
Expected change in existing business	**(5,132)**	(5,038)
Variance between actual and expected experience	**24,222**	20,802
Change in liability	**28,707**	20,976
Foreign exchange rate movements	**550**	(422)
At 31 December	**208,399**	179,142

For unit-linked investment contracts, movements in asset values are offset by corresponding changes in liabilities, limiting the net impact on profit. The variance between actual and expected experience in 2025 of £24,222 million is primarily due to higher than expected investment returns following material increases in UK equity markets.

The following movements have occurred in the reinsurance asset for non-participating investment contracts in the year:

Carrying amount	**2025 £m**	2024 £m
At 1 January	**5,280**	4,713
Assets in respect of new business	**82**	84
Expected change in existing business assets	**(126)**	(120)
Variance between actual and expected experience	**534**	603
Change in asset	**490**	567
At 31 December	**5,770**	5,280

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41 - EFFECT OF CHANGES IN NON-FINANCIAL ASSUMPTIONS AND ESTIMATES DURING THE YEAR

This note analyses the impact of changes in estimates and assumptions from 2024 to 2025, on liabilities for insurance and investment contracts, and related assets and liabilities, such as reinsurance, deferred acquisition costs and acquired value of in-force business and does not allow for offsetting movements in the value of backing financial assets.

	2025			2024		
Assumptions	**Change in Fulfillment Cash Flows (FCF) £m**	**Change in CSM £m**	**Effect on profit £m**	Change in Fulfillment Cash Flows (FCF) £m	Change in CSM £m	Effect on profit £m
Expenses	**76**	**(53)**	**(23)**	95	(65)	(29)
Persistency rates	**53**	**(50)**	**(3)**	(2)	35	(33)
Mortality and morbidity for assurance contracts	**11**	**(15)**	**4**	(1)	20	(19)
Longevity for annuity contracts	**(69)**	**106**	**(37)**	(54)	21	33
Tax and other assumptions	**(4)**	**7**	**(3)**	(12)	7	5
Long-term insurance and participating investment business	**67**	**(5)**	**(62)**	26	18	(44)
Expenses	**—**	**—**	**—**	—	—	—
Long-term non-participating investment business	**—**	**—**	**—**	—	—	—
Total	**67**	**(5)**	**(62)**	26	18	(44)

Of the £23 million loss from expense assumption changes in 2025, the majority of the loss arises on onerous contracts, where the full impact from FCF is recognised as loss.

The impact of change in mortality and morbidity assumptions for assurance contracts for both 2025 and 2024 relates mainly to a review of recent experience.

Longevity assumption changes during this year are valued at £69 million (2024: £54 million) reduction in FCF (valued at opening market discount rates) and £106 million (2024: £21 million) increase in CSM (discount rates locked in at the time of business inception), giving a total loss of £37 million (2024: £33 million profit), mainly due to the mismatch between those discount rates. Updates were made to mortality improvements and reflecting recent experience in base mortality.

42 - TAX ASSETS AND LIABILITIES

This note analyses the tax assets and liabilities that appear in the statement of financial position and explains the movements in these balances in the year.

(a) Current tax

Current tax assets recoverable and liabilities payable in more than one year are £nil and £8 million (2024: £85 million and £nil), respectively.

The Group is party to the CFC & Dividend Group Litigation Order, which challenged the tax treatment of dividends received from non-UK entities before 2009. The Group is attempting to recover claims from HMRC covered by this judgement. A recoverable balance of £54 million (2024: £85 million) is included within current tax assets. In addition, the Group estimates potential interest recoverable of £23 million, which has not previously been recognised in investment return in the income statement and is not currently reflected in the statement of financial position.

(b) Deferred tax

(i) The balances at 31 December comprise:

	2025 £m	2024 £m
Deferred tax assets	**59**	614
Deferred tax liabilities	**(481)**	(345)
Net deferred tax (liability)/asset	**(422)**	269

Deferred tax attributable to policyholder returns included above at 31 December 2025 was a liability of £379 million (2024: liability of £89 million).

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Where shareholder deferred tax assets are not supported by deferred tax liabilities, they are recognised to the extent that it is probable that future taxable profits will be available against which the tax losses can be utilised. In assessing future profitability, the directors have relied on board approved business plans and profit forecasts for up to five years and the Group's history of taxable profits in the relevant jurisdictions.

(ii) The net deferred tax (liability)/asset arises on the following items:

	2025 £m	2024 £m
Insurance and investment contract liabilities	**245**	287
Deferred acquisition costs	**(18)**	61
Unrealised gains on investments	**(457)**	(309)
Pensions and other post-retirement obligations	**(43)**	(17)
Unused losses and tax credits	**155**	288
Intangibles and additional value of in-force long-term business	**(456)**	(249)
Provisions and other temporary differences	**152**	208
Net deferred tax (liability)/asset	**(422)**	269

(iii) The movement in the net deferred tax(liability)/asset was as follows:

	Note	**2025 £m**	2024 £m
Net asset at 1 January		**269**	505
Effect of acquisitions in the period	2	**(119)**	7
Amounts charged to income statement	13(a)	**(503)**	(380)
Amounts (charged)/credited to other comprehensive income	13(b)	**(28)**	137
Amounts charged to equity		**(47)**	—
Foreign exchange rate movements		**6**	—
Net (liability)/asset at 31 December		**(422)**	269

The Group has unrecognised gross tax losses (excluding capital losses) and other temporary differences of £623 million (2024: £799 million) to carry forward against future taxable income of the necessary category in the companies concerned. Of these, trading losses of £26 million (2024: £44 million) will expire within the next eight years. The remaining losses have no expiry date.

In addition, the Group has unrecognised gross capital losses of £566 million (2024: £566 million). These have no expiry date.

At 31 December 2025, a potential deferred tax liability of £43 million (2024: £32 million) is not recognised on temporary differences relating to reserves of overseas subsidiaries which are not expected to be distributed.

43 - PENSION DEFICITS AND OTHER PROVISIONS

This note details the non-insurance provisions that the Group holds and shows the movements in these during the year.

(a) Carrying amounts

	Note	**2025 £m**	2024 £m
Total IAS 19 obligations to main staff pension schemes	44(a)	**374**	372
Restructuring provisions		**30**	28
Other provisions		**514**	326
Total pension deficits and other provisions		**918**	726

Restructuring provisions include lease termination penalties and costs relating to disposed entities. They comprise of only the direct expenditures arising from the restructuring, which are those that are necessarily entailed by the restructuring; and not associated with the ongoing activities of the entity.

Other provisions are measured based upon our expectation of the value and timing of future economic outflows. Other provisions include a number of product governance provisions totalling £308 million (2024: £189 million), which are measured based upon the amounts we expect to pay to policyholders or into ring-fenced with-profits funds, and other costs arising directly from remediation. The final costs are subject to changes in settlement amounts as estimates are refined. The remaining balance includes amounts for indemnities related to disposal activity, dilapidation provisions associated with leased properties, and provisions arising on the acquisition of subsidiaries.

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(b) Movements on restructuring and other provisions

	2025			2024		
	Restructuring provisions £m	Other provisions £m	Total £m	Restructuring provisions £m	Other provisions £m	Total £m
At 1 January	**28**	**326**	**354**	44	341	385
Additional provisions	**11**	**375**	**386**	—	153	153
Provisions released during the year	**(3)**	**(59)**	**(62)**	(5)	(75)	(80)
Charge to income statement	**8**	**316**	**324**	(5)	78	73
Utilised during the year	**(6)**	**(130)**	**(136)**	(11)	(91)	(102)
Foreign exchange rate movements	**—**	**2**	**2**	—	(2)	(2)
At 31 December	**30**	**514**	**544**	28	326	354

Of the total restructuring and other provisions, £109 million (2024: £105 million) is expected to be settled more than one year after the statement of financial position date.

44 - PENSION OBLIGATIONS

(a) Introduction

The Group operates a number of defined benefit and defined contribution pension schemes. The material defined benefit schemes are in the UK, Ireland and Canada. The assets and liabilities of these defined benefit schemes as at 31 December are shown below.

	Note	2025 UK £m	Ireland £m	Canada £m	Total £m	2024 UK £m	Ireland £m	Canada £m	Total £m
Total fair value of scheme assets	44(b)(ii)	**8,900**	**569**	**160**	**9,629**	8,972	621	171	9,764
Present value of defined benefit obligation		**(8,694)**	**(540)**	**(208)**	**(9,442)**	(8,866)	(593)	(226)	(9,685)
Net IAS 19 surpluses in the schemes		**206**	**29**	**(48)**	**187**	106	28	(55)	79
Surpluses included in other assets	30	**532**	**29**	**—**	**561**	423	28	—	451
Deficits included in provisions	43	**(326)**	**—**	**(48)**	**(374)**	(317)	—	(55)	(372)
Net IAS 19 surpluses in the schemes		**206**	**29**	**(48)**	**187**	106	28	(55)	79

This note relates to the defined benefit pension schemes included in the table above. The charges to the income statement for the main schemes are shown in section (b)(i) below, whilst the total charges for all pension schemes are disclosed in section (d) below.

Under the IAS 19 valuation basis, the Group applies the principles of IFRIC 14 IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction, whereby a surplus is only recognised to the extent that the company is able to access the surplus either through an unconditional right of refund to the surplus or through reduced future contributions relating to ongoing service, which have been substantively enacted or contractually agreed.

The Group has determined that it can derive economic benefit from the surplus in the Aviva Staff Pension Scheme (ASPS) via a reduction to future employer contributions for defined contribution (DC) members, which could theoretically be paid from the surplus funds in the ASPS. In the RAC (2003) Pension Scheme (RAC Scheme), Friends Provident Pension Scheme (FPPS) and Direct Line Group Hybrid Scheme (DLGHS), in the UK and in the Aviva Ireland Staff Pension Fund (AISPF) and Friends First Group Retirement and Death Benefits Scheme (FFPS) in Ireland, the Group has determined that the rules set out in the schemes' governing documentation provide for an unconditional right to a refund from any future surplus funds in the schemes.

The assets of the UK, Ireland and Canada schemes are held in separate trustee-administered funds to meet long-term pension liabilities to past and present employees. In all schemes, the appointment of trustees of the funds is determined by their trust documentation and they are required to act in the best interests of the schemes' beneficiaries. The long-term investment objectives of the trustees and the employers are to limit the risk of the assets failing to meet the liabilities of the schemes over the long term, and to maximise returns consistent with an acceptable level of risk so as to control the long-term costs of these schemes.

A funding actuarial valuation of each of the defined benefit schemes is carried out at least every three years for the benefit of scheme trustees and members. Actuarial reports have been submitted for each scheme within this period, using appropriate methods for the respective countries on local funding bases.

The number of scheme members was as follows:

Number	2025 UK	Ireland	Canada	Total	2024 UK	Ireland	Canada	Total
Deferred members	**34,606**	**1,933**	**253**	**36,792**	35,706	2,008	277	37,991
Pensioners	**43,705**	**1,071**	**1,178**	**45,954**	42,103	1,044	1,216	44,363
Total members	**78,311**	**3,004**	**1,431**	**82,746**	77,809	3,052	1,493	82,354

All schemes are closed to future accrual. Closure of the schemes has removed the volatility associated with additional future accrual for active members.

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(i) UK schemes
In the UK, the Group operates four main pension schemes, the ASPS, the RAC Scheme which was retained after the sale of RAC Limited in September 2011, the FPPS, which was acquired as part of the Friends Life acquisition in 2015 and the DLGHS which was acquired in 2025. As the defined benefit sections of the UK schemes are now closed to both new members and future accrual, existing deferred members in active service and new entrants participate principally in the defined contribution section of the ASPS, with existing arrangements currently continuing for Direct Line Group employees. The UK schemes operate within the UK pensions regulatory framework.

(ii) Other schemes
In Ireland, the Group operates two main pension schemes, the Aviva Ireland Staff Pension Fund (AISPF) and the Friends First Group Retirement and Death Benefits Scheme (FFPS) which was acquired as part of the Friends First acquisition in June 2018. Future accruals for the AISPF and FFPS schemes ceased with effect from 30 April 2013 and 1 April 2014 respectively. The Irish schemes are regulated by the Pensions Authority in Ireland.

The Canadian defined benefit pension plan ceased accrual with effect from 31 December 2011. The Canadian pension plan currently in force is a Defined Contribution Pension Plan that is subject to the Pensions Benefits Act (Ontario), Income Tax Act (Canada), and oversight of the Financial Services Regulatory Authority of Ontario.

(b) IAS 19 disclosures
Disclosures under IAS 19 for the material defined benefit schemes in the UK, Ireland and Canada, are given below. Where schemes provide both defined benefit and defined contribution pensions, the assets and liabilities shown exclude those relating to defined contribution pensions.

(i) Movements in the scheme surpluses and deficits
Movements in the pension schemes' surpluses and deficits comprise:

	2025			2024		
	Fair value of Scheme Assets £m	**Present value of defined benefit obligation £m**	**IAS 19 Pensions net surplus/ (deficits) £m**	Fair value of Scheme Assets £m	Present value of defined benefit obligation £m	IAS 19 Pensions net surplus/ (deficits) £m
Net IAS 19 surplus in the schemes at 1 January	**9,764**	**(9,685)**	**79**	11,546	(11,139)	407
Administrative expenses	**—**	**(29)**	**(29)**	—	(25)	(25)
Total pension cost charged to net operating expenses	**—**	**(29)**	**(29)**	—	(25)	(25)
Net interest credited to investment income[1]	**516**	**(511)**	**5**	498	(479)	19
Total recognised in income statement	**516**	**(540)**	**(24)**	498	(504)	(6)
Actual return on these assets	**379**	**—**	**379**	(1,214)	—	(1,214)
Less: Interest income on scheme assets	**(516)**	**—**	**(516)**	(498)	—	(498)
Return on scheme assets excluding amounts in interest income	**(137)**	**—**	**(137)**	(1,712)	—	(1,712)
Gains from change in financial assumptions	**—**	**224**	**224**	—	1,232	1,232
Gains from change in demographic assumptions	**—**	**42**	**42**	—	108	108
Experience losses	**—**	**(21)**	**(21)**	—	(14)	(14)
Total remeasurements recognised in other comprehensive income	**(137)**	**245**	**108**	(1,712)	1,326	(386)
Acquisitions - gross surplus	**45**	**(44)**	**1**	—	—	—
Acquisitions - consolidation elimination for non-transferable Group insurance policy	**(42)**	**—**	**(42)**	—	—	—
Acquisitions - net deficit	**3**	**(44)**	**(41)**	—	—	—
Employer contributions	**59**	**—**	**59**	55	—	55
Plan participant contributions	**2**	**(2)**	**—**	2	(2)	—
Benefits paid	**(577)**	**577**	**—**	(559)	559	—
Administrative expenses paid from scheme assets	**(29)**	**29**	**—**	(25)	25	—
Foreign exchange rate movements	**28**	**(22)**	**6**	(41)	50	9
Net IAS 19 surplus in the schemes at 31 December	**9,629**	**(9,442)**	**187**	9,764	(9,685)	79

1. Net interest income of £30 million (2024: £42 million) has been credited to investment income and net interest expense of £25 million (2024: £23 million) has been charged to finance costs (see note 8)

The present value of unfunded post-retirement benefit obligations included in the table above is £74 million at 31 December 2025 (2024: £80 million).

Remeasurement gains of £108 million (2024: loss of £386 million) recorded in the statement of comprehensive income for the period are largely driven by:

- Positive returns on multi-asset funds in the UK have increased surplus.
- Narrower spreads on UK government bonds have also increased the surplus. This has been offset by other economic movements including narrower corporate spreads in the UK, higher interest rates, and lower inflation.

During the period the AISPF completed a bulk annuity buy-in transaction with Aviva Life & Pensions Ireland Designated Activity Company, a Group Company. Due to different measurement bases applying for accounting purposes, the premium paid by the scheme exceeded the valuation of the scheme asset recognised. In the table above, this has been recognised as a loss in the actual return on assets (see note 55 for further information). The scheme asset recognised is transferable and so has not been subject to consolidation within the Group's financial statements.

The DLGHS was acquired during 2025. The scheme assets principally comprise a bulk annuity policy held with Aviva Life & Pensions UK Limited, a Group Company. The scheme asset recognised is not transferable, and so has been eliminated from the Group's financial statements, resulting in a net reduction in IAS 19 surplus on acquisition.

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(ii) Scheme assets

Scheme assets are stated at their fair values at 31 December. Total scheme assets are comprised by country as follows:

	UK £m	Ireland £m	Canada £m	2025 Total £m	UK £m	Ireland £m	Canada £m	2024 Total £m
Bonds	**5,132**	**403**	**7**	**5,542**	5,983	544	5	6,532
Equities	**—**	**18**	**—**	**18**	—	19	—	19
Property	**—**	**—**	**—**	**—**	—	—	—	—
Pooled investment vehicles	**2,179**	**234**	**151**	**2,564**	1,868	236	164	2,268
Derivatives	**5**	**(2)**	**—**	**3**	50	25	—	75
Insurance policies	**4,327**	**111**	**—**	**4,438**	4,316	—	—	4,316
Repurchase agreements	**(1,648)**	**(207)**	**—**	**(1,855)**	(2,423)	(215)	—	(2,638)
Cash and other[1]	**(677)**	**12**	**2**	**(663)**	(438)	12	2	(424)
Total fair value of scheme assets	**9,318**	**569**	**160**	**10,047**	9,356	621	171	10,148
Less: consolidation elimination for non-transferable Group insurance policies[2]	**(418)**	**—**	**—**	**(418)**	(384)	—	—	(384)
Total IAS 19 fair value of scheme assets	**8,900**	**569**	**160**	**9,629**	8,972	621	171	9,764

1. Cash and other assets comprise cash at bank, receivables, payables, and longevity swaps
2. As at 31 December 2025, the FPPS and DLGHS assets include insurance policies of £418 million (31 December 2024: £384 million in FPPS) issued by a Group company that are not transferable under IAS 19 and are consequently eliminated from the Group's IAS 19 scheme assets. Insurance policies issued by other Group companies of £4,020 million as at 31 December 2025 (31 December 2024: £3,932 million) included in the ASPS, RAC Scheme and AISPF assets are transferable and so are not subject to consolidation.

Total scheme assets are analysed by those that have a quoted market price in an active market and other as follows:

	Quoted in an active market £m	Other £m	2025 Total £m	Quoted in an active market £m	Other £m	2024 Total £m
Bonds	**4,739**	**803**	**5,542**	5,735	797	6,532
Equities	**18**	**—**	**18**	19	—	19
Property	**—**	**—**	**—**	—	—	—
Pooled investment vehicles	**44**	**2,520**	**2,564**	44	2,224	2,268
Derivatives	**(2)**	**5**	**3**	25	50	75
Insurance policies	**—**	**4,438**	**4,438**	—	4,316	4,316
Repurchase agreements	**—**	**(1,855)**	**(1,855)**	—	(2,638)	(2,638)
Cash and other[1]	**(201)**	**(462)**	**(663)**	90	(514)	(424)
Total fair value of scheme assets	**4,598**	**5,449**	**10,047**	5,913	4,235	10,148
Less: consolidation elimination for non-transferable Group insurance policies[2]	**—**	**(418)**	**(418)**	—	(384)	(384)
Total IAS 19 fair value of scheme assets	**4,598**	**5,031**	**9,629**	5,913	3,851	9,764

1. Cash and other assets comprise cash at bank, receivables, payables, and longevity swaps
2. As at 31 December 2025, the FPPS and DLGHS assets include insurance policies of £418 million (31 December 2024: £384 million in FPPS) issued by a Group company that are not transferable under IAS 19 and are consequently eliminated from the Group's IAS 19 scheme assets. Insurance policies issued by other Group companies of £4,020 million as at 31 December 2025 (31 December 2024: £3,932 million) included in the ASPS, RAC Scheme and AISPF assets are transferable and so are not subject to consolidation.

IAS 19 plan assets include investments in Group-managed funds of £674 million (2024: £876 million) and transferable insurance policies with other Group companies of £4,020 million (2024: £3,932 million) in the ASPS, RAC Scheme and AISPF. Where the investments are in segregated funds with specific asset allocations, they are included in the appropriate line in the table above, otherwise they appear in 'Cash and other'. There are no significant judgements involved in the valuation of the scheme assets. Insurance policies are valued on the same basis as the pension scheme liabilities, as required by IAS 19.

(iii) Assumptions on scheme liabilities

The valuations used for accounting under IAS 19 have been based on the most recent funding actuarial valuations, updated to take account of the standard's requirements in order to assess the liabilities of the material schemes at 31 December 2025.

The projected unit credit method

The inherent uncertainties affecting the measurement of scheme liabilities require these to be measured on an actuarial basis. This involves discounting the best estimate of future cash flows to be paid out by the scheme using the projected unit credit method. This is an accrued benefits valuation method which calculates the past service liability to members and makes allowance for their projected future earnings. It is based on a number of actuarial assumptions, which vary according to the economic conditions of the countries in which the relevant businesses are situated, and changes in these assumptions can materially affect the measurement of the pension obligations.

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Financial assumptions
The main financial assumptions used to calculate scheme liabilities under IAS 19 are:

	2025			2024		
	UK	**Ireland**	**Canada**	UK	Ireland	Canada
Inflation rate[1]	**2.8 %**	**2.00 %**	**2.75 %**	3.2 %	2.05 %	2.75 %
General salary increases[2]	**4.6 %**	**3.5 %**	**3.25 %**	5.3 %	3.6 %	3.25 %
Pension increases[3]	**3.0 %**	**0.55 %/0.65 %**	**— %**	3.2 %	0.55 %/0.65 %	— %
Deferred pension increases[3]	**2.1 %**	**2.00 %**	**— %**	2.8 %	2.05 %	— %
Discount rate[4, 5]	**5.41 %/5.67 % (non-insured members)**	**4.2 %/4.45 % (non-insured members)**	**4.72 %**	5.48 %/5.68 % (non-insured members)	3.45 %/3.50 %	4.57 %
	5.61 %/5.52 %/5.33 %/5.6 % (insured members)	**4.05% (insured members)**		5.63 %/5.56 %/5.41 % (insured members)		
Basis of discount rate	**AA-rated corporate bonds**			AA-rated corporate bonds		

1. For the UK schemes relevant RPI/CPI swap curves are used in the calculation of the DBO; the rate shown is the equivalent single RPI rate for ASPS. In 2025, CPI is derived as RPI less 86-104 bps (varying from year to year) pre 2030 and RPI less 20bps post 2030 (2024: RPI less 100 bps pre 2030 and RPI less 0bps post 2030).
2. In the UK, the only remaining linkage between pension benefits and general salary increases is in respect of a small amount of Guaranteed Minimum Pension benefits, in line with National Average Earnings
3. For the UK schemes relevant RPI/CPI swap curves are used, adjusted to reflect the appropriate caps/floors and inflation volatility with full curves used in the calculation of the DBO. The rates shown are the single equivalent rates for the biggest groups of pensions in payment and deferment respectively in the ASPS.
4. To calculate scheme liabilities in the UK, a discount rate of 5.41 % is used for ASPS, and 5.67 % for FPPS members not included in annuity policies held by the scheme. A discount rate of 5.61 % is used for ASPS, 5.52 % fpr RAC, 5.33 % for FPPS and 5.6 % for DLGHS members included in annuity policies held by the schemes. The different rates reflect the differences in the duration of the liabilities between the schemes.
5. For the Irish schemes, a discount rate of 4.2 % and for AISPF members and 4.45 % for FFPS members not included in annuity policies held by the scheme. A discount rate of 4.05 % is used for AISPF members included in the annuity policy held by the scheme. The different rates reflect the differences in the duration of the liabilities between the two schemes.

The discount rate and pension increase rate are the two assumptions that have the largest impact on the value of the liabilities, with the difference between them being known as the net discount rate. For each country, the discount rate is based on current average yields of high-quality debt instruments taking account of the maturities of the defined benefit obligations.

Mortality assumptions
Mortality assumptions are material in measuring the Group's obligations under its defined benefit schemes. The assumptions used are summarised in the table below and have been selected to reflect the characteristics and experience of the membership of these schemes.

The mortality tables, average life expectancy and pension duration used at 31 December 2025 for scheme members are as follows:

			Life expectancy/(pension duration) at NRA of a male		Life expectancy/(pension duration) at NRA of a female	
		Normal retirement age (NRA)	Currently aged NRA	20 years younger than NRA	Currently aged NRA	20 years younger than NRA
UK						
ASPS	SAPS tables as a proxy for Club Vita pooled experience, including an allowance for future improvements	60	88.1 (28.1)	89.4 (29.4)	89.8 (29.8)	91.6 (31.6)
RAC	SAPS, including allowances for future improvement	65	86.9 (21.9)	88.5 (23.5)	88.9 (23.9)	90.6 (25.6)
FPPS	SAPS, including allowances for future improvement	60	87.8 (27.8)	89.7 (29.7)	90.2 (30.2)	91.9 (31.9)
DLGHS	SAPS, including allowances for future improvement	60	87.1 (27.1)	88.7 (28.7)	89.0 (29.0)	90.5 (30.5)
Ireland						
AISPF	89% PNA00 with allowance for future improvements	61	88.9 (27.9)	90.5 (29.5)	91.2 (30.2)	92.9 (31.9)
FFPS	88%/91% ILT15 with allowance for future improvements	65	89.2 (24.2)	90.7 (25.7)	91.8 (26.8)	93.4 (28.4)
Canada	Canadian Pensioners' Mortality 2014 Private Table, including allowance for future improvements	65	87.5 (22.5)	88.9 (23.9)	89.9 (24.9)	91.3 (26.3)

Notes to the consolidated financial statements

The assumptions above are based on commonly used mortality tables. The tables make allowance for observed variations in such factors as age, gender, pension amount, salary and postcode-based lifestyle group, and have been adjusted to reflect recent research into mortality experience. However, the extent of future improvements in longevity is subject to considerable uncertainty and judgement is required in setting this assumption. For the ASPS, which is the most material scheme to the Group, the allowance for mortality improvement is per the actuarial profession's CMI_2024 (S=7.25) Advanced with adjustments model (2024: CMI_2023 (S=7.25) Advanced with adjustments model) with zero weight on 2020 to 2024 data within the model. Instead of placing weight on post-pandemic data within the CMI improvements model, a separate adjustment is made to reflect the impact that the drivers of excess mortality post-pandemic are expected to have in future years (for 2024 the same approach was taken with respect to CMI_2023). There is a long-term improvement rate of 1.50% for both males and females (2024: 1.50% for both males and females). The CMI_2024 tables have been adjusted to allow for greater mortality improvements in the annuitant population relative to the general population on which CMI_2024 is based, using a parameter of 0.15% for males and 0.20% for females, tapering to zero between ages 90 and 110 (for 2024 the same approach was taken with respect to CMI_2023). Long-term improvement rates are set to taper to zero between ages 85 and 110 (2024: long-term improvement rates taper to zero between ages 85 and 110).

Illustrative sensitivity analysis
Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, inflation rate and mortality. Movements in the defined benefit obligation are mitigated by the impact on the assets from economic movements including interest rates and price inflation, as well as the longevity sensitivity impact due to the insurance policy and longevity swap assets held by the UK pension schemes. The sensitivity analysis below has been determined by changing the respective assumptions while holding all other assumptions constant.

The following table illustrates how the IAS 19 surplus would have increased/(decreased) as a result of changes in interest rates, price inflation and mortality:

	2025					2024				
	Increase in interest rates +1% £m	**Decrease in interest rates -1% £m**	**Increase in inflation rate +1% £m**	**Decrease in inflation rate -1% £m**	**1 year younger[1] £m**	Increase in interest rates +1% £m	Decrease in interest rates -1% £m	Increase in inflation rate +1% £m	Decrease in inflation rate -1% £m	1 year younger[1] £m
Impact on present value of defined benefit obligation	**970**	**(1,178)**	**(882)**	**726**	**(243)**	1,001	(1,215)	(901)	751	(256)
Impact on fair value of scheme assets	**(1,002)**	**1,224**	**882**	**(769)**	**248**	(1,075)	1,312	956	(800)	261
Impact on IAS 19 surplus	**(32)**	**46**	**—**	**(43)**	**5**	(74)	97	55	(49)	5

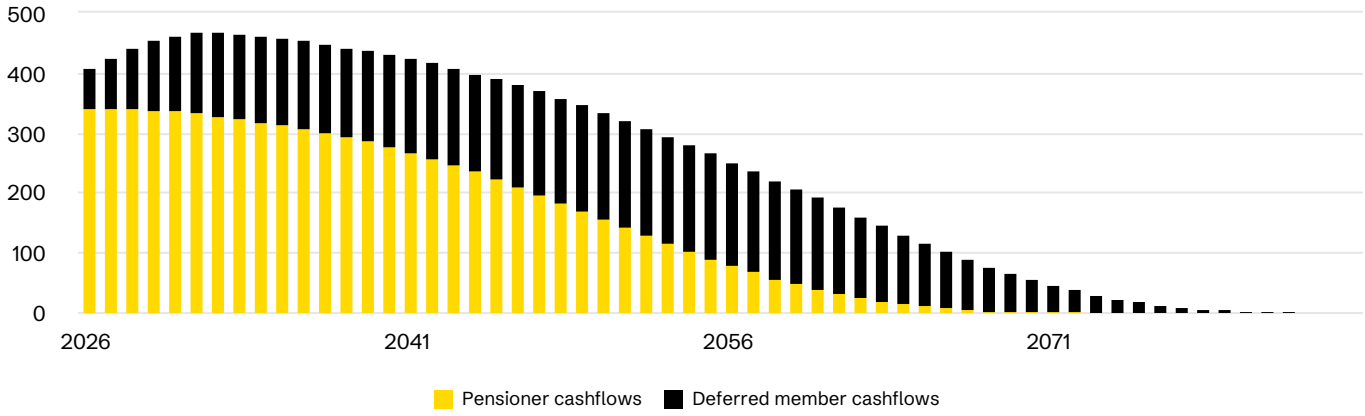
1. The effect of assuming all members in the schemes were one year younger

It is unlikely that the changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated. It should also be noted that these sensitivities are non-linear, and larger or smaller impacts should not be interpolated or extrapolated from these results.

Maturity profile of the defined benefit obligation
The discounted scheme liabilities have an average duration of 12 years (2024: 12 years) in ASPS, 12 years (2024: 13 years) in FPPS, 12 years (2024: 12 years) in the RAC scheme, 14 years in DLGHS, 13 years (2024: 14 years) in AISPF, 20 years (2024: 22 years) in FFPS and 9 years (2024: 9 years) in the Canadian scheme.

The expected undiscounted benefits payable from the main UK defined benefit scheme, ASPS, is shown in the chart below:

Undiscounted benefit payments (£m)



(iv) Risk management and asset allocation strategy
The investment objectives of the trustees and the employers are to limit the risk of the assets failing to meet the liabilities of the schemes over the long-term, and to maximise returns consistent with an acceptable level of risk so as to control the long-term costs of these schemes. To meet these objectives, the schemes' assets are invested in a portfolio, consisting primarily of debt securities as detailed in section (b)(ii). The investment strategy continues to evolve over time and is expected to match the liability profile closely with swap overlays to improve interest rate and inflation matching. The schemes are generally matched to interest rate and inflation risk relative to the funding bases.

Notes to the consolidated financial statements

The High Court ruling in June 2023, along with the subsequent appeal in July 2024, ruled that certain past amendments made to the rules of defined benefit schemes that contracted out of the state second pension are invalid without an actuarial confirmation under the Pension Schemes Act 1993. The Group commenced work during 2024 to determine the impact of the court rulings on its main UK defined benefit pension schemes (and any predecessor schemes) and has identified the relevant amendments between 6 April 1997 and 5 April 2016. For some of the more material amendments impacting the Group's main schemes, initial analysis suggests appropriate actuarial engagement took place. It is not possible to quantify the impact of the ruling, if any, at this stage; however, further work will be performed following the outcome of the *Verity Trustees Ltd v Wood* hearing, which is expected to provide further legal clarity on the level of actuarial engagement necessary to evidence validation of amendments during the contracted out period.

In September 2025 the Government introduced amendments to the Pensions Scheme Bill which, following Royal Assent, will give pension schemes affected by the High Court ruling the ability to retrospectively validate amendments by obtaining written actuarial confirmation that historical benefit changes met the necessary standards. The Group continues to monitor the development of the legislation and the legal proceedings of related cases. The calculation of the defined benefit obligation for UK schemes presented in section (a) is based on the pension benefits currently being administered and remains appropriate based on the review performed during 2024.

Main UK scheme
The Company works closely with the trustee, who is required to consult with the Company on the investment strategy.

Interest rate and inflation rate risks are managed using a combination of liability-matching assets and swaps. Exposure to equity and property risk has been reducing over time and credit risk is managed within risk appetite. Currency risk is relatively small and is largely hedged. The other principal risk is longevity risk. This risk has reduced due to the ASPS entering into a longevity swap in 2014 covering approximately £2.9 billion of pensioner in payment scheme liabilities.

Since October 2019 the ASPS has completed multiple bulk annuity buy-in transactions with Aviva Life & Pensions UK Limited, a Group Company. These transactions have covered approximately £3.0 billion of liabilities related to deferred pensioners and current pensioners, removing the investment and longevity risk for these members from the scheme.

Other schemes
The other schemes are considerably less material but their risks are managed in a similar way to those in the main UK scheme. The RAC pension scheme has completed a bulk annuity buy-in covering the liabilities of all scheme members with Aviva Life & Pensions UK Limited, a Group Company. During 2025 the AISPF completed a bulk annuity buy-in with Aviva Life and Pensions Ireland Designated Activity Company, a Group Company, covering approximately £0.1 billion of pensioner in payment scheme liabilities.

In October 2022 the DLGHS completed a bulk annuity buy-in covering the liabilities of all scheme members. The winding-up of the scheme was triggered with effect from 30 December 2024, with work on the winding-up in progress in advance of assigning benefits to scheme members.

(v) Funding
Formal actuarial valuations normally take place every three years and where there is a technical provisions deficit, the Group and the trustees would agree a deficit recovery plan. The assumptions adopted for triennial actuarial valuations are determined by the trustees and agreed with the Group and are normally more prudent than the assumptions adopted for IAS 19 purposes, which are best estimate.

For the ASPS, the latest formal actuarial valuation was completed with an effective date of 31 March 2024 and showed that the ASPS was fully funded on its technical provisions basis consistent with the requirements of the UK pension regulations.

Contributions of around £50 million are expected to be paid during 2026. This includes cash settlements from the FPPS and DLGHS non-transferable annuity policies, as well as deficit reduction contributions to the Canadian scheme, and contributions relating to scheme expenses.

(c) Defined contribution (money purchase) section of the ASPS
The trustees have responsibility for selecting a range of suitable funds in which the members can choose to invest and for monitoring the performance of the available investment funds. Members are responsible for reviewing the level of contributions they pay and the choice of investment fund to ensure these are appropriate to their risk appetite and their retirement plans. Members of this section contribute at least 2% of their pensionable salaries, and depending on the percentage chosen up to 8%, the Group contributes up to 14%, together with the cost of the death-in-service benefits. In addition, for every 1% additional employee contribution over 8% of pensionable salaries, the Group contributes an additional 0.1% employer contribution. The amount recognised as an expense for defined contribution schemes is shown in section (d) below.

(d) Charge to staff costs in the income statement
The total pension charge to staff costs for all of the Group's defined benefit and defined contribution schemes were:

	Note	**2025 £m**	2024 £m
UK defined benefit schemes		**33**	28
Overseas defined benefit schemes		**1**	1
Total defined benefit schemes	10(b)	**34**	29
UK defined contribution schemes		**255**	199
Overseas defined contribution schemes		**27**	26
Total defined contribution schemes	10(b)	**282**	225
Total charge for pension schemes		**316**	254

There were no significant contributions payable or prepaid in the consolidated statement of financial position as at either 31 December 2025 or 2024.

Notes to the consolidated financial statements

45 - BORROWINGS

Our borrowings are classified as either core structural borrowings, which are included within the Group's capital employed, or operational borrowings drawn by operating subsidiaries. This note shows the carrying values of each type.

(a) Analysis of total borrowings

Total borrowings comprise:

	Note	**2025 £m**	2024 £m
Core structural borrowings	45(b)	**4,533**	4,496
Operational borrowings at amortised cost		**233**	229
Operational borrowings designated at fair value		**822**	887
Operational borrowings	45(c)	**1,055**	1,116
Total borrowings		**5,588**	5,612

(b) Core structural borrowings

(i) Carrying amount

The carrying amounts of these borrowings are:

	2025 £m	2024 £m
6.125% £700 million subordinated notes 2036	**200**	200
6.875% £600 million subordinated notes 2058	**595**	595
5.125% £400 million subordinated notes 2050	**398**	397
3.375% €900 million subordinated notes 2045	**—**	745
4.375% £400 million subordinated notes 2049	**398**	397
4.000% £500 million subordinated notes 2055	**495**	494
4.000% £260 million subordinated notes 2032	**243**	—
4.000% $CAD450 million subordinated notes 2030	**243**	248
6.875% £500 million subordinated notes 2053	**494**	493
6.125% £500 million subordinated notes 2054	**494**	494
4.625% €600 million subordinated notes 2056	**517**	—
Subordinated debt	**4,077**	4,063
1.875% €750 million senior notes 2027	**404**	383
Senior notes	**404**	383
Commercial paper	**52**	50
Total core structural borrowings	**4,533**	4,496

On 28 May 2025 the Group issued €600 million of Fixed to Floating Rate Tier 2 Notes at 4.625%, with final maturity in August 2056 and First Call in February 2036.

As a result of the Group's acquisition of Direct Line on 1 July 2025, Direct Line's 4.00% £260 million Subordinated Tier 2 Notes were acquired by the Group. The Notes have a redemption date of 5 June 2032 and may be redeemed at the option of the Group commencing on 5 December 2031 until the maturity date. With effect on and from 2 July 2025, and in accordance with the terms and conditions of the Tier 2 Notes, Aviva plc has been substituted in place of Direct Line as principal debtor under the Tier 2 Notes.

On 4 December 2025 the Group redeemed its 3.375% €900 million Dated Tier 2 Fixed to Floating Rate Notes in full at their optional First Call Date.

All borrowings are stated at amortised cost, with the exception of commercial paper.

(ii) Contractual undiscounted cash flows

The contractual maturity dates of undiscounted cash flows for these borrowings are:

	2025			2024		
	Principal £m	**Interest £m**	**Total £m**	Principal £m	Interest £m	Total £m
Within one year	**52**	**235**	**287**	50	218	268
1 to 5 years	**649**	**891**	**1,540**	385	861	1,246
5 to 10 years	**260**	**1,019**	**1,279**	249	1,016	1,265
10 to 15 years	**200**	**954**	**1,154**	200	970	1,170
Over 15 years	**3,423**	**2,637**	**6,060**	3,646	2,530	6,176
Total contractual undiscounted cash flows	**4,584**	**5,736**	**10,320**	4,530	5,595	10,125

Borrowings are considered current if the contractual maturity dates are within a year. Contractual undiscounted interest payments are calculated based on underlying fixed interest rates or prevailing market floating rates as applicable. Year-end exchange rates have been used for interest projections on loans in foreign currencies.

Notes to the consolidated financial statements

(c) Operational borrowings
(i) The carrying amounts of these borrowings are:

	Note	2025 £m	2024 £m
Loans owed to financial institutions at amortised cost		**233**	229
Securitised mortgage loan notes designated at fair value	25(b)	**822**	887
Total operational borrowings		**1,055**	1,116

The Group designates loan notes issued in connection with the IWR lifetime mortgage business at FVTPL to eliminate an accounting mismatch, as the relevant mortgages and derivatives are managed as a portfolio on a fair value basis.

The Group elects to present the change in fair value attributable to a change in the credit risk of the loan notes in the income statement and the impacts are presented in note 23.

The fair values of the loan notes are modelled on risk-adjusted cash flows for defaults discounted at a risk-free rate plus a market-determined liquidity premium, and are therefore classified as 'Level 3' in the fair value hierarchy. The risk allowances are consistent with those used in the fair value asset methodology, as described in note 23.

The securitised mortgage loan notes are at various fixed, floating and index-linked rates. Further details about these notes are given in note 25.

(ii) The contractual maturity dates of undiscounted cash flows for these borrowings are:

	2025			2024		
	Principal £m	**Interest £m**	**Total £m**	Principal £m	Interest £m	Total £m
Within one year	**251**	**34**	**285**	247	41	288
1 to 5 years	**361**	**174**	**535**	358	166	524
5 to 10 years	**232**	**146**	**378**	291	156	447
10 to 15 years	**57**	**16**	**73**	87	38	125
Over 15 years	**3**	**4**	**7**	9	10	19
Total contractual undiscounted cash flows	**904**	**374**	**1,278**	992	411	1,403

The carrying value of the loan notes issued in connection with IWR lifetime mortgages is £240 million lower (31 December 2024: £309 million lower) than the anticipated payment at maturity. The payment mirrors the repayment of the lifetime mortgages and is based on the current modelling assumptions.

Contractual undiscounted interest payments are calculated based on underlying fixed interest rates or prevailing market floating rates as applicable. Year-end exchange rates have been used for interest projections on loans in foreign currencies.

(d) Description and features
(i) Subordinated debt
A description of each of the subordinated notes is set out in the table below:

Notional amount	Issue date	Redemption date	Callable at par at option of the Company from	In the event the Company does not call the notes, the coupon will reset at each applicable reset date to
£200 million	14 Nov 2001	14 Nov 2036	16 Nov 2026	5 year Benchmark Gilt Rate + 2.85%
£600 million	20 May 2008	20 May 2058	20 May 2038	Daily Compounded SONIA + 0.1193% + 3.26%
£400 million	4 June 2015	4 June 2050	4 June 2030	Daily Compounded SONIA + 0.1193% + 4.022%
£400 million	12 September 2016	12 September 2049	12 September 2029	Daily Compounded SONIA + 0.1193% + 4.721%
£500 million	3 June 2020	3 June 2055	3 March 2035	5 year Benchmark Gilt Rate + 4.70%
£260 million	5 June 2020	5 June 2032	5 December 2031	N/A
$CAD450 million	2 October 2020	2 October 2030	N/A	N/A
£500 million	27 November 2023	27 November 2053	27 May 2033	5 year Benchmark Gilt Rate + 3.85%
£500 million	12 September 2024	12 September 2054	12 March 2034	5 year Benchmark Gilt Rate + 3.30%
€600 million	28 May 2025	28 August 2056	28 February 2036	3 month Euribor + 3.050%

Subordinated notes issued by the Company rank below its senior obligations and ahead of its Restricted Tier 1 Notes and ordinary share capital. The fair value of Notes at 31 December 2025 was £4,153 million (31 December 2024: £3,999 million), calculated with reference to quoted prices.

(ii) Senior notes
All senior notes are at fixed rates and their total fair value at 31 December 2025 was £400 million (31 December 2024: £377 million).

(iii) Commercial paper
The commercial paper consists of £52 million issued by the Company (31 December 2024: £50 million) and is considered core structural funding. The fair value of the commercial paper is considered to be the same as its carrying value and all issuances are repayable within one year.

Notes to the consolidated financial statements

(iv) Loans
Loans owed to financial institutions comprise:

	2025 £m	2024 £m
Loans to property partnerships	**182**	128
Other loans	**51**	101
Total loans owed to financial institutions	**233**	229

As explained in accounting policy D, the UK long-term business policyholder funds have invested in a number of property funds and structures (the 'Property Funds'), some of which have raised external debt, secured on the relevant Property Fund's property portfolio. The lenders are only entitled to obtain payment of interest and principal to the extent there are sufficient resources in the relevant Property Fund and they have no recourse whatsoever to the policyholder or shareholders' funds of any companies in the Group. Loans of £182 million (31 December 2024: £128 million) included in the table above relate to Property Funds.

Other loans include external debt raised by special purpose vehicles in the IWR long-term business and a bank credit facility as part of the acquisition of Optiom on 5 January 2024. The lenders have no recourse whatsoever to the shareholders' funds of any companies in the Group. The outstanding balance of these loans at 31 December 2025 was £49 million (31 December 2024: £101 million).

(v) Securitised mortgage loan notes
Loan notes have been issued by special purpose securitisation companies in the UK. Details are given in note 25.

(e) Movements during the year
Movements in borrowings during the year were:

	2025			2024		
	Core Structural £m	**Operational £m**	**Total £m**	Core Structural £m	Operational £m	Total £m
At 1 January	**4,496**	**1,116**	**5,612**	5,174	1,200	6,374
New borrowings drawn down, excluding commercial paper, net of expenses	**499**	**95**	**594**	494	33	527
Repayment of borrowings, excluding commercial paper	**(787)**	**(178)**	**(965)**	(1,095)	(192)	(1,287)
Movement in commercial paper[1]	**(1)**	**—**	**(1)**	—	—	—
Net cash (outflow)/inflow	**(289)**	**(83)**	**(372)**	(601)	(159)	(760)
Borrowings acquired in business combinations[2]	**242**	**—**	**242**	—	33	33
Foreign exchange rate movements	**78**	**(1)**	**77**	(82)	(2)	(84)
Fair value movements	**—**	**23**	**23**	—	44	44
Amortisation of discounts and other non-cash items	**6**	**—**	**6**	5	—	5
At 31 December	**4,533**	**1,055**	**5,588**	4,496	1,116	5,612

1. Gross issuances of commercial paper were £139 million (2024: £113 million), offset by repayments of £140 million (2024: £113 million)
2. Borrowings acquired in business combinations relate to the acquisition of Direct Line Insurance Group Plc on 1 July 2025 and relate to Direct Line's 4.00% £260 million Subordinated Tier 2 Notes. The 2024 balance relates to the acquisition of Optiom on 5 January 2024 and their bank credit facility.

All movements in fair value in 2025 and 2024 on securitised mortgage loan notes designated as fair value through profit or loss were attributable to changes in market conditions.

(f) Undrawn borrowings
The Group has the following undrawn committed central borrowing facilities:

	2025 £m	2024 £m
Expiring within one year	**—**	—
Expiring beyond one year	**1,700**	3,550
Total undrawn borrowings	**1,700**	3,550

The Group's undrawn borrowings of £1,700 million (31 December2024: £3,550 million) relate to borrowing facilities which are used to support the commercial paper programme. 31 December 2024 also includes the bridge facility agreement of £1,850 million entered into by the Group as part of the acquisition of Direct Line, in order to satisfy the Takeover Code requirements. On 23 April 2025, the bridge facility agreement was cancelled.

Notes to the consolidated financial statements

46 - PAYABLES AND OTHER FINANCIAL LIABILITIES

This note analyses our payables and other financial liabilities at the end of the year.

	Note	**2025 £m**	2024 £m
Payables arising out of direct insurance		**1,139**	859
Payables arising out of reinsurance operations		**178**	137
Bank customer accounts liability		**6**	2
Bank overdrafts[1]	51	**1,268**	928
Derivative liabilities	53	**7,115**	8,271
Amounts due to brokers for investment purchases		**346**	513
Obligations for repayment of cash collateral received		**464**	732
Lease liabilities	22	**450**	346
Other financial liabilities		**4,452**	2,867
Total payables and other financial liabilities		**15,418**	14,655
Expected to be settled within one year		**9,022**	7,345
Expected to be settled in more than one year		**6,396**	7,310
Total payables and other financial liabilities		**15,418**	14,655

1. Bank overdrafts amount to £593 million (2024: £263 million) in life business operations and £675 million (2024: £665 million) in general insurance business and other operations

All payables and other financial liabilities are carried at cost, which approximates to fair value, except for derivative liabilities, which are carried at their fair values and lease liabilities which are carried at the present value of the outstanding lease payments.

47 - OTHER LIABILITIES

This note analyses our other liabilities at the end of the year.

	2025 £m	2024 £m
Deferred income	**47**	41
Accruals	**1,299**	845
Interest payable on borrowings	**831**	1,125
Other liabilities	**741**	1,286
Total other liabilities	**2,918**	3,297
Expected to be settled within one year	**2,613**	3,024
Expected to be settled in more than one year	**305**	273
Total other liabilities	**2,918**	3,297

48 - CONTINGENT LIABILITIES AND OTHER RISK FACTORS

This note sets out the main areas of uncertainty over the calculation of our liabilities.

(a) Uncertainty over claims provisions

Note 39 gives details of the estimation techniques used by the Group to determine the non-life business liability for incurred claims provisions and of the methodology and assumptions used in determining the long-term business provisions. These approaches are designed to produce a best estimate of the cost of settling liabilities, with a risk adjustment reflecting the uncertainty associated with these liabilities. The actual cost of settling these liabilities may differ, for example because experience may be worse than that assumed, or future non-life business claims inflation may differ from that expected, and hence there is uncertainty in respect of these liabilities.

Business Interruption

There continues to be a degree of uncertainty in relation to business interruption claims arising from COVID-19 and on-going test case litigation in the UK, with ongoing proceedings and appeals taking place. We are party to a number of litigation proceedings in Canada, however, uncertainty has reduced in 2025 as the main business interruption class actions have been settled, subject to court approval. In the opinion of management, adequate liabilities have been established for such claims based on information available at the reporting date. The Group purchases reinsurance protection that includes coverage for business interruption and is collecting or seeking reinsurance recoveries of business interruption losses that are covered by reinsurance.

For further information see note 52(e).

(b) Asbestos, pollution and social environmental hazards

In the course of conducting insurance business, various companies within the Group receive general insurance liability claims, and become involved in actual or threatened related litigation arising therefrom, including claims in respect of pollution and other environmental hazards. Amongst these are claims in respect of asbestos production and handling in the UK, Ireland and Canada. Given the significant delays that are experienced in the notification of these claims, the potential number of incidents they cover and the uncertainties associated with establishing liability, the ultimate cost cannot be determined with certainty. However, on the basis of current information having regard to the level of provisions made for general insurance claims and substantial reinsurance cover now in place, the directors consider that any additional costs arising are not likely to have a material impact on the financial position of the Group.

Notes to the consolidated financial statements

(c) Guarantees on long-term savings products
As a normal part of their operating activities, various Group companies have given guarantees and options, including interest rate guarantees, in respect of certain long-term insurance and investment products. Note 39(h) gives details of these guarantees and options. Interest rate guaranteed returns, such as those available on guaranteed annuity options, are sensitive to interest rates falling below the guaranteed level. The directors continue to believe that the existing IFRS 17 provisions for such guarantees and options are sufficient.

(d) Regulatory compliance
The Group's insurance and investment business is subject to local regulation in each of the countries in which it operates. A number of the Group's UK subsidiaries are dual regulated (directly authorised by both the PRA (for prudential regulation) and the FCA (for conduct regulation)) while others are solo regulated (regulated solely by the FCA for both prudential and conduct regulation). Between them, the PRA and FCA have broad powers including the authority to grant, vary the terms of, or cancel a regulated firm's authorisation; to investigate marketing and sales practices; and to require the maintenance of adequate financial resources.

The Group's regulated businesses have compliance resources to respond to regulatory enquiries in a constructive way, and take corrective action when warranted. However, all regulated financial services companies face the risk that their regulator could find that they have failed to comply with applicable regulations or have not undertaken corrective action as required.

The impact of any such finding (whether in the UK or overseas) could have a negative impact on the Group's reported results or on its relations with current and potential customers. Regulatory action against a member of the Group could result in adverse publicity for, or negative perceptions regarding, the Group, or could have a material adverse effect on the business of the Group, its results, operations and/or financial condition and divert management's attention from the day-to-day management of the business.

(e) Structured settlements
The Group has purchased annuities from licensed Canadian life insurers to provide for fixed and recurring payments to claimants. As a result of these arrangements, the Group is exposed to credit risk to the extent that any of the life insurers fail to fulfil their obligations. The Group's maximum exposure to credit risk for these types of arrangements is approximately £479 million as at 31 December 2025 (2024: £510 million). Credit risk is managed by acquiring annuities from a diverse portfolio of life insurers with proven financial stability. This risk is reduced to the extent of coverage provided by Assuris, the Canadian life insurance industry compensation plan. As at 31 December 2025, no information has come to the Group's attention that would suggest any weakness or failure in life insurers from which it has purchased annuities and consequently no provision for credit risk is required.

(f) Other
In the course of conducting insurance and investment business, various Group companies receive liability claims, and become involved in actual or threatened related litigation. In the opinion of the directors, adequate provisions have been established for such claims and no material loss will arise in this respect.

In addition, in line with standard business practice, various Group companies have given guarantees, indemnities and warranties in connection with disposals in recent years of subsidiaries and associates to parties outside the Aviva Group which can give rise to contingent liabilities. In the opinion of the directors, no material unprovisioned loss will arise in respect of these guarantees, indemnities and warranties.

There are a number of charges registered over the assets of Group companies in favour of other Group companies or third parties. In addition, certain of the Company's assets are charged in favour of certain of its subsidiaries as security for intra-Group loans.

49 - COMMITMENTS

This note gives details of our commitments to capital expenditure. See note 22 for further information on lease commitments.

Contractual commitments for acquisitions or capital expenditures of infrastructure loan advances, investment property, property and equipment and equity funds which have not been recognised in the financial statements are as follows:

	2025 £m	2024 £m
Infrastructure loan advances	**358**	215
Investment property	**588**	234
Property and equipment	**13**	—
Other investment vehicles[1]	**429**	536
Total commitments	**1,388**	985

1. Represents commitments for further investment in certain private equity vehicles. Such commitments do not expose the Group to the risk of future losses in excess of its investment

Notes 18 and 19 set out the commitments the Group has to its joint ventures and associates.

50 - GROUP CAPITAL MANAGEMENT

(a) Group capital
The Group is required to measure and monitor its capital resources on a regulatory basis and to comply with minimum capital requirements of regulators in each territory that it operates in. At a Group level, we have to comply with the Solvency II requirements established by the PRA.

The Group solvency capital requirement is calculated using a Partial Internal Model (PIM) approved by the PRA. The Solvency II capital regime requires insurers to calculate regulatory capital adequacy at both individual regulated subsidiaries and an aggregate Group level. Non-UK entities have been included in Group solvency in line with Solvency II requirements. Other financial sector entities (including fund management) are included at their proportional share of the capital requirement according to the relevant sectoral values. In addition, non-UK businesses including Canada, are subject to the locally applicable capital requirements in the jurisdictions in which they operate.

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Group capital is represented by Solvency II own funds. The Solvency II position disclosed is based on a 'shareholder view'. The shareholder view is considered by management to be more representative of the shareholders' risk exposure and the Group's ability to cover the Solvency Capital Requirement (SCR) with eligible own funds and aligns with management's approach to dynamically manage its capital position.

In arriving at the shareholder position, the contribution to the Group's SCR and own funds of the most material fully ring fenced with-profits funds of £1,495 million at 31 December 2025 (2024: £1,387 million) and staff pension schemes in surplus of £279 million at 31 December 2025 (2024: £297 million) are excluded. These exclusions have no impact on Solvency II surplus as these funds are self-supporting on a Solvency II capital basis with any surplus capital above SCR not recognised.

(unaudited)	**2025 £m**	2024 £m
Solvency II regulatory own funds as at 31 December	**17,795**	17,323
Adjustments for:		
Fully ring-fenced with-profit funds	**(1,495)**	(1,387)
Staff pension schemes in surplus	**(279)**	(297)
Solvency II shareholder own funds as at 31 December	**16,021**	15,639

Solvency II own funds are comprised of a combination of shareholders' funds, preference share capital (applicable at 31 December 2024 before preference share cancellation in 2025), subordinated debt, and deferred tax assets measured on a Solvency II basis. During the year, the Group cancelled £0.45 billion preference shares and replaced by £0.5 billion Restricted Tier 1 debt, redeemed €0.9 billion of Tier 2 subordinated debt, issued €0.6 billion of Tier 2 subordinated debt and acquired £0.26 billion Subordinated Tier 2 Notes as a result of acquisition of Direct Line (see note 45).

Solvency II surplus at the Group level represents the excess of eligible Solvency II own funds over the Group's solvency capital requirements calculated in accordance with Solvency II requirements. The Group maintained capital in excess of the SCR at all times during 2025. All key regulated subsidiaries complied with their capital requirements throughout the year.

Further information on the Group's Solvency II position, including a reconciliation between IFRS equity and own funds can be found in the Other information section. This information is estimated and is therefore subject to change. It is also unaudited.

(b) Risks and capital management objectives

Optimal deployment of capital is a key driver in our strategic decision making, including product mix, pricing, hedging, reinsurance, investments, transformation programmes, acquisitions and disposals. Capital and liquidity management is embedded in our businesses and supported by group-wide policies. A Capital Management Standard sets out minimum standards and guidelines over responsibility for capital management including considerations for capital management decisions and requirements for management information, capital monitoring, reporting, forecasting, planning and overall governance.

The Group manages capital in conjunction with solvency capital requirements and in line with the dividend policy and capital management framework.

- We aim to deliver sustainable dividends at a level that is resilient in times of stress and is covered by the capital and cash generated from our businesses. We also expect to make regular and sustainable returns of capital;
- At the core of our capital management framework is financial strength in accordance with risk appetite and efficient deployment of capital. See note 52 for more information about the Group's risk management approach;
- Key elements of our capital management framework are as follows:
  - Solvency II shareholder cover ratio working range of 160%-180% with opportunities for the deployment of any excess capital considered as part of the framework (see below);
  - Centre liquid assets of at least £1 billion;
  - Solvency II debt leverage ratio below 30% (other than for temporary periods);
  - To maintain our AA credit rating metrics;
- In addition to regular capital returns any excess capital is available for deploying in the business to support growth and top quartile efficiency objectives, M&A where this delivers attractive risk adjusted returns and the opportunity is in line with our strategy, thereafter, additional distributions to shareholders will be considered;
- The Group seeks to retain financial flexibility by maintaining strong liquidity, access to a range of capital markets and significant unutilised committed credit lines; and
- Our businesses are capitalised based on buffers above their regulatory minimum levels, which are specific to each entity. Subsidiary capital and liquidity risk appetites are reviewed regularly by subsidiary boards.

Intra-group capital arrangements

Consistent with our capital management framework, the Group has in place intra-group arrangements to provide additional capital support to its regulated subsidiaries. In the normal course of business, the Group will provide additional capital support to its regulated subsidiaries in certain circumstances. While the Group considers it unlikely that such support will be required, the arrangements are intended to provide additional comfort to its regulated subsidiaries and its policyholders.

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51 – STATEMENT OF CASH FLOWS

This note gives further detail behind the figures in the statement of cash flows.

(a) The reconciliation of profit before tax to the net cash flows from operating activities is:

	2025 £m	2024 £m
Profit before tax	**1,843**	1,267
Adjustments for:		
Share of profit after tax of joint ventures and associates	**(128)**	(136)
Dividends received from joint ventures and associates	**125**	29
(Profit)/loss on sale of:		
Investment property	**—**	4
Subsidiaries, joint ventures and associates	**—**	(195)
Investments	**(7,793)**	(1,816)
Fair value (gains)/losses on:		
Investment property	**(203)**	13
Investments	**(16,706)**	(10,250)
Borrowings	**24**	44
Depreciation of property and equipment	**78**	62
Equity compensation plans, equity settled expense	**74**	61
Impairment and expensing of:	**11**	18
Financial investments, loans and other assets	**2**	2
Acquired value of in-force business and intangibles	**7**	16
Non-financial assets	**2**	—
Amortisation of:	**267**	696
Premium/discount on fixed maturity securities	**46**	509
Premium/discount on borrowings	**6**	5
Premium/discount on non-participating investment contracts	**55**	52
Acquired value of in-force business and intangibles	**160**	130
Interest expense on borrowings	**322**	339
Net finance income on pension schemes	**(5)**	(19)
Foreign currency exchange gains	**821**	181
Increase in reinsurance assets	**(1,068)**	(1,505)
Increase in deferred acquisition costs	**(3)**	(41)
Increase in insurance liabilities and investment contracts	**32,443**	22,503
(Increase)/decrease in other assets	**(5)**	3,038
Changes in working capital	**31,367**	23,995
Net purchases of investment property	**(499)**	(494)
Net proceeds on sale of investment property	**337**	382
Net purchase of financial investments	**(12,360)**	(5,493)
Net purchases of operating assets	**(12,522)**	(5,605)
Total cash (used in)/generated from operating activities	**(2,425)**	8,688

The cash flows presented in this statement cover all the Group's activities and include flows from both policyholder and shareholder activities. Operating cash flows reflect the movement in both policyholder and shareholder controlled cash and cash equivalent balances.

During the year the net operating cash flows reflects a number of factors, including the level of premium income, payments of claims, creditors and surrenders and purchases and sales of operating assets including financial investments. It also includes changes in the size and value of consolidated cash investment funds and changes in the Group participation in these funds.

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(b) Liabilities arising from financing activities:

	2025			2024		
	Borrowings £m	**Leases £m**	**Total £m**	Borrowings £m	Leases £m	Total £m
Opening balance of liabilities arising from financing activities	**5,612**	**346**	**5,958**	6,374	372	6,746
Cash movements						
Repayment of leases	**—**	**(60)**	**(60)**	—	(60)	(60)
New borrowings	**733**	**—**	**733**	640	—	640
Repayment of borrowings	**(1,105)**	**—**	**(1,105)**	(1,400)	—	(1,400)
Non-cash movements						
Effect of acquisitions	**242**	**110**	**352**	33	1	34
Additions	**—**	**33**	**33**	—	—	—
Foreign exchange movements	**77**	**1**	**78**	(84)	(2)	(86)
Fair value gains/losses	**23**	**—**	**23**	44	—	44
Other	**6**	**20**	**26**	5	35	40
Closing balance of liabilities arising from financing activities	**5,588**	**450**	**6,038**	5,612	346	5,958

(c) Cash flows in respect of the acquisition of, and additions to, subsidiaries, joint ventures and associates comprised:

	2025 £m	2024 £m
Cash consideration for subsidiaries, joint ventures and associates acquired and additions[1]	**(1,741)**	(856)
Less: Cash and cash equivalents acquired with subsidiaries	**774**	96
Total cash flow on acquisitions and additions	**(967)**	(760)

1. Cash consideration for subsidiaries, joint ventures and associates acquired and additions includes £1,711 million relating to the acquisition of Direct Line

(d) Cash flows in respect of the disposal of subsidiaries, joint ventures and associates comprised:

	2025 £m	2024 £m
Cash proceeds from disposal of subsidiaries, joint ventures and associates[1]	**16**	1,095
Total cash flow on disposals	**16**	1,095

1. Cash proceeds from disposal of subsidiaries, joint ventures and associates are net of £nil (2024: £5 million) transaction costs paid during the year.These relate to the disposal of Aviva Investors UK Commercial Real Estate Senior Debt LP

The above figures form part of cash flows from investing activities.

(e) Cash and cash equivalents in the statement of cash flows and statement of financial position comprised:

	Note	**2025 £m**	2024 £m
Cash at bank and in hand		**4,652**	5,055
Cash equivalents		**13,637**	18,426
Cash and cash equivalents per the statement of financial position		**18,289**	23,481
Bank overdrafts	46	**(1,268)**	(928)
Cash and cash equivalents		**17,021**	22,553

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52 - RISK MANAGEMENT

Risk management is key to Aviva's success. We accept the risks inherent to our core business lines of life, general insurance and health, and asset management. We diversify these risks through our scale, geographic spread, the variety of the products and services we offer and the channels through which we sell them. We receive premiums which we invest to maximise risk-adjusted returns, so that we can fulfil our promises to customers while providing a return to our shareholders. We identify risks to the business and, depending on our risk appetite, prefer, accept or avoid those risks. In doing so we prefer retaining those risks we believe we are capable of managing to generate a return.

Our sustainability and financial strength are underpinned by an effective risk management process and risk intelligent culture. This helps us identify major risks to which we may be exposed, establish appropriate controls and take mitigating actions for the benefit of our customers and investors. The Group's risk strategy is to invest its available capital to optimise the balance between return and risk while maintaining an appropriate level of economic (i.e. risk-based) and regulatory capital.

The key elements of our risk management framework comprise: our risk strategy and risk management forward plans; risk governance, including risk policies and business standards, risk oversight committees and roles and responsibilities; and the processes we use to identify, measure, manage, monitor and report risks, including the use of our risk models, Operational Risk and Control Management system (ORCM) and stress and scenario testing.

Risk Environment

Macroeconomic risk has been elevated throughout 2025, with persistent uncertainty around global growth prospects reflected in ongoing cost of living pressures. While inflation has eased in some regions, interest rates remain high and trade policy developments have introduced new risks to global supply chains and pricing dynamics. Momentum in global growth has softened, with analysts highlighting the impacts of geopolitical tensions, protectionist trade measures and financial market vulnerabilities. Affordability remains a concern because of the global economic climate and will continue to impact customers, including relatively affluent customers. Customer experience and retention will continue to require close monitoring as economic pressures shift consumer behaviour.

There are a significant number of ongoing regulatory developments that will drive a high level of scrutiny on the fair value of products provided by the insurance industry. In addition, changes in relevant legislation in any of the markets in which the Group operates may adversely impact the products and services we offer and the valuation of the Group's assets and liabilities. Pensions legislation and evolving leaseholder reform have the potential to adversely impact our business.

The Group continues to maintain strong solvency and liquidity positions through a range of scenarios and stress testing. Our capital and liquidity positions have been tested by recent market conditions and have been shown to be robust and resilient.

There remains an increased threat of malware and ransomware attacks across the world and several recent cyber incidents impacting the UK retail sector caused significant disruption. In response we have increased the protection level of anti-malware and cyber incident security controls. We continue to monitor threat intelligence data and update our controls to maintain protection against new and emerging ransomware variants, including in respect of our suppliers.

Following the integration of Direct Line, the types of risks the Group is exposed to remains broadly consistent. The risks within DL are closely aligned to those already managed by the Group, with the main effect being an increase in the overall materiality of these risks at Group level.

Risk Management Framework (RMF)

The Group's RMF is at the heart of every business decision and is key to a robust control environment and the Group's sustainable success. The key components of our RMF are risk appetite; risk governance, including risk policies and business standards, risk oversight committees and roles and responsibilities; and the processes we use to identify, measure, manage, monitor and report risks, including the use of our risk models and stress and scenario testing. A risk taxonomy is maintained for a consistent approach to risk identification, measurement and reporting, and to determine application of the Group Risk Appetite Framework and the risks for which a risk policy is required. The taxonomy is arranged in a hierarchy with more granular risk types grouped into the following principal risk categories: credit and market, liquidity, life insurance, general insurance (including health), operational and strategic risk. Risks falling within these types may affect a number of outcomes including those relating to solvency, liquidity, profit, reputation and conduct.

To promote a consistent and rigorous approach to risk management across all businesses we have a set of risk policies, business standards and associated guidance which set out the risk strategy/forward plan, appetite, framework, key controls, and minimum requirements for the Group's worldwide operations. The business unit's Chief Executive Officers make an annual declaration, supported by an opinion from the business unit Chief Risk Officers, that the system of governance and internal controls was effective and fit for purpose for their business throughout the year.

The Group's Risk Appetite Framework is reviewed and refreshed annually, with updated risk appetites considered and approved by the Risk Committee.

A regular top-down key risk identification and assessment process is carried out by the Risk function in collaboration with the business, including consideration of emerging risks, and is supported by deeper thematic reviews. This process is replicated at the business unit level. The risk assessment processes are used to generate risk reports which are shared with the relevant risk committees.

We regularly apply a broad suite of quantitative techniques including sensitivity analysis, stress and scenario testing, reverse stress testing and deep downside recession type scenarios to assess the resilience of our balance sheet and business model. These exercises, which range from single factor sensitivities to multi factor, severe stress scenarios, evaluate the potential impacts on profitability, capital generation, solvency and liquidity, and incorporate regulatory requirements such as the 2025 Life Insurance Stress Test (LIST) and our annual recovery planning regime. Where relevant, we identify timely and plausible management actions, such as expense or volume management, hedging and derisking, to support recovery in extreme conditions. The insights from this analysis inform key decisions across business planning, dividend sustainability, risk appetite setting and capital management, helping to ensure both operational and financial resilience while demonstrating robust regulatory compliance and a clear understanding of the financial and non-financial consequences of our actions.

Roles and responsibilities for risk management in the Group are based around the 'three lines of defence' risk governance model where ownership for risk is taken at all levels in the Group. Line management in the business is accountable for risk ownership and management, including the implementation and embedding of the RMF. The Risk Function is accountable for quantitative and qualitative oversight and challenge of the risk identification, measurement, monitoring, management, and reporting processes

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and for developing the RMF, as well as providing advisory support to the business on risk innovation. Internal audit provides an independent assessment of the risk management framework and internal control processes.

Board oversight of risk and its management across the Group is maintained on a roughly quarterly basis through its Risk Committee and Customer and Sustainability Committee. The Board has overall responsibility for determining risk appetite, which is an expression of the risk the business is willing to take. Three Group-level management Committees (Group Executive Risk Committee, Group Asset Liability Committee and the Disclosure Committee) exist to assist members of the Aviva Executive Committee in the discharge of their delegated authorities and their accountabilities within the Aviva governance framework and in relation to their defined regulatory responsibilities.

Where the Group has entered into joint venture arrangements without a controlling interest, we work with our joint venture partners to align the joint venture's RMF, where possible, with Aviva's RMF so not to unduly increase the overall risk exposure of the Group. Upon acquiring a new subsidiary, we work with these entities to understand how their risks are managed and apply the Group's RMF to the acquired entity in a manner appropriate for the scale and nature of their operations. Following the acquisition of Direct Line in July 2025, we performed a detailed review of its RMF and identified many similarities and synergies with our own. We expect to complete the integration of their appetites, policies, standards and frameworks by mid-2026, with further embedding taking place thereafter.

The types of risks to which the Group is exposed have not changed significantly during the year and remain credit, market, liquidity, life insurance, general insurance and health, asset management and operational risks. These risks are described below.

(a) Credit risk

Credit risk is the risk of financial loss as a result of the default or failure of third parties to meet their payment obligations to the Group, or variations in market values as a result of changes in expectations related to these risks. Credit risk is taken so that the Group can provide the returns required to satisfy policyholder liabilities and to generate returns for our shareholders. In general we prefer to take credit risk over equity and property risks, because of the better expected risk-adjusted return, our credit risk analysis capability and the structural investment advantages conferred to insurers with long-dated, relatively illiquid liabilities.

Our approach to managing credit risk recognises that there is a risk of adverse financial impact resulting from fluctuations in credit quality of third parties including default, rating transition and credit spread movements. Our credit risks arise principally through exposures to debt security investments, structured asset investments, bank deposits, derivative counterparties, mortgage lending and reinsurance counterparties.

The Group manages its credit risk at business unit and Group levels. All business units are required to implement credit risk management processes (including limits frameworks), operate specific risk management committees and report and monitor their exposures against detailed pre-established risk criteria. At Group level, we manage and monitor all exposures across our business units on a consolidated basis and operate a Group limit framework that must be adhered to by all.

We did not experience a material increase in credit defaults in 2025, with pro-active management of the credit portfolio in a challenging macroeconomic environment. We continue to monitor closely any deterioration in the credit markets. Our capital position includes an allowance for the expected potential impacts from downgrades and defaults.

A detailed breakdown of the Group's current credit exposure by credit quality is shown below.

(i) Financial exposures by credit ratings

Financial assets are graded according to current external credit ratings issued. AAA is the highest possible rating. Investment grade financial assets are classified within the range of AAA to BBB ratings. Financial assets with ratings outside this range are classified as sub-investment grade. The following table provides information regarding the aggregated credit risk exposure of the Group for financial and reinsurance contract assets with external credit ratings. 'Not rated' assets capture assets not rated by external ratings agencies.

	AAA %	**AA %**	**A %**	**BBB %**	**Below BBB %**	**Not rated %**	**2025 Maximum exposure £m**	AAA %	AA %	A %	BBB %	Below BBB %	Not rated %	2024 Maximum exposure £m
Fixed maturity securities	**9.6%**	**45.7%**	**19.9%**	**14.3%**	**3.3%**	**7.2%**	**128,233**	10.6%	44.2%	20.1%	13.3%	3.7%	8.1%	115,539
Reinsurance contract assets	**—%**	**64.8%**	**34.7%**	**—%**	**—%**	**0.5%**	**9,814**	—%	74.2%	25.3%	(1.0%)	—%	1.5%	7,742
Reinsurance assets for non-participating investment contracts	**—%**	**48.5%**	**51.5%**	**—%**	**—%**	**—%**	**5,770**	—%	48.8%	50.5%	0.7%	—%	—%	5,280
Other investments	**0.6%**	**0.3%**	**2.2%**	**0.1%**	**0.3%**	**96.5%**	**61,820**	1.5%	0.2%	0.2%	0.1%	—%	98.0%	52,400
Loans[1]	**—%**	**—%**	**—%**	**—%**	**—%**	**100.0%**	**30,847**	0.9%	—%	—%	0.4%	—%	98.7%	30,553
Total							**236,484**							211,514

1. Comparative amounts have been amended to re-present internally rated loan assets from AAA to 'Not rated'

The majority of non-rated fixed maturity securities within shareholder assets are private placements and other corporate bonds held by our UK IWR business, amounting to £6.7 billion (2024: £5.6 billion). Of these securities most are allocated an investment grade internal rating using a methodology largely consistent with that adopted by an external rating agency.

The Group's maximum exposure to credit risk of financial assets, without taking collateral or hedges into account, is represented by the carrying value of the financial instruments in the Statement of Financial Position. For reinsurance contract assets the maximum exposure reflects the carrying value less the value of CSM. Excluding Direct Line, Aviva's reinsurance contract asset rating distribution has remained broadly stable. Direct Line's exposure is more weighted towards A rated counterparties.

The financial assets comprise debt securities, reinsurance assets, derivative assets, loans and receivables. The carrying values of these assets are disclosed in the relevant notes: financial investments (note 27), reinsurance assets (note 39), loans (note 24) and receivables (note 28). The collateral in place for these credit exposures is disclosed in note 54.

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(ii) Other investments
Other investments include: unit trusts and other investment vehicles; derivative financial instruments, representing positions to mitigate the impact of adverse market movements; and other assets, including deposits with credit institutions and minority holdings in property management undertakings.

The credit quality of the underlying debt securities within investment vehicles is managed by the safeguards built into the investment mandates for these funds which determine the funds' risk profiles. At the Group level, we also monitor the asset quality of unit trusts and other investment vehicles against Group set limits.

A proportion of the assets underlying these investments are represented by equities and so credit ratings are not generally applicable. Equity exposures are managed against agreed benchmarks that are set with reference to overall appetite for market risk.

(iii) Loans
The Group loan portfolio principally comprises:
- Policy loans which are generally collateralised by a lien or charge over the underlying policy;
- Loans and advances to banks which primarily relate to loans of cash collateral received in stock lending transactions. These loans are fully collateralised by other securities;
- Healthcare, infrastructure and private finance initiative loans secured against healthcare, education, social housing and emergency services related premises; and
- Mortgage loans collateralised by property assets.

We use loan to value, interest and debt service cover and diversity and quality of the tenant base metrics to internally monitor our exposures to mortgage loans. We use credit quality, based on dynamic market measures, and collateralisation rules to manage our stock lending activities. Policy loans are loans and advances made to policyholders and are collateralised by the underlying policies.

(iv) Credit concentration risk
The long-term and general insurance and health businesses are generally not individually exposed to significant concentrations of credit risk due to the regulations applicable in most markets and the Group credit policy and limits framework, which limit investments in individual assets and asset classes. Credit concentrations are monitored as part of the regular credit monitoring process and are reported to the Group Asset Liability Committee (ALCO).

(v) Reinsurance credit exposures
The Group is exposed to concentrations of risk with individual reinsurers due to the nature of the reinsurance market and the restricted range of reinsurers that have acceptable credit ratings. The Group operates a policy to manage its reinsurance counterparty exposures, by limiting the reinsurers that may be used and applying strict limits to each reinsurer. The largest aggregated counterparty exposure within shareholder assets is to the Swiss Reinsurance Company Limited (including subsidiaries), representing approximately 1.1% of the total shareholder assets. Reinsurance exposures are aggregated with other exposures to ensure that the overall risk is within appetite. The Group Capital and Group Risk teams have an active monitoring role with escalation to the Chief Financial Officer (CFO), Chief Risk Officer (CRO), Group ALCO and the Board Risk Committee as appropriate.

(vi) Securities finance
The Group has significant securities financing operations within the UK and smaller operations in some other businesses. The risks within this activity are mitigated by collateralisation and minimum counterparty credit quality requirements.

(vii) Derivative credit exposures
The Group is exposed to counterparty credit risk through derivative trades. This risk is generally mitigated through holding collateral for most trades. Residual exposures are captured within the Group's credit management framework.

(viii) Unit-linked business
In unit-linked business the policyholder bears the direct market risk and credit risk on investment assets in the unit funds and the shareholders' exposure to credit risk is limited to the extent of the income arising from asset management charges based on the value of assets in the fund.

(ix) Impairment of financial assets
Impairment is calculated using an expected credit loss model for financial assets measured at amortised cost and lease receivables, with reference to historical experience of losses adjusted for forward-looking information, as discussed in accounting policy U.

(b) Market risk
Market risk is the risk of adverse financial impact resulting, directly or indirectly, from fluctuations in interest rates, inflation, foreign currency exchange rates, equity and property prices. Market risk arises in business units because of fluctuations in both the value of liabilities and the value of investments held. At Group level, it also arises in relation to foreign currency exchange risk from our international businesses and market risk from the value of investment assets held at the Group Centre. We actively seek some market risks as part of our strategy and in accordance to our risk preferences set out in our Risk Appetite Framework.

The management of market risk is undertaken at business unit and at Group level. Businesses manage market risks locally using the Group market risk framework and within local regulatory constraints. Group Capital is responsible for monitoring and managing market risk at Group level, limiting the impact of mismatches through monitoring of sensitivities and the application of our Asset Liability Management Business Standard.

The Group writes unit-linked business, primarily in the UK. The shareholders' exposure to market risk on this business is limited to the extent that income arising from asset management charges is based on the value of assets in the fund.

The most material types of market risk that the Group is exposed to are described below.

(i) Equity price risk
The Group is subject to direct equity price risk arising from changes in the market values of its equity securities portfolio. We have some equity exposure in shareholder funds through equities held to match inflation-linked liabilities as part of general insurance investment optimisation. We also have some equity holdings in with profits funds which can impact the costs for policyholder guarantees. Our most material indirect equity price risk exposures are to policyholder unit-linked funds, which are exposed to a fall in the value of the fund thereby reducing the fees we earn on those funds, and participating contracts, which are exposed to a fall in the value of the funds thereby increasing our costs for policyholder guarantees.

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We continue to manage our direct equity exposure in line with our risk appetite framework. At a business unit level, investment limits and local investment regulations require that business units hold diversified portfolios of assets thereby reducing exposure to individual equities. The Group does not have material holdings of unquoted equity securities.

Equity risk is also managed using a variety of derivative instruments, including futures and options. Businesses actively model the performance of equities through the use of risk models, in particular to understand the impact of equity performance on guarantees, options and bonus rates. An equity hedging strategy remains in place to help control the Group's overall direct and indirect exposure to equities.

Sensitivity to changes in equity prices is given in section (h) Risk and capital management, below.

(ii) Property price risk
The Group is subject to property price risk directly because of holdings of investment properties in a variety of locations worldwide and indirectly through investments in mortgages and mortgage backed securities. Investment in property is managed at business unit level, and is subject to local regulations on investments, liquidity requirements and the expectations of policyholders.

As at 31 December 2025, no material derivative contracts had been entered into to mitigate the effects of changes in property prices. We maintain a conservative loan-to-value ratio on our commercial mortgage portfolio. Exposure to property risk on equity release mortgages from sustained underperformance in the UK House Price Index (HPI) is mitigated by capping loan to value on origination at low levels for the majority of the book and regularly monitoring the performance of the mortgage portfolio.

Sensitivity to changes in property prices is given in section (h) Risk and capital management, below.

(iii) Interest rate risk
Interest rate risk arises primarily from the Group's investments in long-term debt and fixed income securities and their movement relative to the value placed on the insurance liabilities. A number of policyholder product features contain interest rate risk. The major features include guaranteed surrender values, guaranteed annuity options, and minimum surrender and maturity values. Details of material guarantees and options are given in note 39(h).

We have limited appetite for interest rate risk as we do not believe it is adequately rewarded. We limit our total exposure to interest rate risk via setting a risk tolerance. Exposure to interest rate risk is monitored through several measures that include duration, capital modelling, sensitivity testing and stress and scenario testing.

While interest rate risk is well managed, the Group's regulatory capital cover ratio is sensitive to interest rates movements with the cover ratio increasing with rate rises and decreasing with rate falls. Interest rates are highly dependent on the macro-economic outlook and wider geopolitical environment which has a high degree of uncertainty at this time.

The Group typically manages interest rate risk by investing in fixed interest securities which closely match the interest rate sensitivity of the liabilities where such investments are available. Per matching adjustment criteria, our annuity liabilities are matched with assets of the same duration, and in some cases where appropriate cash flow matching has been used. These assets include corporate bonds, residential mortgages and commercial mortgages. Should they default before maturity, it is assumed that the Group can reinvest in assets of a similar risk and return profile, which is subject to market conditions. Interest rate risk is also managed using a variety of derivative instruments, including futures, options, swaps, caps and floors.

Other product lines of the Group, such as protection, are not significantly sensitive to interest rate or market movements. For unit-linked business, the shareholder margins emerging are typically a mixture of annual management fees and risk/expense charges. Risk and expense margins are largely unaffected by low interest rates. Annual management fees could increase if there was a move towards low interest rates which increases the value of fixed interest unit funds.

The UK participating business includes contracts with features such as guaranteed surrender values, guaranteed annuity options and minimum surrender and maturity values. These liabilities are managed through duration matching of assets and liabilities and the use of derivatives, including swaptions. As a result, the Group's exposure to sustained low interest rates on this portfolio is not material. Details of material guarantees and options are given in note 39(h).

Sensitivity to changes in interest rates is given in section (h) Risk and capital management.

(iv) Inflation risk
Inflation risk arises primarily from the Group's exposure to general insurance claims inflation, to inflation linked benefits within the defined benefit staff pension schemes and within the UK annuity portfolio and to expense inflation. Increases in long-term inflation expectations are closely linked to long-term interest rates and so are frequently considered with interest rate risk. Exposure to inflation risk is monitored through capital modelling, sensitivity testing and stress and scenario testing. The Group typically manages inflation risk through its investment strategy and, in particular, by investing in inflation linked securities and through a variety of derivative instruments, including inflation linked swaps.

(v) Currency risk
In the Group, we actively seek to manage currency risk primarily by matching assets and liabilities in functional currencies at the business unit level. The Group has minimal exposure to currency risk from financial instruments held by business units in currencies other than their functional currencies, as nearly all such holdings are backing either unit-linked or with-profits contract liabilities or are hedged. As a result, the foreign exchange gains and losses on investments are largely offset by changes in unit-linked and with-profits liabilities and fair value changes in derivatives attributable to changes in foreign exchange rates recognised in the income statement.

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At 31 December, the Group's net assets by currency was:

	2025 £m	2024 £m
Sterling	**11,110**	8,428
Euro	**84**	363
$CAD	**741**	669
Other	**(846)**	(840)
Total	**11,089**	8,620

A 10% change in sterling to euro/$CAD period-end foreign exchange rates would have had the following impact on net assets and a 10% change in sterling to euro/$CAD average foreign exchange rates applied to translate foreign currency profits would have had the following impact on profit before tax, including resulting gains and losses on foreign exchange hedges.

	2025 Impact on net assets £m	2025 Impact on profit before tax £m	2024 Impact on net assets £m	2024 Impact on profit before tax £m
10% increase in sterling/euro	**(8)**	**17**	(36)	24
10% decrease in sterling/euro	**8**	**(21)**	36	(29)
10% increase in sterling/$CAD	**(74)**	**(31)**	(67)	(27)
10% decrease in sterling/$CAD	**74**	**38**	67	34

The balance sheet changes arise from retranslation of business unit statements of financial position from their functional currencies into sterling, with above movements being taken through the currency translation reserve. These balance sheet movements in exchange rates therefore have no impact on profit. Net asset and profit before tax sensitivities are stated after taking account of the effect of currency hedging activities.

(vi) Derivatives risk
Derivatives are used by a number of the business units. Derivatives are primarily used for efficient investment management, risk hedging purposes, or to structure specific retail savings products. Activity is overseen by the Group Capital and Group Risk teams, which monitor exposure levels and approve large or complex transactions.

The Group applies strict requirements to the administration and valuation processes it uses, and has a control framework that is consistent with market and industry practice for the activity that is undertaken.

(vii) Correlation risk
The Group recognises that lapse behaviour and potential increases in consumer expectations are sensitive to and interdependent with market movements and interest rates. These interdependencies are taken into consideration in the internal capital model and in scenario analysis.

(c) Liquidity risk
Liquidity risk arises from the risk of not being able to make payments as they become due because there are insufficient assets in cash (or permissible collateral) form. At a business unit level, the key liquidity risks relate to deviations in expected insurance cashflows and collateral calls on derivative contracts to manage interest rate, inflation and foreign-exchange risks.

The Group manages liquidity risk through use of a Centre Assets Liquidity Risk Appetite (LRA), and the businesses adopt their own LRAs under guidance from the Group. The Group LRA ensures we maintain sufficient financial resources at the centre to meet its (largely external) obligations as they fall due. The business unit LRAs consider both short and longer-term stressed liquidity requirements. In the short term the source of liquidity is restricted, with a wider pool of liquidity (with appropriate haircuts) available in the longer term. These LRAs in combination with business unit liquidity risk management plans, which identify available liquidity generating actions, and ongoing monitoring against financial market triggers ensure that liquidity risk is managed.

Maturity analysis
The following tables show the maturities of our insurance and investment contract liabilities, and of the financial assets held to meet them. A maturity analysis of the contractual amounts payable for borrowings and derivative liabilities is given in notes 45 and 53(b)(ii), respectively. Contractual obligations under leases and capital commitments are given in note 22 and note 49.

(i) Analysis of maturity of insurance and investment contract liabilities
For insurance and participating investment contract liabilities, including reinsurance contract liabilities, the following table shows the estimates of the present value of future cash flows at 31 December 2025 and 2024 analysed by estimated timing.

For non-participating investment contracts, almost all may be surrendered or transferred on demand. The earliest contractual maturity date is therefore the 2025 statement of financial position date, for a surrender amount approximately equal to the current statement of financial position liability.

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However, we expect surrenders, transfers and maturities to occur over many years, and therefore the table below reflects the expected cash flows for these contracts, rather than their contractual maturity date.

2025	Within 1 year £m	One to Two years £m	Two to Three years £m	Three to Four years £m	Four to Five Years £m	Five to 15 years £m	Over 15 years £m	Total £m
Life risk	**4,549**	**2,846**	**2,838**	**2,853**	**2,859**	**25,746**	**22,784**	**64,475**
Participating	**3,454**	**2,546**	**2,415**	**2,232**	**2,057**	**13,537**	**9,563**	**35,804**
Non-life	**6,909**	**4,042**	**2,853**	**2,042**	**1,401**	**2,862**	**609**	**20,718**
Insurance contract and participating investment contract liabilities	**14,912**	**9,434**	**8,106**	**7,127**	**6,317**	**42,145**	**32,956**	**120,997**
Non-participating investment contract liabilities	**357**	**1,612**	**2,974**	**4,019**	**4,798**	**53,718**	**140,922**	**208,400**
Total contract liabilities	**15,269**	**11,046**	**11,080**	**11,146**	**11,115**	**95,863**	**173,878**	**329,397**

2024	Within 1 year £m	One to Two years £m	Two to Three years £m	Three to Four years £m	Four to Five Years £m	Five to 15 years £m	Over 15 years £m	Total £m
Life risk	3,593	2,259	2,059	2,109	2,207	21,470	27,868	61,565
Participating	3,434	2,025	1,913	1,824	1,896	14,674	10,281	36,047
Non-life	5,251	3,134	1,936	1,360	928	2,122	407	15,138
Insurance contract and participating investment contract liabilities	12,278	7,418	5,908	5,293	5,031	38,266	38,556	112,750
Non-participating investment contract liabilities	648	1,712	3,015	4,082	4,885	55,440	109,360	179,142
Total contract liabilities	12,926	9,130	8,923	9,375	9,916	93,706	147,916	291,892

The amounts from insurance and investment contract liabilities that are payable on demand are set out below.

	2025		2024	
	Amount payable on demand £m	**Carrying value £m**	Amount payable on demand £m	Carrying value £m
Insurance contracts - Life risk	**13,119**	**13,324**	11,759	12,018
Insurance contracts - Participating	**35,466**	**35,088**	35,973	35,915
Non-participating investment contract liabilities	**208,138**	**208,204**	179,044	179,142
	256,723	**256,616**	226,776	227,075

(ii) Analysis of maturity of financial assets

The following table provides an analysis, by maturity date of the principal, of the carrying value of financial assets which are available to fund the repayment of liabilities as they crystallise.

	2025					2024				
	On demand or within 1 year £m	**One to five years £m**	**Over five years £m**	**No fixed term £m**	**Total £m**	On demand or within 1 year £m	One to five years £m	Over five years £m	No fixed term £m	Total £m
Fixed maturity securities	**25,234**	**37,111**	**65,163**	**725**	**128,233**	20,137	34,886	60,233	283	115,539
Equity securities	**—**	**—**	**—**	**113,353**	**113,353**	—	—	—	96,040	96,040
Other investments	**59,285**	**203**	**2,332**	**—**	**61,820**	48,724	566	2,418	692	52,400
Loans	**4,831**	**5,950**	**20,066**	**—**	**30,847**	5,423	5,844	19,286	—	30,553
Cash and cash equivalents	**18,289**	**—**	**—**	**—**	**18,289**	23,481	—	—	—	23,481
Total financial assets	**107,639**	**43,264**	**87,561**	**114,078**	**352,542**	97,765	41,296	81,937	97,015	318,013

The assets above are analysed in accordance with the earliest possible redemption date of the instrument at the initiation of the Group. Where an instrument is transferable back to the issuer on demand, such as most unit trusts or similar types of investment vehicle, it is included in the 'On demand or within 1 year' column. Debt securities with no fixed contractual maturity date are generally callable at the option of the issuer at the date the coupon rate is reset under the contractual terms of the instrument. The terms for resetting the coupon are such that we expect the securities to be redeemed at this date, as it would be uneconomic for the issuer not to do so, and for liquidity management purposes we manage these securities on this basis. The first repricing and call date is normally ten years or more after the date of issuance. Most of the Group's investments in equity securities and fixed maturity securities are market traded and therefore, if required, can be liquidated for cash at short notice.

(d) Life insurance risk

Life insurance risk in the Group arises through its exposure to mortality, morbidity and longevity risk and exposure to worse than anticipated operating experience on factors such as persistency levels, exercising of policyholder options and management and administration expenses.

The Group chooses to take measured amounts of life insurance risk provided that the relevant business has the appropriate core skills to assess and price the risk and adequate returns are available. The Group's underwriting strategy and appetite is communicated via specific policy statements, related business standards and guidelines. Life insurance risk is managed primarily at business unit level with oversight at the Group level.

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The Group's life insurance risk continues to be dominated by exposure from our UK business. Longevity risk remains a significant life insurance risk due to the Group's annuity portfolio. We are also exposed to longevity risk through the Aviva staff pension schemes, to which our economic exposure has been reduced since 2014 by entering into a longevity swap covering the majority of pensioner in-payment scheme liabilities in force at the time. We purchase reinsurance for some of the longevity risk relating to our annuity business and this also includes the bulk annuity transactions with the Aviva staff pension schemes that have been carried out since 2019.

Mortality and morbidity risk are also significant, arising from the Group's Life protection business, whose products offers insurance coverage against death, critical illness, and ill health to individual and corporate (or group) customers. Concentrations of mortality risk arise on group protection business when significant numbers of insured lives work in a single geographic location.

We have reinsurance in place across all our businesses to reduce our net exposure to potential losses. In the UK we have extensive quota share reinsurance in place on Individual Life Protection business and for UK Group Life Protection we use surplus reinsurance for very large individual claims as well as excess-of-loss reinsurance for large concentrations of risk in single geographical locations.

More generally, life insurance risks are believed to provide a significant diversification against other risks in the portfolio. Life insurance risks are modelled within the internal capital model and are subject to sensitivity and stress and scenario testing. COVID-19 is now expected to present limited future impact to our business, and this is allowed for in assumptions for pricing and reporting. However, there remains the potential for other future pandemics.

Recent persistency experience has been generally resilient to cost of living pressures and has not shown significant deterioration in the short term. There remains some uncertainty about the potential for this to continue, which is being monitored closely. External factors that may impact future persistency experience include prolonged high inflation and interest rates, increased stock-market volatility and changes in legislation.

The assumption setting and management of life insurance risks is governed by the Group-wide business standards covering underwriting, pricing, product design and management, in-force management, claims handling and reinsurance. The individual life insurance risks are managed as follows:

- Mortality and morbidity risks are managed through comprehensive medical underwriting, input and advice from medical experts, as well as frequent monitoring and analysis of company experience. For Group Life Protection business, individual contracts are subject to an event limit that caps the losses from a single event, and we monitor and limit the accumulation of risk at single geographic locations. Reinsurance treaties are in place to provide further mitigation.
- Longevity risk is managed through monitoring and analysis of the Group's experience, as well as considering the latest external industry data and emerging trends. While individual businesses are responsible for reserving and pricing for annuity business, the Group monitors the exposure to this risk and any associated capital implications. The Group has used reinsurance solutions to reduce the risks from longevity and continually monitors and evaluates emerging market solutions to mitigate this risk further.
- Persistency risk is managed at a business unit level through frequent monitoring of company experience and benchmarking against local market information. Generally, persistency risk arises from customers lapsing their policies earlier than has been assumed. Lapses and their associated financial impact are reduced through appropriate design of products to meet current and, where possible, future customer needs. Businesses also implement specific initiatives to improve the retention of policies which may otherwise lapse.
- Expense risk is primarily managed by the business units through robust cost controls and efficiency targets, together with frequent monitoring of expense levels.

Embedded derivatives

The Group is exposed to the risk of changes in policyholder behaviour due to the exercise of options, guarantees and other product features embedded in its long-term savings products. These product features offer policyholders varying degrees of guaranteed benefits at maturity or on early surrender, along with options to convert their benefits into different products on pre-agreed terms. The extent of the impact of these embedded derivatives differs considerably between business units and exposes Aviva to changes in policyholder behaviour in the exercise of options as well as market risk.

Examples of each type of embedded derivative affecting the Group are:

- Options: call, put, surrender and maturity options, guaranteed annuity options, options to cease premium payment, options for withdrawals free of market value adjustment, annuity options and guaranteed insurability options.
- Guarantees: embedded floor (guaranteed return), maturity guarantee, guaranteed death benefit, guaranteed minimum rate of annuity payment and the 'no negative equity' guarantee associated with the Equity Release business; and
- Other: indexed interest or principal payments, maturity value.

The impact of these is reflected in the capital model and managed as part of the asset liability framework. Further disclosure on financial guarantees and options embedded in contracts and their inclusion in insurance and investment contract liabilities is provided in note 39(h).

(e) General insurance risk and health risk

The Group writes a balanced portfolio of general insurance risk (including personal motor, household, commercial motor, property and liability), as well as global exposure to corporate specialty risks. This risk is taken on, in line with our underwriting and pricing expertise, to provide an appropriate level of return for an acceptable level of risk. Underwriting discipline and a robust governance process is at the core of the Group's underwriting strategy.

The Group's health insurance risks (including risks associated with private health insurance, critical illness cover, income protection and personal accident insurance, as well as a range of corporate healthcare products) exposes the Group to morbidity risk (the proportion of our customers falling sick) and medical expense inflation.

Provisions made for insurance liabilities are inherently uncertain. Due to this uncertainty, general and health insurance reserves are regularly reviewed by qualified and experienced actuaries at the business unit and Group level in accordance with the Group's reserving framework. These and other key risks, including the occurrence of unexpected claims from a single source or cause and inadequate reinsurance protection/risk transfer, are subject to an overarching risk management framework and various mechanisms to govern and control our risks and exposures.

We recognise that the severity and frequency of weather-related events has the potential to adversely impact provisions for insurance liabilities and our earnings, with the result that there is some seasonality in our results from period to period. Large

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catastrophic (CAT) losses arising as a result of these events are explicitly considered in our economic capital modelling to ensure we are resilient to such CAT scenarios, and this modelling considers the impact of climate change on the frequency and severity of potential future events. The impact of actual weather-related losses compared to the expected losses based on the long-term average was 20% lower (2024: 7% lower) for UK & Ireland General Insurance and 3% lower (2024: 104% lower) for Canada General Insurance.

More broadly, the materiality and time horizon over which climate-related risks and opportunities affect our business depend on the specific insurance products, geographies and investments being considered. Notwithstanding that the impact on general insurance liabilities is mitigated by the short-term nature of the business, the ability to re-price annually, and by the Company's reinsurance programmes, the physical effects of climate change will most likely result in more risks and perils becoming either uninsurable or unaffordable over the longer term and the need for more urgent action increases.

In the UK, legal rulings related to business interruption coverage due to COVID-19 restrictions continue to be issued, with ongoing proceedings and appeals taking place. Consequently there continues to be a degree of uncertainty in relation to business interruption claims arising from COVID-19.

In Canada we are party to a number of litigation proceedings, including class actions challenging business interruption coverage for the COVID-19 pandemic under our commercial property policies. The main business interruption class action has been settled, subject to court approval.

The Group purchases reinsurance protection that includes coverage for business interruption and is collecting or seeking reinsurance recoveries of business interruption losses that are covered by reinsurance.

The Group's general insurance business does not have material underwriting exposure to Israel, Palestine, Russia or Ukraine, and does not conduct operations in the affected regions.

The current geopolitical landscape and rising protectionist measures have the potential to lead to disruption to global supply chains and heightened claims inflation in 2026, and may increase the uncertainty associated with the cost of settling general insurance claims. While the impacts of heightened claims inflation can be mitigated via new business pricing actions, our ability to price for inflation is dependent on market, competitor and customer behaviour. The time lag between premium earning and claims emergence means that some adverse impact on profitability could be expected.

Reinsurance strategy
Significant reinsurance purchases are reviewed annually at both business unit and Group level to verify that the levels of protection being bought reflect any developments in exposure and the risk appetite of the Group. The basis of these purchases is underpinned by analysis of capital, earnings and capital volatility, cash flow and liquidity and the Group's franchise value.

Detailed actuarial analysis is used to calculate the Group's extreme risk profile and then design cost and capital efficient reinsurance programmes to mitigate these risks to within agreed appetites. For businesses writing general insurance we analyse the natural catastrophe exposure using various probabilistic catastrophe models which are benchmarked against external catastrophe models widely used by the rest of the (re)insurance industry.

The Group cedes much of its worldwide catastrophe risk to third party reinsurers. The Group purchases a Group-wide catastrophe reinsurance programme to protect against its peak catastrophe losses in excess of a 1 in 250 year return period (1 in 500 year return period in Canada). The total Group potential retained loss from its most concentrated catastrophe exposure peril (Northern Europe Windstorm) is approximately £200 million on a per occurrence basis. The Group purchases a number of general insurance business line specific reinsurance programmes with various retention levels to protect both capital and earnings, and has reinsured 100% of its latent exposures to its historic UK employers' liability and public liability business written prior to 31 December 2000.

(f) Operational risk
Operational risk is the risk of direct or indirect loss, arising from inadequate or failed internal processes, people and systems, or external events including changes in the regulatory environment. We have limited appetite for operational risk and aim to reduce these risks as far as is commercially sensible.

The Group continues to operate, validate and enhance its key operational controls and purchase insurance to minimise losses arising from inadequate or ineffective internal processes, people and systems or from external events. The Group maintains constructive relationships with its regulators around the world and responds appropriately to developments in relation to key regulatory changes. The Operational Risk Appetite framework enables management and the Board to assess the overall quality of the operational risk environment relative to risk appetite and where a business unit (or the Group) are outside of appetite, require clear and robust plans to be put in place in order to return to appetite. As part of our continual improvements of our risk management approach to keep pace with the business, increasing regulatory expectations, and the macroeconomic and geo-political environment, we continue to implement risk and control improvements throughout the organisation and across all three lines of defence. Those improvements continue to strengthen and enhance our risk management capabilities and enable us to operate a stronger control environment, improve understanding and accountabilities of risks, reduce the complexity of how the business thinks about and manages risks and create greater collaboration across the first and second lines of defence to provide higher quality advice and challenge.

(i) IT and cyber security risk
We continue to embed operational resilience in line with applicable regulations (including outsourcing and critical third-party risk management). We maintain and continue to improve our programme of resilience and crisis response testing to minimise customer harm and ensure continued financial safety and soundness of Aviva's business. Operational resilience disciplines and assessments have been reviewed and used in response to global and regional material events, including a firm level plan for a National Power Outage such as occurred in the Iberian Peninsula, cyber-attacks on major retailers, changes to the geo-political environment and financial market instability. We have not breached impact tolerance for our core services in 2025 and when incidents have occurred, we have followed these with a lessons learned exercise.

We rely on several outsourcing providers for critical business processes, customer servicing, investment operations and IT support. We have continued to accelerate cloud adoption which has increased the potential impact of cloud provider outage. To manage the risk of failure of a critical outsourcing provider, businesses are required to identify business critical outsourced functions (internal and external) and for each to have exit and termination plans, and business continuity and disaster recovery plans in place in the event of supplier failure, which are reviewed annually. We also carry out supplier financial stability reviews at least annually.

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The threat scenario remains elevated with the ongoing risk of cyber security attacks on the Group or its suppliers, with the potential to cause business service interruption and/or data or intellectual property theft. In response Aviva continues to actively monitor the threat environment and enhance its IT infrastructure and cyber controls to identify, detect and prevent attacks. Aviva's cyber defences are regularly tested using our own 'ethical hacking' team and we have engaged our suppliers to put in place all reasonable measures so that services to Aviva and our customers are protected.

We oversee the management of controls for the current risks generative artificial intelligence presents to ensure these remain effective as well as exploit the opportunities for process efficiency, better pricing and underwriting, product personalisation and improved customer service.

Overall, Aviva services have remained stable in 2025 with no material disruption to customer journeys.

(ii) Reputational Risk
The Group actively monitors social and other media in order to protect our reputation, manage misinformation about our business and take corrective action if necessary.

We are exposed to the risk that litigation, employee misconduct, operational failures, the outcome of regulatory investigations, media speculation and negative publicity, disclosure of confidential client information, inadequate services, whether or not founded, as well as wider geo-political and economic external events or trends, could impact our brands or reputation. Any of our brands or our reputation could also be affected if products or services recommended by us (or any of our intermediaries) do not perform as expected (whether or not the expectations are founded) or customers' expectations of the product change.

(iii) Conduct Risk
A Compliance and Conduct Risk framework is in place across the Group, designed to facilitate adherence to local regulatory requirements and provide good conduct outcomes for our customers, and other stakeholders. The Framework supports relevant policies and standards. Compliance and conduct risks are reported, in line with risk appetite, to appropriate governance forums.

We have designed our products and business processes so that we treat our customers fairly and we make use of various metrics to assess our own performance, including customer advocacy, retention and complaints. Failure to treat our customers fairly is counter to our purpose, values and culture and could result in regulatory action and penalties, as well as impact our brands and/or reputation.

The FCA Consumer Duty ("the Duty"), applicable to our UK businesses, requires firms to 'act to deliver good customer outcomes' by managing the risks posed to those good outcomes; these are our customer conduct risks. Achieving the expectations of the Duty aligns with our strategic priority of becoming the go-to customer brand for Insurance, Wealth and Retirement. Our commitment and responsibility to deliver good customer outcomes is reflected in our conduct risk appetite, training for our people, product governance, service delivery and monitoring of outcomes achieved. Senior Managers statements of responsibility also reflect these responsibilities and commitments in the UK, as do our policies, business standards and reward strategy across the Group.

(iv) Asset Management Risk
The Group is directly exposed to the risks associated with operating an asset management business through its ownership of Aviva Investors. The underlying risk profile of our asset management risk is derived from investment performance, specialist investment professionals and leadership, product development capabilities, fund liquidity, margin, client retention, regulatory developments, fiduciary and contractual responsibilities. Funds invested in illiquid assets such as commercial property are particularly exposed to liquidity risk. The risk profile is regularly monitored.

A client relationship team is in place to manage client retention risk, while all new asset management products undergo a review and approval process at each stage of the product development process, including approvals from legal, compliance and risk functions. Investment performance against client objectives relative to agreed benchmarks is monitored as part of our investment performance and risk management process, and subject to further independent oversight and challenge by a specialist risk team, reporting directly to the Aviva Investors' Chief Risk Officer.

(g) Climate risk
Aviva remains committed to supporting an economy wide transition to a low carbon, climate resilient, nature positive and socially just future. Our ambition is to be a Net Zero company by 2040. Aviva's second Transition Plan, published in February 2025, details our strategy and the approach we are taking to achieve our interim ambitions across our business. Aviva's climate disclosure highlights the progress we have made to date.

The challenges spanning data quality and availability, evolving methodologies, and balancing trade-offs between our sustainability and other ambitions persist. For us this relates to our Scope 3, and particularly the Scope 3 of our category 15: investments and underwriting activities, our 'Scope 3 of 3', where GHG data availability is improving, but is still of low quality. Based on what we understand today, and the low degree of control we have over these emissions, we do not currently see a route to Net Zero for these emissions. Nevertheless, we remain committed to using our best endeavours to address them.

We consider climate change to represent a significant risk to our customers, strategy, business model and wider society. The effects are already being felt and we are proactively addressing these through our risk management processes. Through our Risk Management Framework, we continue to identify, measure, monitor, manage and report on the risks to which our business, customers and wider society are, or could be, exposed to.

We have defined our climate risk appetite framework (including climate statements and preferences) to enable confident, risk-based decisions. We report progress quarterly to enable the Board and Senior Management to oversee and monitor the financial impact of climate change and ensure this is in line with our risk appetite and risk profile. We use a variety of historical and forward-looking metrics to monitor and manage the delivery of our short-, medium- and long- term ambitions.

We conduct solvency modelling which provides a view of our resilience to the potential impact of climate change on our internal model solvency capital requirement. We incorporate climate and other sustainability-related risks and opportunities into our business plan and we run climate stress and scenario testing using both qualitative and quantitative scenarios and ensure appropriate mitigating actions are in place. We continue to build the possibility of extreme weather events into our general insurance pricing, reinsurance programme design and monitor actual weather-related losses versus expected weather-related losses by business.

Further details on climate risk strategy and management by the Group can be found in the Aviva plc Climate-related Financial Disclosure report 2025.

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(h) Risk and capital management

(i) Sensitivity test analysis

The Group uses a number of sensitivity tests to understand the volatility of earnings, the volatility of its capital requirements, and to manage its capital more efficiently. Sensitivities to economic and operating experience are regularly produced on the Group's key financial performance metrics to inform the Group's decision making and planning processes, and as part of the framework for identifying and quantifying the risks to which each of its business units, and the Group as a whole, are exposed.

(ii) Life insurance and investment contracts

The nature of long-term business is such that a number of assumptions are made in compiling these financial statements. Assumptions are made about investment returns, expenses, mortality rates and persistency in connection with the in-force policies for each business unit. Assumptions are best estimates based on historic and expected experience of the business. A number of the key assumptions for the Group's central scenario are disclosed elsewhere in these statements.

(iii) General insurance and health business

General insurance and health claim liabilities are estimated by using standard actuarial claims projection techniques. These methods extrapolate the claims development for each accident year based on the observed development of earlier years. In most cases, no explicit assumptions are made as projections are based on assumptions implicit in the historic claims.

(iv) Sensitivity test results

Illustrative results of sensitivity testing for long-term business, general insurance and health business and the fund management and non-insurance business are set out below. For each sensitivity test the impact of a reasonably possible change in a single factor is shown, with other assumptions left unchanged. See below for further details on the limitations of the sensitivity analysis. The sensitivity of the net IAS 19 surplus to discount rates is provided in note 44(b)(iii).

Sensitivity factor	Description of sensitivity factor applied
Market risk variables	
Interest rate and investment return	The impact of a change in market interest rates by a 1% increase or decrease. The test allows consistently for similar changes to investment returns and movements in the market value of backing fixed interest securities.
Credit spreads	The impact of a 0.5% increase or decrease in credit spreads over risk-free interest rates on corporate bonds and other non-UK sovereign and other credit assets, also allowing for the consequential impact on liability valuations.
Equity market values	The impact of a 10% increase or decrease in equity market values.
Property market values	The impact of a 10% increase or decrease in commercial and residential property values. The indirect impact of property values on the value of commercial mortgage loans and equity release mortgage loans are included in this sensitivity.
Underwriting risk variables	
Expenses	The impact of an increase in maintenance expenses by 10%.
Lapses/surrenders	The impact of an increase in lapse or surrender rates by 10%.
Assurance mortality/morbidity	The impact of an increase in mortality/morbidity rates for assurance contracts by 2%.
Annuitant mortality	The impact of a reduction in mortality rates for annuity contracts by 2%.
Gross loss ratios	The impact of an increase in gross loss ratios for general insurance and health business by 5%.

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Market risk variables

For business where the change in market risk variables could impact on profit, the following table presents how a possible shift in those variables might impact insurance and investment contract balances, the corresponding investment assets, profit before tax and shareholders' equity after tax, all net of reinsurance.

In general, a beneficial impact under the sensitivity (i.e. reduction in liability/increase in assets) should be displayed as a positive as this denotes an increase in immediate profit or to shareholder equity. For CSM impact an increase in CSM under the sensitivity should be displayed as a negative as this locks away more profit for future release thereby offsetting some of the immediate profit.

The net of reinsurance liability impact, investment asset impact and impact on shareholder equity are shown as positives where profit/shareholder equity increase and a negative where they decrease.

For business (including with-profits funds and unit-linked contracts) where changes in the market risk variables result in movements that offset to nil, having no overall impact on profit or shareholders' equity, the offsetting movements in the insurance and investment contract balances and investment assets are included in this sensitivity analysis. Impacts on the Group's pension schemes are excluded from the analysis.

	2025					2024				
	Net insurance/ investment contracts balances		**Investment assets profit or loss**	**Total profit before tax**	**Shareholder's equity after tax**	Net insurance/ investment contracts balances		Investment assets profit or loss	Total profit before tax	Shareholder's equity after tax
	CSM £m	**Profit or loss £m**	**£m**	**£m**	**£m**	CSM £m	Profit or loss £m	£m	£m	£m
100 bps increase in interest rate	**1**	**8,676**	**(9,478)**	**(802)**	**(602)**	3	8,524	(9,278)	(754)	(569)
100 bps decrease in interest rate	**1**	**(9,905)**	**10,838**	**933**	**700**	(1)	(9,861)	10,707	846	639
50 bps increase in credit spread	**14**	**1,900**	**(2,576)**	**(676)**	**(506)**	12	1,826	(2,171)	(345)	(258)
50 bps decrease in credit spread	**(17)**	**(2,652)**	**3,228**	**576**	**427**	(14)	(2,269)	2,639	370	276
10% increase in market value of equity	**(109)**	**(16,727)**	**16,455**	**(272)**	**(204)**	(52)	(13,880)	13,669	(211)	(160)
10% decrease in market value of equity	**109**	**16,711**	**(16,440)**	**271**	**203**	51	13,870	(13,654)	216	163
10% increase in value of property	**(18)**	**(649)**	**808**	**159**	**119**	(17)	(609)	770	161	121
10% decrease in value of property	**19**	**649**	**(860)**	**(211)**	**(158)**	16	611	(821)	(210)	(158)

Notes to the consolidated financial statements

Underwriting risk variables

The following table presents information on how reasonably possible changes in assumptions made by the Group with regard to underwriting risk variables impact insurance and reinsurance contract balances, profit before tax and shareholders' equity after tax. The affected underlying insurance contracts and related reinsurance contracts are measured under IFRS 17 and the impacts on fulfilment cash flows (FCF) and on the CSM are shown separately as these components are not fully symmetrically impacted by possible changes in assumptions. The ultimate profit or loss arising will depend on the level of offset seen between CSM and FCF movements in the sensitivity, which in turn is impacted by whether locked-in rates within the CSM are higher or lower than the current market rates which drive the FCF movements.

	Insurance contracts balances			Reinsurance contracts balances				
2025	**FCF £m**	**CSM £m**	**Profit or loss £m**	**FCF £m**	**CSM £m**	**Profit or loss £m**	**Total profit before tax £m**	**Shareholder's equity after tax £m**
Life insurance business								
10% increase in expenses	**(269)**	**263**	**(6)**	**5**	**(7)**	**(2)**	**(8)**	**(7)**
10% increase in lapse rates	**42**	**(40)**	**2**	**(125)**	**115**	**(10)**	**(8)**	**(6)**
2% increase in assurance mortality and morbidity	**(230)**	**140**	**(90)**	**166**	**(87)**	**79**	**(11)**	**(9)**
2% decrease in annuitant mortality	**(361)**	**520**	**159**	**192**	**(293)**	**(101)**	**58**	**43**
General insurance and health business								
10% increase in expenses	**(254)**	**—**	**(254)**	**—**	**—**	**—**	**(254)**	**(190)**
5% increase in gross loss ratios	**(571)**	**—**	**(571)**	**92**	**—**	**92**	**(479)**	**(359)**

	Insurance contracts balances			Reinsurance contracts balances				
2024	FCF £m	CSM £m	Profit or loss £m	FCF £m	CSM £m	Profit or loss £m	Total profit before tax £m	Shareholder's equity after tax £m
Life insurance business								
10% increase in expenses	(330)	284	(46)	18	(20)	(2)	(48)	(36)
10% increase in lapse rates	(41)	44	3	(35)	17	(18)	(15)	(11)
2% increase in assurance mortality and morbidity	(286)	171	(115)	210	(115)	95	(20)	(15)
2% decrease in annuitant mortality	(377)	455	78	176	(231)	(55)	23	17
General insurance and health business								
10% increase in expenses	(142)	—	(142)	—	—	—	(142)	(55)
5% increase in gross loss ratios	(350)	—	(350)	26	—	26	(324)	(243)

For general insurance and health, the impact of the expense sensitivity on profit also includes the increase in ongoing administration expenses, in addition to the increase in the claims handling expense provision.

Limitations of sensitivity analysis

The tables above demonstrate the effect of an instantaneous change in a key assumption while other assumptions remain unchanged. In reality, changes may occur over a period of time and there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear, and larger or smaller impacts should not be interpolated or extrapolated from these results.

The sensitivity analysis does not take into consideration that the Group's assets and liabilities are actively managed. Additionally, the financial position of the Group may vary at the time that any actual market movement occurs. For example, the Group's financial risk management strategy aims to manage the exposure to market fluctuations.

As investment markets move past various trigger levels, management actions could include selling investments, changing investment portfolio allocations and taking other protective action.

Other limitations in the above sensitivity analysis include the use of hypothetical market movements to demonstrate potential risks that only represent the Group's view of possible near-term market changes that cannot be predicted with any certainty and the assumption that all parameters move in an identical fashion.

Specific examples:

a. The sensitivity analysis assumes a parallel shift in interest rates at all terms. These results should not be used to calculate the impact of non-parallel yield movements.
b. The sensitivity analysis assumes equivalent assumption changes across all markets i.e. UK and non-UK yield curves move by the same amounts, equity markets across the world rise or fall identically.

Additionally, the movements observed by assets held by Aviva will not be identical to market indices so caution is required when applying the sensitivities to observed index movements.

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53 - DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING

This note gives details of the various financial instruments the Group uses to mitigate risk.

The Group uses a variety of derivative financial instruments, including both exchange traded and over-the-counter instruments, in line with the Group's overall risk management strategy. The objectives include managing exposure to market, foreign currency and/or interest rate risk on existing assets or liabilities, as well as planned or anticipated investment purchases.

In the narrative and tables below, figures are given for both the notional amounts and fair values of these instruments. The notional amounts reflect the aggregate of individual derivative positions on a gross basis and so give an indication of the overall scale of the derivative transaction. The fair values represent the gross carrying values at the year end for each class of derivative contract held (or issued) by the Group.

The fair values do not provide an indication of credit risk, as many over-the-counter transactions are contracted and documented under ISDA (International Swaps and Derivatives Association, Inc.) master agreements or their equivalent. Such agreements are designed to provide a legally enforceable set-off in the event of default, which reduces credit exposure. In addition, the Group has collateral agreements in place between the individual Group entities and relevant counterparties. See note 54 for further information on collateral and net credit risk of derivative instruments.

(a) Instruments qualifying for hedge accounting

The Group has formally assessed and documented the hedge effectiveness for financial instruments designated as hedge instruments in accordance with IFRS 9.

(i) Net investment hedges

To reduce its exposure to foreign currency risk, the Group has designated a portion of its Euro denominated debt and, up to 18 December 2025, all of its Canadian dollar denominated debt as hedging instruments to hedge the currency components of its net investments in foreign subsidiaries. The matching currency denomination of the assets and liabilities of the subsidiaries and the loan liabilities in the Group leads to an economic relationship, where a change in the value of the asset as a result of changes in the foreign exchange rate will be offset directly by an opposite change in the value of the liability. The maturity analysis of the liabilities is presented in note 45. The Group's net investments are designated into a hedge relationship in Canada such that the value hedged matches exactly the nominal amounts of the hedging instrument being used. The net investment hedge for Canada, which had a hedge ratio of 1:1 (2024: 1:1), was terminated on 18 December 2025 following a change to the way in which the Group manages the foreign exchange risk on its external borrowings. The Group has applied a hedge ratio of 0.66:1 (2024: 0.66:1) for the net investment hedge for Ireland.

At inception, the nature of the economic relationship is such that the net investment hedge is expected to be highly effective, however, ineffectiveness or discontinuation of the hedging relationship may arise should a disposal of a foreign subsidiary included in the net investment hedge occur during the period.

Other risks except for currency risk associated with the Group's net investments in its foreign subsidiaries are not covered by these hedging arrangements.

(ii) Financial impacts of hedge accounting

The following hedging instruments for the net investment hedges are included within borrowings and financial investments respectively in the statement of financial position.

		2025		2024	
	Note	**Carrying amount £m**	**Change as a result of foreign currency movement £m**	Carrying amount £m	Change as a result of foreign currency movement £m
Net investment hedges					
1.875% €750 million senior notes 2027[1]	45	**404**	**15**	383	(13)
3.375% €900 million subordinated notes 2045[2]	45	**—**	**—**	361	(13)
4.625% €600 million subordinated notes 2056[3]	45	**429**	**16**	—	—
4.000% C$450 million subordinated notes 2030[4]	45	**—**	**(4)**	248	(13)
Total hedging instruments		**833**	**27**	992	(39)

1. Of the €750 million senior notes, a nominal amount of €464 million has been placed in a net investment hedge
2. Of the €900 million subordinated notes, a nominal amount of €436 million was placed in a net investment hedge until the notes were redeemed on 4 December 2025
3. Of the €600 million subordinated notes, a nominal amount of €493 million has been placed in a net investment hedge
4. The net investment hedge of the C$450 million subordinated notes was terminated on 18 December 2025

The following hedged items were placed in net investment hedges as at the year end:

			2025			2024	
	Currency	**Carrying amount £m**	**Cumulative foreign currency movement £m**	**Change as a result of foreign currency movement £m**	Carrying amount £m	Cumulative foreign currency movement £m	Change as a result of foreign currency movement £m
Net investment hedges							
Ireland	EUR	**833**	**(245)**	**(31)**	744	(214)	26
Canada [1]	CAD	**—**	**10**	**4**	248	6	13
Total hedged items		**833**	**(235)**	**(27)**	992	(208)	39

1. The net investment hedge of Canada was terminated on 18 December 2025

Notes to the consolidated financial statements

The effects of hedge accounting on the Group's financial performance can be summarised as follows:

		2025				2024			
	Currency	Translation gain/(loss) recognised in currency translation reserve £m	Change in value of hedging instrument recognised in OCI £m	Hedge ineffectiveness recognised in profit or loss £m	Amount reclassified from hedging instrument reserve to profit or loss £m	Translation gain/(loss) recognised in currency translation reserve £m	Change in value of hedging instrument recognised in OCI £m	Hedge ineffectiveness recognised in profit or loss £m	Amount reclassified from hedging instrument reserve to profit or loss £m
Net investment hedges									
Ireland	EUR	**31**	**(31)**	**—**	**—**	(26)	26	—	—
Canada	CAD	**(4)**	**4**	**—**	**—**	(13)	13	—	—
		27	**(27)**	**—**	**—**	(39)	39	—	—
Cash flow hedge	SGD	**—**	**—**	**—**	**—**	—	—	—	4
Total hedged items		**27**	**(27)**	**—**	**—**	(39)	39	—	4

(b) Derivatives

Except for the currency derivatives described in note 55(a), the Group did not apply hedge accounting to derivatives.

(i) The Group's derivatives at 31 December were as follows:

	2025			2024		
	Contract/ notional amount £m	Fair value asset £m	Fair value liability £m	Contract/ notional amount £m	Fair value asset £m	Fair value liability £m
OTC Forwards	**23,136**	**673**	**(526)**	14,044	291	(331)
OTC Interest rate and currency swaps	**19,534**	**515**	**(630)**	18,393	250	(1,035)
Foreign exchange contracts	**42,670**	**1,188**	**(1,156)**	32,437	541	(1,366)
OTC Swaps	**59,854**	**2,097**	**(4,493)**	61,845	2,086	(5,318)
OTC Options	**149**	**1**	**—**	152	2	—
OTC Swaptions	**8**	**—**	**(3)**	—	—	—
Exchange traded Futures	**6,520**	**20**	**(1)**	4,994	9	(74)
Interest rate contracts	**66,531**	**2,118**	**(4,497)**	66,991	2,097	(5,392)
OTC Options	**1,337**	**50**	**(88)**	1,976	69	(34)
Exchange traded Futures	**8,627**	**103**	**(48)**	6,852	48	(139)
Exchange traded Options	**1,262**	**130**	**—**	902	119	—
Equity/Index contracts	**11,226**	**283**	**(136)**	9,730	236	(173)
Credit contracts	**2,058**	**27**	**(38)**	1,535	38	(20)
Other	**28,849**	**427**	**(1,288)**	20,570	423	(1,320)
Total derivatives	**151,334**	**4,043**	**(7,115)**	131,263	3,335	(8,271)

Fair value assets of £4,043 million (2024: £3,335 million) are recognised as 'Derivative financial instruments' in note 27(a), while fair value liabilities of £7,115 million (2024: £8,271 million) are recognised as 'Derivative liabilities' in note 46.

The Group's derivative risk management policies are outlined in note 52.

(ii) The contractual undiscounted cash flows in relation to derivative liabilities have the following maturities:

	2025						2024					
	Within one year £m	One to two years £m	Two to three years £m	Three to four years £m	Four to five years £m	After five years £m	Within one year £m	One to two years £m	Two to three years	Three to four years £m	Four to five years £m	After five years £m
Derivative liabilities	**817**	**585**	**477**	**436**	**412**	**5,653**	1,015	680	636	539	484	6,705

(c) Collateral

Certain derivative contracts, primarily interest rate and currency swaps, involve the receipt or pledging of cash and non-cash collateral. The amounts of cash collateral receivable or repayable are included in notes 28 and 46 respectively. Collateral received and pledged by the Group is detailed in note 54.

54 - FINANCIAL ASSETS AND LIABILITIES SUBJECT TO OFFSETTING, ENFORCEABLE MASTER NETTING AGREEMENTS AND SIMILAR ARRANGEMENTS

(a) Offsetting arrangements

Financial assets and liabilities are offset in the statement of financial position when the Group has a legally enforceable right to offset and has the intention to settle the asset and liability on a net basis, or to realise the asset and settle the liability simultaneously.

Aviva mitigates credit risk in derivative contracts by entering into collateral agreements, where practical, and into ISDA master netting agreements for each of the legal entities to facilitate its right to offset credit risk exposure. The credit support agreement will normally dictate the threshold over which collateral needs to be pledged by Aviva or its counterparty.

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Derivative transactions requiring Aviva or its counterparty to post collateral are typically the result of over-the-counter derivative trades, comprised mostly of interest rate swaps, currency swaps and credit default swaps. These transactions are conducted under terms that are usual and customary to standard long-term borrowing, derivative, securities lending and securities borrowing activities. The derivative assets and liabilities in the table below are made up of the contracts described in detail in note 53.

Aviva participates in a number of stock lending and repurchase arrangements. In some of these arrangements cash is exchanged by Aviva for securities and a related receivable is recognised within Loans to banks in note 24. These arrangements are reflected in the tables below. In instances where the collateral is recognised in the statement of financial position, the obligation for its return is included within Payables and other financial liabilities in note 46.

In other arrangements, securities are exchanged for other securities. The collateral received must be in a readily realisable form, such as listed securities, and is held in segregated accounts. Transfer of title always occurs for the collateral received. In many instances, however, no market risk or economic benefit is exchanged and these transactions are not recognised in the statement of financial position in accordance with our accounting policies, and accordingly not included in the following tables.

2025

	Offset under IAS 32			**Amounts under a master netting agreement but not offset under IAS 32**			
Amounts subject to enforceable netting arrangements	**Gross amounts £m**	**Amounts offset £m**	**Net amounts reported in the statement of financial position £m**	**Financial instruments £m**	**Cash collateral £m**	**Securities collateral received/ pledged £m**	**Net amount £m**
Derivative financial assets	**2,980**	**—**	**2,980**	**(1,748)**	**(103)**	**(66)**	**1,063**
Loans to banks and repurchase arrangements	**3,426**	**—**	**3,426**	**—**	**(299)**	**(3,124)**	**3**
Total financial assets	**6,406**	**—**	**6,406**	**(1,748)**	**(402)**	**(3,190)**	**1,066**
Derivative financial liabilities	**(5,662)**	**—**	**(5,662)**	**2,209**	**78**	**2,663**	**(712)**
Other financial liabilities	**(2,155)**	**—**	**(2,155)**	**—**	**—**	**—**	**(2,155)**
Total financial liabilities	**(7,817)**	**—**	**(7,817)**	**2,209**	**78**	**2,663**	**(2,867)**

2024

	Offset under IAS 32			Amounts under a master netting agreement but not offset under IAS 32			
Amounts subject to enforceable netting arrangements	Gross amounts £m	Amounts offset £m	Net amounts reported in the statement of financial position £m	Financial instruments £m	Cash collateral £m	Securities collateral received/ pledged £m	Net amount £m
Derivative financial assets	2,295	—	2,295	(1,623)	(85)	(25)	562
Loans to banks and repurchase arrangements	4,486	—	4,486	—	(300)	(3,850)	336
Total financial assets	6,781	—	6,781	(1,623)	(385)	(3,875)	898
Derivative financial liabilities	(6,099)	—	(6,099)	2,175	36	3,136	(752)
Other financial liabilities	(1,753)	—	(1,753)	—	—	—	(1,753)
Total financial liabilities	(7,852)	—	(7,852)	2,175	36	3,136	(2,505)

Derivative assets are recognised as Derivative financial instruments in note 27(a), while fair value liabilities are recognised as Derivative liabilities in note 46. £1,063 million (2024: £1,040 million) of derivative assets and £1,453 million (2024: £2,172 million) of derivative liabilities are not subject to master netting agreements and are therefore excluded from the table above.

Amounts receivable related to securities lending and reverse-repurchase arrangements totalling £3,426 million (2024: £4,486 million) are recognised within Loans to banks in note 24.

Other financial liabilities presented above represent liabilities related to repurchase arrangements recognised within Obligations for repayment of cash collateral received in note 46.

(b) Collateral

In the tables above, the amounts of assets or liabilities presented in the consolidated statement of financial position are offset first by financial instruments that have the right to offset under master netting or similar arrangements with any remaining amount reduced by the amount of cash and securities collateral. The actual amount of collateral may be greater than amounts presented in the tables above in the case of over-collateralisation.

The total amount of collateral received which the Group is permitted to sell or repledge in the absence of default, excluding collateral related to balances recognised within Loans to banks disclosed in note 24, was £6,141 million (2024: £5,648 million), all of which other than £218 million (2024: £138 million) is related to securities lending arrangements. Collateral of £300 million (2024: £459 million) has been received related to balances recognised within Loans to banks in note 24. £89 million (2024: £85 million) included within cash and cash equivalents has been pledged as collateral in respect of the Group's UK pension schemes. Under the agreements, cash is only transferred to the pension schemes to fund bulk annuity buy-in transactions with Aviva Life & Pensions UK Limited or in the event of the Group defaulting on its pension obligations. The value of collateral that was actually sold or repledged in the absence of default was £nil (2024: £nil).

The level of collateral held is monitored regularly, with further collateral obtained where this is considered necessary to manage the Group's risk exposure. The fair values of collateral received approximate to their carrying amounts.

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55 - RELATED PARTY TRANSACTIONS

This note gives details of the transactions between Group companies and related parties which comprises our joint ventures, associates and staff pension schemes.

The Group undertakes transactions with related parties in the normal course of business. Loans to related parties are made on normal arm's-length commercial terms.

(a) Services provided to, and by related parties

	2025				2024			
	Income earned in the year £m	**Expenses incurred in the year £m**	**Payable at year end £m**	**Receivable at year end £m**	Income earned in the year £m	Expenses incurred in the year £m	Payable at year end £m	Receivable at year end £m
Associates	**21**	**—**	**—**	**11**	35	—	—	4
Joint ventures	**43**	**—**	**—**	**1**	24	—	—	—
Employee pension schemes	**4**	**—**	**—**	**2**	9	—	—	1
Total services	**68**	**—**	**—**	**14**	68	—	—	5

Transactions with joint ventures in the UK relate to the property management undertakings, the most material of which are listed in note 18(a)(ii). The Group has equity interests in these joint ventures, together with the provision of administration services and financial management to many of them. Our fund management companies also charge fees to these joint ventures for administration services and for arranging external finance.

Key management personnel of the Company may from time to time purchase insurance, savings, asset management or annuity products marketed by group companies on equivalent terms to those available to all employees of the Group. In 2025, other transactions with key management personnel were not deemed to be significant either by size or in the context of their individual financial positions.

Our UK fund management companies manage most of the assets held by the Group's main UK staff pension scheme, for which they charge fees based on the level of funds under management. The main UK scheme holds investments in Group-managed funds and insurance policies with other group companies, as explained in note 44(i). As at 31 December 2025, the Friends Provident Pension Scheme (FPPS), acquired in 2015 as part of the acquisition of the Friends Life business, held an insurance policy of £372 million (2024: £384 million) issued by a group company, which eliminates on consolidation. As at 31 December 2025, the Direct Line Group Hybrid Scheme (DLHGS), acquired in 2025 as part of the acquisition of Direct Line Group, held an insurance policy of £46 million issued by a group company, which eliminates on consolidation.

The related parties' receivables are not secured and no guarantees were received in respect thereof. The receivables will be settled in accordance with normal credit terms.

During the year, Aviva Group defined benefit staff pension schemes completed one bulk annuity buy-in transaction with Aviva Life & Pensions Ireland Designated Activity Company (ALPI), a group company (2024: one transaction completed by Aviva Life & Pensions UK Limited (AVLAP), a group company). A total premium of £121 million was paid by the scheme to ALPI (2024: £1,323 million to AVLAP), with total transferable plan assets of £113 million (2024: £1,018 million) being recognised, and the difference being recognised as an actuarial loss through Other Comprehensive Income. No profit or loss was recognised by ALPI (2024: £nil recognised by AVLAP) on initial recognition as a CSM liability equal and opposite to the fulfilment cash flows was recognised.

As at 31 December 2025, AVLAP recognised cumulative best estimate liabilities of £4,003 million (2024: £4,154 million) and ALPI recognised £106 million (2024: £nil) in relation to buy-in transactions with Aviva Group defined benefit staff pension schemes which have been included within the Group's insurance contract liabilities, and the defined benefit staff pension schemes held transferable plan assets of £4,020 million (2024: £3,932 million) which do not eliminate on consolidation.

(b) Key management compensation

The total compensation to those employees classified as key management, being those having authority and responsibility for planning, directing and controlling the activities of the Group, including the executive and non-executive directors is as follows:

	2025 £m	2024 £m
Salary and other short-term benefits	**13.0**	12.6
Post-employment benefits	**0.1**	0.1
Equity compensation plans[1]	**16.3**	11.6
Termination benefits	**1.4**	—
Total key management compensation	**30.8**	24.3

1. The 2024 comparative has been re-presented to align with the 2025 presentation. The LTIP amounts shown in last year's report in respect of the LTIPs awarded in 2022 were calculated with an assumed vesting share price of 472.98 pence. The actual share price at vesting was 555.00 pence and the table has been updated to reflect this change

Information concerning individual directors' emoluments, interests and transactions is given in the Directors' Remuneration Report.

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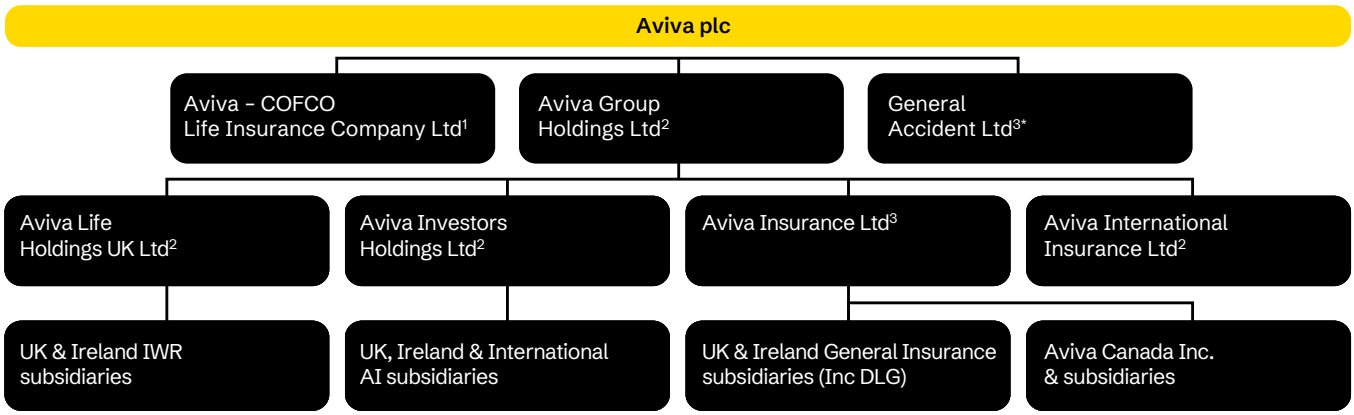
56 - ORGANISATIONAL STRUCTURE

The following chart shows a simplified form of the organisational structure of the Group as at 31 December 2025. Aviva plc is the holding company of the Group.

Parent company
Aviva plc

Subsidiaries
The principal subsidiaries of the Company as at 31 December 2025 are listed below by country of incorporation.

A complete list of the Group's related undertakings. which comprises of subsidiaries, joint ventures and associates and other significant holdings is contained within note 57.



1. Incorporated in People's Republic of China
2. Incorporated in England and Wales
3. Incorporated in Scotland

* Re-registered as a limited company on 7 October 2025

Australia
Probitas 1492 (Pacific) Pty Ltd

Barbados
Victoria Reinsurance Company Ltd.

Belgium
Probitas 1492 (Europe) BV/SRL

Canada
Aviva General Insurance Company
Aviva Insurance Company of Canada
Aviva Agency Services Inc.
Aviva Investors Canada Inc.
Aviva Partner Insurance Services Inc.
Elite Insurance Company
O2 Insurance Services Inc.
OIS Ontario Insurance Service Limited
Optiom Inc.
Pilot Insurance Company
Probitas 1492 (Canada) Inc.
Prolink Insurance Inc.
Scottish & York Insurance Co. Limited
S&Y Insurance Company
Traders General Insurance Company
Westmount West Services Inc.

Guernsey
Paragon Insurance Company Guernsey Limited

India
Aviva Life Insurance Company India Ltd

Ireland
Aviva Life & Pensions Ireland Designated Activity Company
Aviva Insurance Ireland Designated Activity Company
Aviva Direct Ireland Limited
FPPE Fund Public Limited Company
Level Health Limited

Isle of Man
Friends Provident International Limited

Jersey
Aviva Investors Jersey Unit Trusts Management Limited

Luxembourg
Aviva Investors Luxembourg

Singapore
Aviva Investors Asia Pte. Limited

United Kingdom
Aviva Administration Limited
Aviva Central Services UK Limited
Aviva Credit Services UK Limited
Aviva Employment Services Limited
Aviva Equity Release UK Limited
Aviva Health UK Limited
Aviva Investment Solutions UK Limited
Aviva Investors Global Services Limited
Aviva Investors UK Fund Services Limited
Aviva Life & Pensions UK Limited
Aviva Life Services UK Limited
Aviva Pension Trustees UK Limited
Aviva Protection UK Limited
Aviva UK Digital Limited
Aviva Wrap UK Limited
Bankhall Support Services Limited
By Miles Ltd
Churchill Insurance Company Limited
Commercial Union Corporate Member Limited
Cutter & Co Financial Planning Limited

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Direct Line Insurance Group Limited
DLG Legal Services Limited
Flowers McEwan Limited
Gresham Insurance Company Limited
Law Society (NI) Financial Advice Limited
Lee Strathy Limited
London Wall Partners LLP
Navigator Financial Planning Limited
Premier Mortgage Service Limited
Probitas Managing Agency Limited
Sesame Bankhall Group Limited
Sesame Limited
Succession Advisory Services Limited
Succession Employee Benefit Solutions Limited
Succession Financial Management Limited
Succession Group Ltd
Succession Wealth Management Limited
Tag Financial Planning Limited
The Ocean Marine Insurance Company Limited
True Wealth Management Limited
U K Insurance Limited
Wealthify Limited

Associates and Joint Ventures
The Group has ongoing interests in the following operations that are classified as joint ventures or associates, as a complete list of the Group's related undertakings comprising of subsidiaries, joint ventures, associates and other significant holdings is contained within note 57. Further details of those operations that were most significant in 2025 are set out in notes 18 and 19 to the financial statements.

China

Aviva-COFCO Life Insurance Company Limited 50%

United Kingdom
The Group has interests in several property limited partnerships. Further details are provided in notes 18, 19 and 26 to the financial statements.

Notes to the consolidated financial statements

57 - RELATED UNDERTAKINGS

We are required to disclose certain information about the Group's related undertakings which is set out in this note.

The definition of a subsidiary undertaking in accordance with the Companies Act 2006 is different from the definition under IFRS. As a result, the related undertakings included within the list below may not be the same as the undertakings consolidated in the Group IFRS financial statements. See accounting policies (D) Consolidation principles for further detail on principles of consolidation and definition of joint ventures.

This note contains certain fund entities that are beneficially owned by external parties and managed by Aviva Investors. Although legally owned by the Group, Aviva plc may not have a beneficial interest in these entities. Also, where the Group does not own equity in entities that are managed by Aviva Investors, a share class will be disclosed and ownership percentage will be 0%. Where this note discloses Aviva's equity in the related undertaking, this reflects the total capital ownership of shares, or other relevant interest, in the entity's capital.

The Group's related undertakings along with the country of incorporation, the registered address, the classes of shares held and the effective percentage of total equity owned as at 31 December 2025 are disclosed below.

(a) Direct

The direct related undertakings of the Company as at 31 December 2025 are listed below:

Name of undertaking	Country of incorporation	Registered address	Share class held	% of total equity
Aviva-COFCO Life Insurance Co. Ltd	China	12/F & 15/F & 01, 06-09 Unit of 10F of Building No.20, 27/F of Building No.24, Middle East Third Ring Road, Chaoyang District, Beijing, 100022, China	Ordinary	50%
Aviva Group Holdings Limited	United Kingdom	80 Fenchurch Street, London, EC3M 4AE, United Kingdom	Ordinary	100%
General Accident Limited*	United Kingdom	Pitheavlis, Perth, PH2 0NH, United Kingdom	Ordinary	100%

* Re-registered as a limited company on 7 October 2025

(b) Indirect

The indirect related undertakings of the Company as at 31 December 2025 are listed below:

Company name	Share Class held	% of total equity
Australia		
c/o TMF Corporate Services (Aust) Pty Limited, Suite 1 Level 11, 66 Goulburn Street, Sydney NSW 2000, Australia		
Aviva Investors Pacific Pty Ltd	Ordinary	100%
Level 1, 44 Martin Place, Sydney, NSW, 2000, Australia		
Probitas 1492 (Pacific) Pty Ltd	Ordinary	100%
Barbados		
c/o USA Risk Group (Barbados) Limited, 6th Floor, CGI Tower, Warrens, St. Michael, BB22026, Barbados		
Victoria Reinsurance Company Ltd.	Common	100%
Belgium		
Rue Picard 7, Box 100, 1000 Brussels, Belgium		
Probitas 1492 (Europe) BV/SRL	Ordinary	100%
Canada		
10 Aviva Way, Suite 100, Markham, ON, L6G 0G1, Canada		
1000930077 Ontario Inc.	Common	100%
1000962293 Ontario Inc.	Common, Preference	100%
2161605 Ontario Inc.	Common	100%
9543864 Canada Inc.	Common	100%
Automobiles Inter-Lux Inc.	Common	100%
Aviva Canada Inc.	Common	100%
Aviva Canada Services Inc. Services D'Aviva Canada Inc.	Common	100%
Aviva General Insurance Company	Common	100%
Aviva Insurance Company of Canada	Common, Redeemable Preferred	100%
Aviva Warranty Services Inc.	Common	100%
Bamboo Premium Financing Inc.	Common	100%

Company name	Share Class held	% of total equity
Bay-Mill Specialty Insurance Adjusters Inc.	Common	100%
Elite Insurance Company	Common	100%
Insurance Agent Service Inc.	Common	100%
Nautimax Ltd.	Common	100%
O2 Insurance Services Inc.	Common	100%
OIS Ontario Insurance Service Limited	Common	100%
Optiom Holdings Inc.	Common	100%
Optiom Inc.	Common	100%
Pilot Insurance Company	Common	100%
S&Y Insurance Company	Common	100%
Scottish & York Insurance Co. Limited	Common, Preference	100%
Solus (Canada) Limited	Common, Preference	100%
Traders General Insurance Company	Common	100%
22 Adelaide St. W., Suite 3400, Toronto, Ontario, M5H 4E3, Canada		
Probitas 1492 (Canada) Inc.	Common	100%
100 King Street West, Floor 49, Toronto, ON, M5X 2A2, Canada		
Aviva Investors Canada Inc.	Common	100%
Aviva Investors Short Term Private Debt Fund GP Inc.	Common	100%
Aviva Investors Short Term Private Debt Fund LP	Partnership	100%
150 King Street West, Suite #2401, P.O. Box 16, Toronto, ON, M5H 1J9, Canada		
Prolink Insurance Inc.	A Common	34%
112 4 Avenue SW Suite 2100, Calgary AB T2P 0H3, Canada		
Aviva Partner Insurance Services Inc.	Common	100%
555 Chabanel Ouest, Bureau 900, Montreal, QC, H2N 2H8, Canada		

Notes to the consolidated financial statements

Company name	Share Class held	% of total equity
Aviva Agency Services Inc.	Common	100%
Suite 1600, 925 W Georgia St, Vancouver, BC, V6C 3L2, Canada		
Westmount West Services Inc.	B Ordinary	20%
China		
Units 1805-1807, 18th Floor, Block H Office Building, Phoenix Land Plaza, No. A5 Yard, Shuguangxili, Chaoyang District, Beijing, China		
Aviva-COFCO Yi Li Asset Management Co., Ltd.	Ordinary	21%
Denmark		
c/o TMF Denmark, H.C. Andersens Boulevard 38, 3. th, 1553, Copenhagen V, Denmark		
AICT EUR Real Estate (DS) GP ApS	Ordinary	100%
AICT EUR Real Estate (DS) LP K/S	Ordinary	100%
France		
3, rue Saint Georges, 75009 Paris, France		
AICT EUR Real Estate (Janze) SAS	Ordinary	100%
Aviva Investors Perpetual Ruby SAS	Partnership	16%
20 PL Vendôme, Paris 75001, France		
AXA LBO Fund IV Feeder	Private Equity Fund	39%
47 Rue du Faubourg Saint-Honoré, 75008, France		
CGU Equilibre	FCP	99%
Germany		
c/o TMF Deutschland AG, Wiesenhüttenstrasse 11, 60329, Frankfurt am Main, Germany		
Reschop Carré Hattingen GmbH	Ordinary	100%
c/o WSWP Weinert GmbH, Theatinerstr. 31, 80333, Munich, Germany		
FPB Holdings GmbH	Ordinary	100%
Karl-Liebknecht-Straße 29a, 10178, Berlin, Germany		
Amro Student Living GmbH	Ordinary	25%
Lyoner Strasse 13, 60528 Frankfurt am Main, Germany		
Haspa TrendKonzept	SICAV	100%
Ferdinandstrasse 75, Hamburg, 20095, Germany		
Warburg Multi-Asset Select Funds	OEIC	37%
Wiesenhüttenstraße 11, 60329 Frankfurt am Main, Germany		
AICT EUR Infra CIC GmbH	Ordinary	100%
Guernsey		
PO Box 155 Mill Court, La Charroterie, St Peter Port, GY1 4ET, Guernsey		
Paragon Insurance Company Guernsey Limited	Ordinary	49%
India		
2nd floor, Prakash Deep Building, 7 Tolstoy Marg, New Delhi, 110001, India		
Aviva Life Insurance Company India Limited	Ordinary	74%
A-47 (L.G.F), Hauz Khas, New Delhi, Delhi, India		
Sesame Group India Private Limited	Ordinary	100%
Max House, Level 5, Okhla Industrial Estate, Phase-III, New Delhi, 110020, India		
DL Support Services India Private Limited	Ordinary	100%
Pune Office Addresses 103/P3, Pentagon, Magarpatta City, Hadapsar, Pune - 411013, India		
A.G.S. Customer Services (India) Private Limited	Ordinary	100%
Ireland		
13-18 City Quay, Dublin 2, Ireland		
Atrium Nominees Limited	Ordinary	100%
35 Merrion Square, Dublin 2, Ireland		
Fairstone Market 75 Fund	ICAV	100%
Fairstone Market 100 Fund	ICAV	88%
25 North Wall Quay, Dublin 1, D01 H104, Ireland		
Aviva Investors Euro Liquidity Fund	Liquidity Fund	90%
Aviva Investors Sterling Government Liquidity Fund	Liquidity Fund	94%
Aviva Investors Sterling Liquidity Fund	Liquidity Fund	61%
Aviva Investors Sterling Liquidity Plus Fund	Liquidity Fund	78%
Aviva Investors Sterling Standard Liquidity Fund	Liquidity Fund	63%
Aviva Investors US Dollar Liquidity Fund	Liquidity Fund	85%
70 Sir John Rogerson's Quay, Dublin 2, D02 R296, Dublin, Ireland		
Mercer Diversified Retirement Fund	OEIC	29%
Mercer Long Term Growth Fund	OEIC	46%
Mercer Multi Asset Growth Fund	OEIC	25%
MGI UK Equity	OEIC	54%
Building 12, Cherrywood Business Park, Loughlinstown, Co Dublin, D18 W2P5, Ireland		
Aviva Direct Ireland Limited	Ordinary	100%
Aviva Driving School Ireland Limited	Ordinary	100%
Aviva Group Protection Master Trust Ireland Designated Activity Company	Ordinary	100%
Aviva Group Services Ireland Limited	Ordinary	100%
Aviva Insurance Ireland Designated Activity Company	Ordinary	100%
Aviva Life & Pensions Ireland Designated Activity Company	Ordinary	100%
Aviva Master Trust Ireland Designated Activity Company	Ordinary	100%
Aviva Retail Master Trust Ireland Designated Activity Company	Ordinary	100%
Aviva Trustee Company Ireland Designated Activity Company	Ordinary	100%
Aviva Undershaft Six Designated Activity Company	Ordinary	100%
Peak Re Designated Activity Company	Ordinary	100%
Georges Court, 54-62 Townsend Street, Dublin 2, DO2 R156, Ireland		
FPPE Fund Public Limited Company	Ordinary	100%
International House, 3 Habourmaster Place, Dublin 1, Ireland		
Merrion Multi-Asset 30 Fund	Unit Trust	100%
Merrion Multi-Asset 50 Fund	Unit Trust	100%
Merrion Multi-Asset 70 Fund	Unit Trust	100%
Unit H6, Maynooth Business Campus, Straffan Road, Maynooth, Kildare, W23 X2F4, Ireland		

Notes to the consolidated financial statements

Company name	Share Class held	% of total equity
EZO Charging Holdings Limited	Ordinary	100%
Carcharger EV Limited	Ordinary	25%
Workways, Level Health, Block 5 High Street, Tallaght, Dublin 24, D24 YK8N, Ireland		
Level Health Limited	Ordinary	50%
Isle of Man		
Royal Court, Castletown, IM9 1RA, Isle of Man		
Friends Provident International Limited	Ordinary	24%
Italy		
Corse Vercelli, 40 - 20145, Milan, Italy		
AICT EUR Infra Swift S.R.L.	Ordinary	100%
Piazza della Repubblica 32, Milan, 20124 Italy		
Innovo Renewables S.p.A.	Ordinary	50%
Via L. Ariosto 32, 20145, Milan, Italy		
Aviva Italia Holding S.p.A	Ordinary	100%
Jersey		
11-15 Seaton Place, St Helier, JE4 0QH Jersey		
101 Moorgate Unit Trust	Unit Trust	100%
1 Liverpool Street Unit Trust	Unit Trust	100%
22 Grenville Street, St Helier, JE4 8PX, Jersey		
ASL Caravel LP	Partnership	100%
ASL Clipper LP	Partnership	100%
ASL Mainsail LP	Partnership	100%
ASL Topsail LP	Partnership	100%
ASL Schooner LP	Partnership	100%
ASL/SLAS Xebec LP	Partnership	100%
AXA Sun Life Private Equity (No1) LP	Partnership	100%
Lekker Bolt UT	Unit Trust	100%
28 Esplanade, St Helier, JE4 2QP, Jersey		
Aviva Investors Infrastructure Income Unit Trust	Unit Trust	100%
Aztec Group House, 11-15 Seaton Place, St Helier, JE4 0QH, Jersey		
Midlands Regen I Unit Trust	Unit Trust	95%
Gaspé House, 66-72 Esplanade, St Helier, E1 3PB, Jersey		
1 Fitzroy Place Unit Trust	Unit Trust	50%
2 Fitzroy Place Jersey Unit Trust	Unit Trust	50%
10 Station Road Unit Trust	Unit Trust	50%
11-12 Hanover Square Unit Trust	Unit Trust	50%
20 Gracechurch Unit Trust	Unit Trust	25%
20 Station Road Unit Trust	Unit Trust	50%
30 Station Road Unit Trust	Unit Trust	50%
50-60 Station Road Unit Trust	Unit Trust	50%
130 Fenchurch Street Unit Trust	Unit Trust	100%
Aviva Investors Jersey Unit Trusts Management Limited	Ordinary	100%
Bermondsey Yards Unit Trust	Unit Trust	100%
CCPF No.4 Unit Trust	Unit Trust	100%
Gracechurch Investment Unit Trust	Unit Trust	25%
Hams Hall Unit Trust	Unit Trust	100%
Lime Mayfair Unit Trust	Unit Trust	1%
Lime Property Fund Unit Trust	Unit Trust	1%
Longcross Jersey Unit Trust	Unit Trust	100%
New Broad Street House Unit Trust	Unit Trust	50%
Pegasus House and Nuffield House Unit Trust	Unit Trust	50%
REALTAF Wixams Unit Trust	Unit Trust	100%
Southgate Property Unit Trust	Unit Trust	50%
The Designer Retail Outlet Centres (Mansfield) Unit Trust	Unit Trust	100%
The Designer Retail Outlet Centres (York) Unit Trust	Unit Trust	100%
The Designer Retail Outlet Centres Unit Trust	Unit Trust	100%
IFC 5, St Helier, JF1 1ST, Jersey		
Aviva Investors REaLM Social Housing Unit Trust	Unit Trust	86%
Cannock Designer Outlet Unit Trust	Unit Trust	37%
PO Box 1075, 28 Esplanade, St Helier, JE4 2QP, Jersey		
Aviva Investors REaLM Commercial Assets Unit Trust	Unit Trust	100%
Aviva Investors REaLM Ground Rent Unit Trust	Unit Trust	36%
Aviva Investors REaLM Multi-Sector Unit Trust	Unit Trust	0%
Luxembourg		
2 Rue du Fort Bourbon, L1249, Luxembourg		
AICT EUR Infra Aquarius HoldCo 1 SARL	Ordinary	100%
AICT EUR Infra (Decarb) SARL	Ordinary	100%
AICT EUR Real Estate (Charlottenburg) SARL	Ordinary	100%
AICT EUR Real Estate (DS) Sarl	Ordinary	100%
AICT EUR Real Estate (Foz) Sarl	Ordinary	100%
AICT EUR Real Estate (Pankow) SARL	Ordinary	100%
AICT EUR Real Estate Student Housing SARL	Ordinary	100%
Aviva Investors Alternative Income Solutions Investments S.A.	Ordinary	100%
Aviva Investors Alternative Income Solutions SCSp	Fund	100%
Aviva Investors Global Aviva France Global High Yield Fund	SICAV	0%
Aviva Investors Alternatives, FCP-RAIF	Fund	0%
Aviva Investors Alternatives S.A.	Ordinary	0%
Aviva Investors Carbon Removal EPRA Holdco Sarl	Ordinary	100%
Aviva Investors Carbon Removal Fund	Fund	100%
Aviva Investors Carbon Removal Master Holdco Sarl	Ordinary	100%
Aviva Investors Climate Transition EUR Infra SARL	Ordinary	100%
Aviva Investors Climate Transition EUR Infrastructure Fund	Fund	100%

Notes to the consolidated financial statements

Company name	Share Class held	% of total equity
Aviva Investors Climate Transition EUR Real Estate Fund	Fund	100%
Aviva Investors Climate Transition EUR Real Estate SARL	Ordinary	100%
Aviva Investors Climate Transition GBP Infrastructure Fund	Fund	100%
Aviva Investors Climate Transition GBP Real Estate Fund	Fund	100%
Aviva Investors Global Climate Credit Fund	SICAV	73%
Aviva Investors - Global Climate Equity Fund	SICAV	99%
Aviva Investors E-RELI Danone Sarl	Ordinary	17%
Aviva Investors E-RELI Dublin Sarl	Ordinary	17%
Aviva Investors E-RELI Duisburg Sarl	Ordinary	17%
Aviva Investors E-RELI Holdings Sarl	Ordinary	17%
Aviva Investors E-RELI SCSp	Fund	17%
Aviva Investors E-RELI Stern Sarl	Ordinary	17%
Aviva Investors Emerging Markets Bond Fund	SICAV	78%
Aviva Investors Emerging Markets Corporate Bond Fund	SICAV	70%
Aviva Investors Emerging Markets Local Currency Bond Fund	SICAV	95%
Aviva Investors European Infrastructure Debt	Fund	100%
Aviva Investors Global Aviva Investors Systematics Strategies Fund	SICAV	50%
Aviva Investors Global Eur Return Plus Fund	SICAV	84%
Aviva Investors Global Gbp Return Plus Fund	SICAV	80%
Aviva Investors Global Emerging Markets Core Fund	SICAV	100%
Aviva Investors Global Emerging Markets Equity Unconstrained Fund	SICAV	62%
Aviva Investors Global Emerging Markets Index Fund	SICAV	94%
Aviva Investors Global Equity Endurance Fund	SICAV	99%
Aviva Investors Global Equity Income Fund	SICAV	78%
Aviva Investors Global High Yield Bond Fund	SICAV	78%
Aviva Investors Global Investment Grade Corporate Bond Fund	SICAV	97%
Aviva Investors Global Sovereign Bond Fund	SICAV	86%
Aviva Investors Investment Solutions Emerging Markets Debt Fund	SICAV	0%
Aviva Investors Luxembourg	Ordinary	100%
Aviva Investors Multi-Asset Alternative Income Fund, SICAV-RAIF	Fund	100%
Aviva Investors Multi-Asset Alternative Income S.A.	Ordinary	100%
Aviva Investors Multi Strategy Target Return Fund	SICAV	64%
Aviva Investors - Natural Capital Global Equity Fund	SICAV	24%
Aviva Investors Perpetual Acht 2 NL SARL	Ordinary	16%
Aviva Investors Perpetual Acht NL SARL	Ordinary	100%
Aviva Investors Perpetual Capital SCSP SICAV RAIF	Fund	8%
Aviva Investors Perpetual E20 Sarl	Ordinary	16%
Aviva Investors Perpetual Holdings Sarl	Ordinary	16%
Aviva Investors Perpetual Hoxton Sarl	Ordinary	16%
Aviva Investors Perpetual Kitzingen Sarl	Ordinary	16%
Aviva Investors Perpetual Vondel 1 Sarl	Ordinary	16%
Aviva Investors Perpetual Vondel 2 Sarl	Ordinary	16%
Aviva Investors Perpetual Zuiderhof NL Sarl	Ordinary	16%
Aviva Investors Perpetual Zuiderhof PropCo Sarl	Ordinary	16%
Aviva Investors Real Assets FCP-RAIF	Fund	100%
Aviva Investors RA LUX FCP-RAIF	Fund	100%
Aviva Investors - ReturnPlus Fund	SICAV	84%
Aviva Investors Short Duration Global High Yield Bond Fund	SICAV	11%
Aviva Investors Sustainable Outcomes SCSP SICAV-RAIF	Fund	100%
Aviva Investors UK Equity Unconstrained Fund	SICAV	88%
Climate Transition Real Asset Fund - Lux EUR	Fund	100%
E20 Phase 1 SARL	Ordinary	100%
Aviva Investors Multi-Asset Alternative Income Fund, SICAV-RAIF Sub-Fund I	Fund	100%
Sub-Fund II Aviva Investors Multi-Asset Alternative Income Fund, SICAV-RAIF Sub-Fund II	Fund	0%
Aviva Investors Multi-Asset Alternative Income Fund, SICAV-RAIF Sub-Fund III A	Fund	0%
Aviva Investors Multi-Asset Alternative Income Fund, SICAV-RAIF Sub-Fund III B	Fund	0%
Aviva Investors Multi-Asset Alternative Income Fund, SICAV-RAIF Sub-Fund III C	Fund	0%
Aviva Investors Multi-Asset Alternative Income Fund, SICAV-RAIF Sub-Fund IV	Fund	0%
Aviva Investors Multi-Asset Alternative Income Fund, SICAV-RAIF Sub-Fund V	Fund	0%
Aviva Investors Multi-Asset Alternative Income Fund, SICAV-RAIF Sub-Fund VI	Fund	0%
Aviva Investors Multi-Asset Alternative Income Fund, SICAV-RAIF Sub-Fund IX	Fund	0%
3, rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg		
Aviva Investors European Secondary Infrastructure Credit SV S.A.	Ordinary	0%
Aviva Infrastructure Debt Europe I S.A.	Ordinary	100%
16 Avenue de la Gare, L-1610, Luxembourg		
Aviva Investors Alternative Income Solutions General Partner S.à r.l.	Ordinary	100%
Aviva Investors Carbon Removal (GP) SARL	Ordinary	100%
Aviva Investors E-RELI (GP) SARL	Ordinary	100%

Notes to the consolidated financial statements

Company name	Share Class held	% of total equity
Aviva Investors Luxembourg Services S.à r.l.	Ordinary	100%
Aviva Investors Perpetual Capital (GP) SARL	Ordinary	100%
Victor Hugo 1 S.à r.l.	Ordinary	100%
24-26, Avenue de la Liberte, L1930 Luxembourg		
Greenman Open Fund	SICAV	62%
35A, Avenue John F Kennedy, L-1855, Luxembourg		
abrdn SICAV II Global Smaller Companies Fund	SICAV	40%
37A, Avenue John F Kennedy, L-1855, Luxembourg		
Invesco Global Direct Property Fund	RAIF	34%
46a, Avenue John F Kennedy, L-1855, Luxembourg		
Aviva Investors Polish Retail S.à r.l.	Ordinary	100%
80, route d'Esch, L-1470, Luxembourg		
Allspring (Lux) Worldwide Fund	SICAV	49%
Vertigo Building - Polaris, 2-4 rue Eugene Ruppert, L-2453 Luxembourg		
Invesco Sustainable Global Systematic Equity Fund	SICAV	59%
Mauritius		
Les Cascades, Edith Cavell Street, Port Louis, Mauritius		
Actis China Investment Company Limited	Ordinary	50%
Mexico		
Av. Insurgentes Sur 1898, Piso 1, Oficina 1418, Col. Florida, C.P. 01020, Alvaro Obregon, CDMX, Mexico		
Probitas 1492 Services Mexico S.A. de C.V.	Ordinary	100%
Norway		
c/o TMF Norway AS, Hagalokkveien 26, 1383 Asker, Norway		
Aviva Investors E-RELI Norway Holding AS	Ordinary	17%
Kongsgard Alle 20 AS	Ordinary	100%
Poland		
AI Jana Pawla II 25, 00-854, Warsaw, Poland		
Focus Mall Zielona Gora	Ordinary	100%
Focus Park Piotrków Trybunalski sp.z o.o.	Ordinary	100%
Inflancka 4b, 00-189, Warsaw, Poland		
Aviva Services Spółka z ograniczoną odpowiedzialnością	Ordinary	100%
Singapore		
1 Harbourfront Avenue, #14-08 Keppel Bay Tower, 098632, Singapore		
Aviva Asia Management Pte. Ltd.	Ordinary	100%
138 Market Street, #05-01 CapitaGreen, 048946, Singapore		
Aviva Investors Asia Pte. Limited	Ordinary	100%
Spain		
1D, 13 Edificio América Av. de Bruselas, 28108, Alcobendas, Madrid, Spain		
Eólica Almatret S.L.	Ordinary	100%
Calle Mestre Nicolau, Número 19, 5º Barcelona 08021, Spain		
Propia Operating Company, S.L.	Ordinary	30%
calle Príncipe de Vergara 112, 28002 Madrid, Spain		
Banbury Invest SL	Ordinary	66%
Browhead Invest SL	Ordinary	66%
Granthill SL	Ordinary	100%
Nightdale S.L.	Ordinary	100%
Propia Sants SLU	Ordinary	66%
Propia Terrassa SLU	Ordinary	66%
Propia Valdebebas, S.L.	Ordinary	66%
Sandhills Invest SL	Ordinary	100%
Swalinbar S.L.	Ordinary	66%
Willingden Spain SLU	Ordinary	66%
Sweden		
c/o TMF Sweden AB, Vasagatan 38, 111 20, Stockholm, Sweden		
AICT EUR Real Estate Holding AB	Ordinary	100%
Switzerland		
Leutschenbachstrasse 45, 8050 Zurich, Switzerland		
Aviva Investors Schweiz GmbH	Ordinary	100%
United Kingdom		
1 Filament Walk, Suite 203, London, SW18 4GQ, United Kingdom		
Freetricity South East Limited	Ordinary	100%
1 More London Place, London, SE1 2AF, United Kingdom		
IFA Services Holdings Company Limited	Ordinary	0%
1 Paddington Square, London, W2 1GL, United Kingdom		
Capital Group European Core Equity Fund	SICAV	22%
1st Floor, Avenue House, 42-44 Rosemary Street, Belfast, BT1 1QE, United Kingdom		
Destination Financial Planning Limited	Ordinary	100%
Navigator Financial Planning Limited	Ordinary	100%
Watson Laird Limited	Ordinary	100%
1st Floor Finlay House, 10-14 West Nile Street, Glasgow, G1 2PP, United Kingdom		
Spence and Spence (Scotland) Limited	Ordinary	100%
1-2 Morston Court, Blakeney Way, Cannock, WS11 8JB, United Kingdom		
New Homes Mortgage Services LLP	Partnership	29%
2 Communications Road, Greenham Business Park, Newbury, RG19 6AB, United Kingdom		
Connected Kerb Limited	Ordinary	94%
2 Savoy Court, London, WC2R 0EZ, United Kingdom		
Liontrust Sustainable Future Corporate Bond Fund	OEIC	31%
Liontrust Sustainable Future European Growth Fund	OEIC	55%
Liontrust Sustainable Future Global Growth Fund	OEIC	23%
Liontrust Sustainable Future Managed Fund	OEIC	50%
Liontrust Sustainable Future Managed Growth Fund	OEIC	26%
Liontrust Sustainable Future UK Growth Fund	OEIC	31%
Liontrust UK Ethical Fund	OEIC	68%
2nd Floor, 110 Cannon Street, London, EC4N 6EU, United Kingdom		
Biomass UK No. 3 Limited	Ordinary	100%

Notes to the consolidated financial statements

Company name	Share Class held	% of total equity
Biomass UK No.2 Limited	Ordinary	100%
3a Dublin Meuse, Edinburgh, EH3 6NW, United Kingdom		
Par Forestry IV Holdco Limited	Ordinary	100%
PAR Forestry IV L.P.	Partnership	100%
3rd Floor, 19-20 Berners Street, London, W1T 3NW, United Kingdom		
Anthemis Female Innovators Lab Fund	Venture Fund	32%
4th Floor, 95 Chancery Lane, London, WC2A 1DT, United Kingdom		
Broadwood LLSCF Management Limited	Ordinary	25%
Broadwood LLSCF Lending 1 Limited	Ordinary	25%
Broadwood LLSCF Limited	Ordinary	25%
Broadwood Later Living Sustainable Construction Finance LP	Partnership	100%
4th Floor, Millbank Tower, London, SW1P 4QP, United Kingdom		
Friends SL Nominees Limited	Ordinary	0%
4th Floor, New London House, 6 London Street, London, EC3R 7LP, United Kingdom		
Polaris U.K. Limited	Ordinary	39%
4th Floor, Pountney Hill House, 6 Laurence Pountney Hill, London, EC4R 0BL, United Kingdom		
SVS AllianceBernstein Low Volatility Global Equity Fund	OEIC	34%
5-11 Worship Street, 3rd Floor, London, EC2A 2BH, United Kingdom		
Acre Platforms Limited	Preferred A2	37%
8 Surrey Street, Norwich, NR1 3NG, United Kingdom		
Aviva Central Services UK Limited	Ordinary	100%
Aviva Credit Services UK Limited	Ordinary	100%
Aviva Health UK Limited	Ordinary	100%
Aviva Insurance UK Limited	Ordinary	100%
Aviva UK Digital Limited	Ordinary	100%
Aviva UKGI Investments Ltd	Ordinary	100%
Commercial Union Corporate Member Limited	Ordinary	100%
Gresham Insurance Company Limited	Ordinary	100%
London and Edinburgh Insurance Company Limited	Ordinary	100%
Solus (London) Limited	Ordinary	100%
The Ocean Marine Insurance Company Limited	Ordinary	100%
10 Orange Street, London, WC2H 7DQ, United Kingdom		
Healthcode Limited	Ordinary C, E	20%
12 Throgmorton Avenue, London, EC2N 2DL, United Kingdom		
ACS Asia Pacific Ex Japan ESG Insights Equity Fund	ACS	55%
ACS Europe ex UK ESG Insights Equity Fund	ACS	28%
ACS Japan ESG Insights Equity Fund	ACS	24%
ACS North America ESG Insights Equity Fund	ACS	34%
ACS UK ESG Insights Equity Fund	ACS	57%
ACS World ESG Insights Equity Fund	ACS	71%
BlackRock Global Corporate ESG Insights Bond Fund	Unit Trust	39%
BlackRock Growth Allocation Fund	ACS	100%
BlackRock Market Advantage Fund	Unit Trust	47%
BlackRock Retirement Allocation Fund	ACS	100%
14 Albany Street, Edinburgh, EH1 3QB, United Kingdom		
Criterion Tec Holdings Ltd	Ordinary	24%
Criterion Tec Ltd	Ordinary	24%
22 Bishopsgate, London, EC2N 4BQ, United Kingdom		
AXA Ethical Distribution Fund	OEIC	46%
AXA Framlington American Growth Fund	Unit Trust	21%
42-44 Rosemary Street, Belfast, BT1 1QE, United Kingdom		
Law Society (NI) Financial Advice Limited	Ordinary	100%
50 Stratton Street, London, W1J 8LT, United Kingdom		
Lazard Multicap UK Income Fund	OEIC	53%
57-59 St James's Street, London, SW1A 1LD, United Kingdom		
Artemis UK Special Situations Fund	Unit Trust	28%
80 Fenchurch Street, London, EC3M 4AE, United Kingdom		
1 Fitzroy Place Limited Partnership	Partnership	50%
2 Fitzroy Place Limited Partnership	Partnership	50%
2-10 Mortimer Street (GP No 1) Limited	Ordinary	50%
2-10 Mortimer Street GP Limited	Ordinary	50%
2-10 Mortimer Street Limited Partnership	Partnership	50%
6-10 Lowndes Square Management Company Limited	Ordinary	0%
10 Station Road LP	Partnership	50%
10 Station Road Nominee 1 Limited	Ordinary	50%
10 Station Road Nominee 2 Limited	Ordinary	50%
10-11 GNS Limited	Ordinary	100%
20 Gracechurch (General Partner) Limited	Ordinary	50%
20 Gracechurch Limited Partnership	Partnership	25%
20 Station Road LP	Partnership	50%
20 Station Road Nominee 1 Limited	Ordinary	50%
20 Station Road Nominee 2 Limited	Ordinary	50%
30 Station Road LP	Partnership	50%
30 Station Road Nominee 1 Limited	Ordinary	50%
30 Station Road Nominee 2 Limited	Ordinary	50%
41-42 Lowndes Square Management Company Limited	Ordinary	78%
43 Lowndes Square Management Company Limited	Ordinary	0%
50-60 Station Road LP	Partnership	50%
50-60 Station Road Nominee 1 Limited	Ordinary	50%
50-60 Station Road Nominee 2 Limited	Ordinary	50%
130 Fenchurch Street General Partner Limited	Ordinary	100%
130 Fenchurch Street LP	Partnership	100%
130 Fenchurch Street Nominee 1 Limited	Ordinary	100%
130 Fenchurch Street Nominee 2 Limited	Ordinary	100%
2015 Sunbeam Limited	Ordinary	100%
ACP Stories 1 Limited	Ordinary	98%
AI Special PFI SPV Limited	Ordinary	0%

Notes to the consolidated financial statements

Company name	Share Class held	% of total equity
ALPF Single Family Homes General Partner Ltd	Ordinary	100%
ALPF Single Family Homes LP	Partnership	100%
AS REGEN LLP	Partnership	50%
Ascot Real Estate Investments GP LLP	Partnership	50%
Ascot Real Estate Investments LP	Partnership	50%
Atlas Park Management Company Limited	Company Limited by guarantee	100%
Aviva Brands Limited	Ordinary	100%
Aviva Capital Partners Limited	Ordinary	100%
Aviva Commercial Finance Limited	Ordinary	100%
Aviva Company Secretarial Services Limited	Ordinary	100%
Aviva Employment Services Limited	Ordinary	100%
Aviva Europe UK Societas	Ordinary	100%
Aviva International Holdings Limited	Ordinary	100%
Aviva International Insurance Limited	Ordinary	100%
Aviva Investors 30:70 Global Equity (Currency Hedged) Index (Custom Screened) Fund	TTF	100%
Aviva Investors 40 Spring Gardens (General Partner) Limited	Ordinary	100%
Aviva Investors 40:60 Global Equity Index Fund	TTF	100%
Aviva Investors 50:50 Global Equity Index (Custom Screened) Fund	TTF	100%
Aviva Investors 60:40 Global Equity Index (Custom Screened) Fund	TTF	100%
Aviva Investors Asia Pacific ex Japan Fund	TTF	100%
Aviva Investors Balanced Life Fund	TTF	100%
Aviva Investors Balanced Pension Fund	TTF	100%
Aviva Investors Cautious Pension Fund	TTF	100%
Aviva Investors Global Climate Aware Equity Fund	OEIC	99%
Aviva Investors Climate Transition Real Assets Fund	TTF	100%
Aviva Investors Climate Transition Real Assets LTAF	Fund	100%
Aviva Investors Commercial Assets GP Limited	Ordinary	100%
Aviva Investors Commercial Assets Nominee Limited	Ordinary	100%
Aviva Investors Continental European Equity Fund	OEIC	7%
Aviva Investors Continental European Equity Index (Custom Screened) Fund	TTF	100%
Aviva Investors CTF Holdco1 Limited	Ordinary	100%
Aviva Investors CTF Infrastructure Midco 1 Limited	Ordinary	100%
Aviva Investors Developed Asia Pacific ex Japan Equity Index (Custom Screened) Fund	TTF	100%
Aviva Investors Developed European ex UK Equity Index (Custom Screened) Fund	TTF	100%
Aviva Investors Developed Overseas Government Bond (ex UK) Index Fund	TTF	100%
Aviva Investors Developed World ex UK Equity Index (Custom Screened) Fund	TTF	100%
Aviva Investors Distribution Fund	OEIC	0%
Aviva Investors Distribution Life Fund	TTF	100%
Aviva Investors EBC GP Limited	Ordinary	100%
Aviva Investors EBC Limited Partnership	Partnership	100%
Aviva Investors Emerging Market Equity Core Fund	TTF	61%
Aviva Investors Energy Centres No.1 GP Limited	Ordinary	100%
Aviva Investors Energy Centres No.1 Limited Partnership	Partnership	100%
Aviva Investors Europe Equity ex UK Core Fund	TTF	71%
Aviva Investors Europe Equity ex UK Fund	TTF	100%
Aviva Investors Global Equity Endurance Fund	OEIC	99%
Aviva Investors Global Equity Fund	TTF	100%
Aviva Investors Global Equity Growth Fund	TTF	100%
Aviva Investors Global Equity Income Fund	OEIC	25%
Aviva Investors Global Services Limited	Ordinary	100%
Aviva Investors GR SPV1 Limited	Ordinary	100%
Aviva Investors GR SPV3 Limited	Ordinary	100%
Aviva Investors GR SPV 4 Limited	Ordinary	100%
Aviva Investors GR SPV 5 Limited	Ordinary	100%
Aviva Investors GR SPV 6 Limited	Ordinary	100%
Aviva Investors GR SPV 7 Limited	Ordinary	100%
Aviva Investors GR SPV 8 Limited	Ordinary	100%
Aviva Investors GR SPV 9 Limited	Ordinary	100%
Aviva Investors GR SPV 10 Limited	Ordinary	100%
Aviva Investors GR SPV 11 Limited	Ordinary	100%
Aviva Investors GR SPV 12 Limited	Ordinary	100%
Aviva Investors GR SPV 13 Limited	Ordinary	100%
Aviva Investors GR SPV 14 Limited	Ordinary	100%
Aviva Investors GR SPV 15 Limited	Ordinary	100%
Aviva Investors GR SPV16 Limited	Ordinary	100%
Aviva Investors GR SPV17 Limited	Ordinary	100%
Aviva Investors Ground Rent GP Limited	Ordinary	100%
Aviva Investors Ground Rent Holdco Limited	Ordinary	100%
Aviva Investors Higher Income Plus Fund	OEIC	14%
Aviva Investors Holdings Limited	Ordinary	100%
Aviva Investors Index Linked Gilt Fund	TTF	100%
Aviva Investors Index-Linked Gilts Over 5 Years Index Fund	TTF	100%
Aviva Investors Infrastructure GP Limited	Ordinary	100%
Aviva Investors Infrastructure Income B Limited	Ordinary	100%
Aviva Investors Infrastructure Income C Limited	Ordinary	100%

Notes to the consolidated financial statements

Company name	Share Class held	% of total equity
Aviva Investors Infrastructure Income C No.4E Limited	Ordinary	100%
Aviva Investors Infrastructure Income C No.4F Limited	Ordinary	100%
Aviva Investors Infrastructure Income Limited Partnership	Partnership	100%
Aviva Investors Infrastructure Income M Limited	Ordinary	100%
Aviva Investors Infrastructure Income M No.4C Limited	Ordinary	100%
Aviva Investors Infrastructure Income M No.4D Limited	Ordinary	100%
Aviva Investors Infrastructure Income No.1 Limited	Ordinary	100%
Aviva Investors Infrastructure Income No.2 Limited	Ordinary	100%
Aviva Investors Infrastructure Income No.2B Limited	Ordinary	100%
Aviva Investors Infrastructure Income No.3 Limited	Ordinary	100%
Aviva Investors Infrastructure Income No.3B Limited	Ordinary	0%
Aviva Investors Infrastructure Income No.4A Limited	Ordinary	100%
Aviva Investors Infrastructure Income No.4B Limited	Ordinary	100%
Aviva Investors Infrastructure Income No.5 Limited	Ordinary	100%
Aviva Investors Infrastructure Income No.6 Limited	Ordinary	41%
Aviva Investors Infrastructure Income No.6a1 Limited	Ordinary	62%
Aviva Investors Infrastructure Income No.6B Limited	Ordinary	29%
Aviva Investors Infrastructure Income No.6B1 Limited	Ordinary	40%
Aviva Investors Infrastructure Income No.6c Limited	Ordinary	60%
Aviva Investors Infrastructure Income No.6c1 Limited	Ordinary	35%
Aviva Investors Infrastructure Income No.6D Limited	Ordinary	100%
Aviva Investors Infrastructure Income No.7 Limited	Ordinary	64%
Aviva Investors Infrastructure Income No.8 Limited	Ordinary	100%
Aviva Investors International Index Tracking Fund	OEIC	82%
Aviva Investors Japan Equity Core Fund	TTF	67%
Aviva Investors Japan Equity Fund	TTF	100%
Aviva Investors Japan Equity Growth Fund	OEIC	100%
Aviva Investors Japanese Equity Index (Custom Screened) Fund	TTF	100%
Aviva Investors Managed High Income Fund	OEIC	74%
Aviva Investors Money Market VNAV Fund	TTF	100%
Aviva Investors Monthly Income Plus Fund	OEIC	0%

Company name	Share Class held	% of total equity
Aviva Investors Multi-Asset (40-85% Shares) Index Fund	TTF	100%
Aviva Investors Multi-Asset Core Fund I	OEIC	30%
Aviva Investors Multi-Asset Core Fund II	OEIC	36%
Aviva Investors Multi-Asset Core Fund III	OEIC	36%
Aviva Investors Multi-Asset Core Fund IV	OEIC	26%
Aviva Investors Multi-Asset Core Fund V	OEIC	21%
Aviva Investors Multi-Asset Income Fund	OEIC	0%
Aviva Investors Multi-asset Plus I Fund	OEIC	15%
Aviva Investors Multi-asset Plus II Fund	OEIC	24%
Aviva Investors Multi-asset Plus III Fund	OEIC	42%
Aviva Investors Multi-asset Plus IV Fund	OEIC	28%
Aviva Investors Multi-asset Plus V Fund	OEIC	28%
Aviva Investors Multi-asset Sustainable Stewardship Fund I	OEIC	100%
Aviva Investors Multi-asset Sustainable Stewardship Fund II	OEIC	95%
Aviva Investors Multi-asset Sustainable Stewardship Fund III	OEIC	99%
Aviva Investors Multi-asset Sustainable Stewardship Fund IV	OEIC	95%
Aviva Investors Multi-Manager 20-60% Shares Fund	OEIC	81%
Aviva Investors Multi-Manager 40-85% Shares Fund	OEIC	78%
Aviva Investors Multi-Manager Flexible Fund	OEIC	89%
Aviva Investors Multi-Sector Private Debt		100%
Aviva Investors Multi-Strategy Target Return Fund	OEIC	90%
Aviva Investors Non-Gilt Bond All Stocks Index Fund	TTF	100%
Aviva Investors Non-Gilt Bond Over 15 Years Index Fund	TTF	100%
Aviva Investors Non-Gilt Bond Up To 5 Years Index Fund	TTF	98%
Aviva Investors North American Equity Core Fund	TTF	68%
Aviva Investors North American Equity Fund	TTF	100%
Aviva Investors North American Equity Index (Custom Screened) Fund	TTF	100%
Aviva Investors Pacific Equity ex Japan Core Fund	TTF	81%
Aviva Investors Pacific ex Japan Equity Index Fund	TTF	100%
Aviva Investors Pensions Limited	Ordinary	100%
Aviva Investors PIP Solar PV (General Partner) Limited	Ordinary	100%
Aviva Investors PIP Solar PV Limited Partnership	Partnership	100%
Aviva Investors PIP Solar PV No.1 Limited	Ordinary	100%
Aviva Investors Polish EBC LP	Partnership	100%
Aviva Investors Polish Retail GP Limited	Ordinary	100%

Notes to the consolidated financial statements

Company name	Share Class held	% of total equity
Aviva Investors Polish Retail Limited Partnership	Partnership	100%
Aviva Investors Pre-Annuity Fixed Interest Fund	TTF	100%
Aviva Investors Property Fund Management Limited	Ordinary	100%
Aviva Investors Real Estate Active LTAF	Fund	100%
Aviva Investors Real Estate Limited	Ordinary	100%
Aviva Investors REALM Commercial Assets Limited Partnership	Partnership	100%
Aviva Investors REALM Ground Rent Limited Partnership	Partnership	100%
Aviva Investors REALM Social Housing Limited Partnership	Partnership	86%
Aviva Investors REALTAF Holdco Limited	Ordinary	100%
Aviva Investors Secure Income REIT Limited	Ordinary	100%
Aviva Investors Social Housing GP Limited	Ordinary	100%
Aviva Investors Social Housing Limited	Company Limited by guarantee	100%
Aviva Investors Sterling Corporate Bond Fund	TTF	100%
Aviva Investors Sterling Gilt Fund	TTF	100%
Aviva Investors Strategic Bond Fund	OEIC	87%
Aviva Investors Strategic Global Equity Fund	TTF	100%
Aviva Investors Sustainable Stewardship Fixed Interest Fund	TTF	100%
Aviva Investors Sustainable Stewardship UK Equity Fund	TTF	100%
Aviva Investors Sustainable Stewardship UK Equity Income Fund	TTF	100%
Aviva Investors Sustainable Stewardship International Equity Fund	TTF	100%
Aviva Investors UK Commercial Real Estate Senior Debt L.P.	Partnership	21%
Aviva Investors UK CRESD GP Limited	Ordinary	100%
Aviva Investors UK Equity (ex Aviva, Investment Trusts) Index (Custom Screened) Fund	TTF	100%
Aviva Investors UK Equity Alpha Fund	TTF	95%
Aviva Investors UK Equity Core Fund	TTF	100%
Aviva Investors UK Equity Dividend Fund	TTF	100%
Aviva Investors UK Equity Index (Custom Screened) Fund	TTF	100%
Aviva Investors UK Fund Services Limited	Ordinary	100%
Aviva Investors UK Gilts All Stocks Index Fund	TTF	100%
Aviva Investors UK Gilts Over 15 Years Index Fund	TTF	100%
Aviva Investors UK Gilts Up To 5 Years Index Fund	TTF	100%
Aviva Investors UK Index Tracking Fund	OEIC	80%
Aviva Investors UK Listed Equity ex Tobacco Fund	TTF	100%
Aviva Investors UK Listed Equity Fund	TTF	100%
Aviva Investors UK Listed Equity High Alphas Fund	OEIC	0%
Aviva Investors UK Listed Equity Income Fund	OEIC	100%
Aviva Investors UK Listed Equity Income Fund	TTF	100%
Aviva Investors UK Listed Equity Unconstrained Fund	OEIC	1%
Aviva Investors UK Listed Small and Mid-Cap Fund	OEIC	9%
Aviva Investors UK Property Feeder Acc Fund	OEIC	22%
Aviva Investors UK Property Feeder Inc Fund	OEIC	8%
Aviva Investors UK Property Fund	OEIC	16%
Aviva Investors US Equity Income Fund I	OEIC	0%
Aviva Investors US Equity Index (Custom Screened) Fund	TTF	100%
Aviva Investors US Large Cap Equity Fund	TTF	100%
Aviva Investors Venture & Growth Capital LTAF	Fund	100%
Aviva Overseas Holdings Limited	Ordinary	100%
Aviva Public Private Finance Limited	Ordinary	100%
Aviva RELI 1 GP Limited	Ordinary	100%
Aviva RELI 1 LP	Partnership	100%
Aviva RELI 1 Nominee Limited	Ordinary	100%
Aviva RELI 1 Unit Trust	Unit Trust	100%
Aviva RELI 2 GP Limited	Ordinary	100%
Aviva RELI 3 GP Limited	Ordinary	100%
Aviva RELI 3 LP	Partnership	100%
Aviva RELI 3 Nominee A Limited	Ordinary	100%
Aviva RELI 3 Nominee B Limited	Ordinary	100%
Aviva RELI 4 GP Limited	Ordinary	100%
Aviva RELI 4 LP	Partnership	100%
Aviva RELI 4 Nominee A Limited	Ordinary	100%
Aviva RELI 4 Nominee B Limited	Ordinary	100%
Aviva Special PFI GP Limited	Ordinary	100%
Aviva Special PFI Limited Partnership	Partnership	50%
Aviva Staff Pension Trustee Limited	Ordinary	100%
Barwell Business Park Nominee Limited	Ordinary	100%
Bermondsey Yards General Partner Limited	Ordinary	100%
Bermondsey Yards Limited Partnership	Partnership	100%
Bermondsey Yards Nominee 1 Limited	Ordinary	100%
Bermondsey Yards Nominee 2 Limited	Ordinary	100%
Bersey Warehouse Nominee 1 Limited	Ordinary	8%
Bersey Warehouse Nominee 2 Limited	Ordinary	8%
Biomass UK No.1 LLP	Partnership	100%
Biomass UK No.4 Limited	Ordinary	100%
Building a Future (Newham Schools) Limited	Ordinary	100%
Bunns Lane Development Limited	Ordinary	98%

Notes to the consolidated financial statements

Company name	Share Class held	% of total equity
Cara Renewables Limited	Ordinary	100%
CCPF No.4 LP	Partnership	100%
CGU International Holdings B.V.	Ordinary	100%
Chesterford Park (General Partner) Limited	Ordinary	50%
Chesterford Park (Nominee) Limited	Ordinary	50%
Chesterford Park Limited Partnership	Partnership	50%
Commercial Union Life Assurance Company Limited	Ordinary	100%
Digital Garage Nominee 1 Limited	Ordinary	8%
Digital Garage Nominee 2 Limited	Ordinary	8%
EES Operations 1 Limited	Ordinary	100%
Electric Avenue Ltd	Ordinary	100%
Elms Road Wokingham Ltd	Ordinary	100%
Fitzroy Place GP 2 Limited	Ordinary	50%
Fitzroy Place Management Co Limited	Ordinary	50%
Fitzroy Place Residential Limited	Ordinary	50%
Free Solar (Stage 2) Limited	Ordinary	100%
Gobafoss General Partner Limited	Ordinary	100%
Heritage FL Single Family Homes Limited	Ordinary	100%
Heritage FL Single Family Homes LP	Partnership	100%
Hooton Bio Power Limited	Ordinary	56%
Houlton Commercial Management Company 2 Limited	Company Limited by guarantee	50%
Houlton Commercial Management Company Limited	Company Limited by guarantee	50%
Houlton Community Management Company Limited	Company Limited by guarantee	50%
Igloo Regeneration (General Partner) Limited	Ordinary	50%
Igloo Regeneration (Nominee) Limited	Ordinary	50%
Igloo Regeneration Developments (General Partner) Limited	Ordinary	50%
Igloo Regeneration Developments Limited Partnership	Partnership	20%
Igloo Regeneration Partnership	Partnership	100%
Igloo Regeneration Property Unit Trust	Unit Trust	50%
Lime Property Fund (General Partner) Limited	Ordinary	100%
Lime Property Fund (Nominee) Limited	Ordinary	100%
Lime Property Fund Limited Partnership	Partnership	1%
Lombard (London) 1 Limited	Ordinary	100%
Lombard (London) 2 Limited	Ordinary	100%
Longcross General Partner Limited	Ordinary	100%
Longcross Limited Partnership	Partnership	100%
Longcross Nominee 1 Limited	Ordinary	100%
Longcross Nominee 2 Limited	Ordinary	100%
Milla Park GP Limited	Ordinary	100%
Milla Park Limited Partnership	Partnership	100%
Milla Park Nominee 1 Limited	Ordinary	100%
Milla Park Nominee 2 Limited	Ordinary	100%
Milla Park Unit Trust	Unit Trust	100%
Mortimer Street Associated Co 1 Limited	Ordinary	50%
Mortimer Street Associated Co 2 Limited	Ordinary	50%
Mortimer Street Nominee 1 Limited	Ordinary	50%
Mortimer Street Nominee 2 Limited	Ordinary	50%
Mortimer Street Nominee 3 Limited	Ordinary	50%
New Broad Street House LP	Partnership	50%
New Broad Street House Nominee 1 Limited	Ordinary	50%
New Broad Street House Nominee 2 Limited	Ordinary	50%
Norwich Union (Shareholder GP) Limited	Ordinary	100%
Norwich Union Public Private Partnership Fund	Partnership	100%
NU 3PS Limited	Ordinary	100%
NU Developments (Brighton) Limited	Ordinary	100%
NU Library For Brighton Limited	Ordinary	100%
NU Local Care Centres (Bradford) Limited	Ordinary	100%
NU Local Care Centres (Chichester No. 1) Limited	Ordinary	100%
NU Local Care Centres (Chichester No. 2) Limited	Ordinary	100%
NU Local Care Centres (Chichester No. 3) Limited	Ordinary	100%
NU Local Care Centres (Chichester No. 4) Limited	Ordinary	100%
NU Local Care Centres (Chichester No. 5) Limited	Ordinary	100%
NU Local Care Centres (Chichester No. 6) Limited	Ordinary	100%
NU Local Care Centres (Farnham) Limited	Ordinary	100%
NU Offices for Redcar Limited	Ordinary	100%
NU Schools for Redbridge Limited	Ordinary	100%
NU Technology and Learning Centres (Hackney) Limited	Ordinary	100%
NUPPP (Care Technology and Learning Centres) Limited	Ordinary	100%
NUPPP (GP) Limited	Ordinary	100%
NUPPP Nominees Limited	Ordinary	100%
Pegasus House and Nuffield House LP	Partnership	50%
Pegasus House and Nuffield House Nominee 1 Limited	Ordinary	50%
Pegasus House and Nuffield House Nominee 2 Limited	Ordinary	50%
Porth Teigr Management Company Limited	Ordinary	50%
Project Farm 1 GP Ltd	Ordinary	100%
Project Farm 1 LP	Partnership	100%
Project Farm 1 Nominee A Ltd	Ordinary	100%
Project Farm 1 Nominee B Ltd	Ordinary	100%
Quarryvale One Limited	Ordinary	100%
REALTAF Cambridge GP Limited	Ordinary	100%
REALTAF Cambridge LP	Partnership	100%
REALTAF Ebbsfleet GP Limited	Ordinary	100%

Notes to the consolidated financial statements

Company name	Share Class held	% of total equity
REALTAF Ebbsfleet LP	Partnership	100%
REALTAF Whitehouse GP Limited	Ordinary	100%
REALTAF Whitehouse LP	Partnership	100%
REALTAF Wixams GP Limited	Ordinary	100%
REALTAF Wixams LP	Partnership	100%
Renewable Clean Energy 3 Limited	Ordinary	100%
Renewable Clean Energy Limited	Ordinary	100%
Riley Factory Nominee 1 Limited	Ordinary	8%
Riley Factory Nominee 2 Limited	Ordinary	8%
Rugby Radio Station (General Partner) Limited	Ordinary	50%
Rugby Radio Station (Nominee) Limited	Ordinary	50%
Rugby Radio Station Limited Partnership	Partnership	50%
SHR Bordon Limited	Ordinary	100%
SHR Coventry Limited	Ordinary	100%
SHR Ipswich Limited	Ordinary	100%
SHR Ipswich OpCo Limited	Ordinary	100%
SHR Linmere Limited	Ordinary	100%
SHR Swindon Limited	Ordinary	100%
SHR Telford Limited	Ordinary	100%
SHR Telford OpCO Limited	Ordinary	100%
Solar Clean Energy Limited	Ordinary	100%
Southgate General Partner Limited	Ordinary	50%
Southgate LP (Nominee 1) Limited	Ordinary	50%
Southgate LP (Nominee 2) Limited	Ordinary	50%
Spire Energy Ltd	Ordinary	100%
Station Road Cambridge LP	Partnership	50%
Station Road General Partner LLP	Partnership	50%
Station Road GP Limited	Ordinary	100%
Stonebridge Cross Management Limited	Company Limited by guarantee	100%
Stoney Wood Property Developments Limited	Ordinary	100%
SUE Developments LP	Partnership	50%
SUE GP LLP	Partnership	50%
SUE GP Nominee Limited	Ordinary	50%
Sustainable Housing Holdco Limited	Ordinary	100%
Sustainable Housing Topco Limited	Ordinary	100%
Sustainable Storage HoldCo Limited	Ordinary	100%
Sustainable Storage Portfolio SPV Limited	Ordinary	100%
Sustainable Storage Topco Limited	Ordinary	100%
Swan Valley Management Limited	Ordinary	0%
The Designer Retail Outlet Centres (Mansfield) General Partner Limited	Ordinary	100%
The Designer Retail Outlet Centres (Mansfield) Limited Partnership	Partnership	97%
The Designer Retail Outlet Centres (York) General Partner Limited	Ordinary	100%
The Designer Retail Outlet Centres (York) Limited Partnership	Partnership	97%
The Rutherford Nominee 1 Limited	Ordinary	8%
The Rutherford Nominee 2 Limited	Ordinary	8%
The Square Brighton Limited	Ordinary	100%
The Southgate Limited Partnership	Partnership	50%
Truespeed Communications Group Limited	Ordinary	45%
Truespeed Holdings Limited	Ordinary	41%
New Broad Street House GP Limited	Ordinary	100%
Tyne Assets (No 2) Limited	Ordinary	100%
Tyne Assets Limited	Ordinary	100%
Undershaft Limited	Ordinary	100%
WBS Growth Partnership LLP	Partnership	33%
Welsh Insurance Corporation Limited	Ordinary	100%
Westcountry Solar Solutions Limited	Ordinary	100%
Yorkshire Insurance Company Limited	Ordinary	100%
88 Leadenhall Street, London, EC3A 3BP, United Kingdom		
AdA Risk Holding Co Limited	Ordinary	25%
AdA Underwriters Limited	Ordinary	25%
Probitas 1492 Services Limited	Ordinary	100%
Probitas Corporate Capital Limited	Ordinary	100%
Probitas Holdings (UK) Limited	Ordinary	100%
Probitas Managing Agency Limited	Ordinary	100%
180 Great Portland Street, London, W1W 5QZ, United Kingdom		
Quantum Property Partnership (General Partner) Limited	Ordinary	50%
Quantum Property Partnership (Nominee) Limited	Ordinary	50%
6600 Cinnabar Court Daresbury Park, Daresbury, Warrington, WA4 4GE, United Kingdom		
BNET Ultra Limited	Ordinary	30%
ITS (Holdco) Limited	Ordinary	30%
ITS (Midco) Limited	Ordinary	30%
ITS Hammersmith & Fulham Limited	Ordinary	30%
ITS Nottingham Limited	Ordinary	30%
ITS Technology Group Limited	Ordinary	30%
ITS Telecom Solutions Limited	Ordinary	30%
Liverpool City Region Digital Limited	Ordinary	8%
NextGenAccess Limited	Ordinary	30%
Building 1063, Cornforth Drive, Kent Science Park, Sittingbourne, ME9 8PX, United Kingdom		
Digital Greenwich Connect Ltd	Ordinary	15%
c/o Interpath Ltd 4th Floor, Tailor's Corner, Thirsk Row, Leeds, LS1 4DP, United Kingdom		
Tenet Financial Services Limited	Ordinary	49%
Tenet Mortgage Solutions Limited	Ordinary	49%
c/o Interpath Ltd, 10 Fleet Place, London, EC4M 7RB, United Kingdom		
Tenet Group Limited	Ordinary	49%
Tenet Limited	Ordinary	49%
TenetConnect Limited	Ordinary	49%
TenetConnect Services Limited	Ordinary	49%

Notes to the consolidated financial statements

Company name	Share Class held	% of total equity
c/o Wilmington Trust SP Services (London) Limited, Third Floor, 1 King's Arms Yard, London, EC2R 7AF, United Kingdom		
Equity Release Funding (No.1) plc	Ordinary	0%
Equity Release Funding (No.2) plc	Ordinary	0%
Equity Release Funding (No.3) plc	Ordinary	0%
Equity Release Funding (No.4) plc	Ordinary	0%
Equity Release Funding (No.5) plc	Ordinary	0%
ERF Trustee (No. 4) Limited	Ordinary	0%
ERF Trustee (No. 5) Limited	Ordinary	0%
Brook House Manor Drive, Clyst St. Mary, Exeter, EX5 1GD		
DFP Health & Wealth Management Limited	Ordinary	100%
DFP Wealth Management Ltd	Ordinary	100%
G & E Wealth Management Limited	Ordinary	100%
HKA (F S) Limited	Ordinary	100%
The Oxford Advisory Partnership Limited	Ordinary	100%
Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN, United Kingdom		
Baillie Gifford International Fund	OEIC	31%
Baillie Gifford UK Equity Core Fund	OEIC	25%
Capital Tower, 91 Waterloo Road, London, SE1 8RT, United Kingdom		
Rock Road Devco Limited	Ordinary	49%
Exchange House, Primrose Street, London, EC2A 2HS, United Kingdom		
CT (Lux) Diversified Growth Fund	SICAV	98%
CT (Lux) European Growth & Income Fund	SICAV	68%
CT Global Total Return Bond Fund	OEIC	26%
Churchill Court, Westmoreland Road, Bromley, Kent, BR1 1DP, United Kingdom		
Brolly UK Technology Limited	Ordinary, Preference	100%
By Miles Group Ltd	Ordinary	100%
By Miles Ltd	Ordinary	100%
By Miles Technology Services Ltd	Ordinary	100%
Churchill Insurance Company Limited	Ordinary	100%
Direct Line Group Limited	Ordinary	100%
Direct Line Insurance Group Limited*	Ordinary	100%
Direct Line Insurance Limited	Ordinary	100%
DL Insurance Services Limited	Ordinary	100%
DLG Pension Trustee Limited	Ordinary	100%
Farmweb Limited	Ordinary	100%
Finsure Premium Finance Limited	Ordinary	100%
Green Flag Holdings Limited	Ordinary	100%
Inter Group Insurance Services Limited	Ordinary	100%
Intergroup Assistance Services Limited	Ordinary	100%
National Breakdown Recovery Club Limited	Ordinary	100%
Nationwide Breakdown Recovery Services Limited	Ordinary	100%
The National Insurance and Guarantee Corporation Limited	Ordinary	100%
U K Insurance Business Solutions Limited	Ordinary	100%
UK Assistance Accident Repair Centres Limited	Ordinary	100%
UK Assistance Limited	Ordinary	100%
UKI Life Assurance Services Limited	Ordinary	100%
Exchange Tower, 19 Canning Street, Edinburgh, EH3 8EH, United Kingdom		
Hoxton Campus LP	Partnership	8%
Hoxton General Partner LLP	Partnership	8%
Forum 4, Solent Business Park, Parkway South, Whitley, Fareham, PO15 7AD, United Kingdom		
1 Liverpool Street GP Limited	Ordinary	50%
1 Liverpool Street Limited Partnership	Partnership	30%
1 Liverpool Street Nominee 1 Limited	Ordinary	50%
1 Liverpool Street Nominee 2 Limited	Ordinary	50%
101 Moorgate GP Limited	Ordinary	50%
101 Moorgate Limited Partnership	Partnership	30%
101 Moorgate Nominee 1 Limited	Ordinary	50%
101 Moorgate Nominee 2 Limited	Ordinary	50%
Midlands Regen I GP Limited	Ordinary	95%
Midlands Regen I Limited Partnership	Partnership	95%
Midlands Regen I Nominee Limited	Ordinary	95%
Founders Factory (Level 7) Arundel Street Building, 180 Strand, 2 Arundel Street, London, WC2R 3DA, United Kingdom		
FF AV JV Limited	Preference	20%
Grant Thornton Uk Advisory & Tax Llp 11th Floor Landmark St Peters Square, 1 Oxford Street, Manchester, M1 4PB		
Opus Park Management Limited	Company Limited by guarantee	100%
Grant Thornton UK LLP, 30 Finsbury Square, London, EC2P 2YU, United Kingdom		
Defined Returns Limited	Ordinary	29%
NDF Administration Limited	Ordinary	33%
Legal & General (Unit Trust Managers) Limited, PO Box 6080, Wolverhampton, WV1 9RB, United Kingdom		
L&G Multi-Index Eur III-NEA	OEIC	85%
L&G Multi-Index Eur IV-NEA	OEIC	100%
L&G Multi-Index Eur V-NEA	OEIC	100%
Level 16, 5 Aldermanbury Square, London, EC2V 7HR, United Kingdom		
Houghton Regis Management Company Limited	Ordinary	33%
Nations House, 3rd Floor, 103 Wigmore Street, London, W1U 1QS, United Kingdom		
Cannock Consortium Holdings Limited	Ordinary	43%
Cannock Consortium LLP	Partnership	43%
Cannock Designer Outlet (GP Holdings) Limited	Ordinary	43%
Cannock Designer Outlet (GP) Limited	Ordinary	43%
Cannock Designer Outlet (Nominee 1) Limited	Ordinary	43%
Cannock Designer Outlet (Nominee 2) Limited	Ordinary	43%

Notes to the consolidated financial statements

Company name	Share Class held	% of total equity
Cannock Designer Outlet Limited Partnership	Partnership	37%
Old Bourchiers Hall, New Road, Aldham, Colchester, C06 3QU, United Kingdom		
County Broadband Holdings Limited	Ordinary	62%
County Broadband Ltd	Ordinary	45%
One Coleman Street, London, EC2R 5AA, United Kingdom		
L&G Diversified Fund	Unit Trust	86%
Pembroke House, 15 Pembroke Road, Clifton, Bristol, BS8 3BA, United Kingdom		
Bristol Business Park Management Limited	Ordinary	0%
Pennine Place, 2a Charing Cross Road, London, WC2H 0HF, United Kingdom		
Clean Growth Fund	Partnership	10%
Perpetual Park, Perpetual Park Drive, Henley-on-Thames, RG9 1HH, United Kingdom		
Invesco Summit Responsible 2 Fund (UK)	OEIC	38%
Invesco Summit Responsible 5 Fund (UK)	OEIC	30%
Pinesgate West, Lower Bristol Road, Bath, BA2 3DP, United Kingdom		
Truespeed Communications Ltd	Ordinary	45%
Pitheavlis, Perth, PH2 0NH, United Kingdom		
AICT GBP Real Estate (Curtain House) General Partner Limited	Ordinary	100%
AICT GBP Real Estate (Curtain House) Limited Partnership	Partnership	100%
Aviva (Peak No.1) UK Limited	Ordinary	100%
Aviva Insurance Limited	Ordinary	100%
Aviva Investors (FP) Limited	Ordinary	100%
Aviva Investors (FP) LP	Partnership	100%
Aviva Investors (GP) Scotland Limited	Ordinary	100%
Aviva Investors Climate Transition GBP Real Estate General Partner Limited	Ordinary	100%
Aviva Investors Climate Transition GBP Real Estate Limited Partnership	Partnership	100%
Aviva Investors Private Equity Programme 2008 Partnership	Partnership	40%
Riverbank House 2 Swan Lane, London, EC4R 3AD, United Kingdom		
Man Balanced Managed Fund	OEIC	22%
Salisbury House, London Wall, London, EC2M 5QQ, United Kingdom		
London Wall Partners LLP	Partnership	100%
Tec Marina Terra Nova Way, Penarth, Cardiff, CF64 1SA, United Kingdom		
Wealthify Group Limited	Ordinary	100%
Wealthify Limited	Ordinary	100%
The Apex, Brest Road, Derriford Business Park, Derriford, Plymouth, PL6 5FL, United Kingdom		
Cutter & Co Financial Planning Limited	Ordinary	100%
Flowers McEwan Limited	Ordinary	100%
Lee Strathy Limited	Ordinary	100%
Succession Advisory Services Limited	Ordinary	100%
Succession Employee Benefit Solutions Limited	Ordinary	100%
Succession Financial Management Limited	Ordinary	100%
Succession Group Ltd	Ordinary	100%
Succession Holdings Ltd	Ordinary	100%
Succession Wealth Management Limited	Ordinary	100%
Tag Financial Planning Limited	Ordinary	100%
True Financial Partnerships Limited	Ordinary	100%
True Wealth Management Limited	Ordinary	100%
True Wealth Planning Solutions Limited	Ordinary	100%
Veracity Asset Transformation Service Limited	Ordinary	100%
The Green, Easter Park, Benyon Road, Reading, RG7 2PQ, United Kingdom		
Anesco Mid Devon Limited	Ordinary	100%
Anesco South West Limited	Ordinary	100%
Free Solar (Stage 1) Limited	Ordinary	100%
Homesun 2 Limited	Ordinary	100%
Homesun 3 Limited	Ordinary	100%
Homesun 4 Limited	Ordinary	100%
Homesun 5 Limited	Ordinary	100%
Homesun Limited	Ordinary	100%
New Energy Residential Solar Limited	Ordinary	100%
Norton Energy SLS Limited	Ordinary	100%
TGHC Limited	Ordinary	100%
The Wharf, Neville Street, Leeds, LS1 4AZ, United Kingdom		
DLG Legal Services Limited	Ordinary	100%
Green Flag Group Limited	Ordinary, Deferred, Preference	100%
Green Flag Limited	Ordinary, Deferred, Preference	100%
U K Insurance Limited	Ordinary	100%
Third Floor, Queensberry House, 3 Old Burlington Street, London, W1S 3AE, United Kingdom		
Manse Opus Management Company Limited	Company Limited by Guarantee	20%
Waverley House, 9 Noel Street, London, W1F 8GQ, United Kingdom		
Colby River Limited	Ordinary	30%
Wellington Row, York, YO90 1WR, United Kingdom		
Aviva (Peak No.2) UK Limited	Ordinary	100%
Aviva Administration Limited	Ordinary	100%
Aviva Client Nominees UK Limited	Ordinary	100%
Aviva Equity Release UK Limited	Ordinary	100%
Aviva ERFA 15 UK Limited	Ordinary	100%
Aviva Investment Solutions UK Limited	Ordinary	100%
Aviva Life & Pensions UK Limited	Ordinary	100%
Aviva Life Holdings UK Limited	Ordinary	100%
Aviva Life Investments International (General Partner) Limited	Ordinary	100%
Aviva Life Investments International (Recovery) Limited	Ordinary	100%

Notes to the consolidated financial statements

Company name	Share Class held	% of total equity
Aviva Life Investments International L.P.	Partnership	100%
Aviva Life Services UK Limited	Ordinary	100%
Aviva Master Trust Trustees UK Limited	Ordinary	100%
Aviva Management Services UK Limited	Ordinary	100%
Aviva Pension Trustees UK Limited	Ordinary	100%
Aviva Protection UK Limited	Ordinary	100%
Aviva Savings Limited	Ordinary	100%
Aviva Trustees UK Limited	Ordinary	100%
Aviva UKLAP De-risking Limited	Ordinary	100%
Aviva Wealth Holdings UK Limited	Ordinary	100%
Aviva Wrap UK Limited	Ordinary	100%
Bankhall Support Services Limited	Ordinary	100%
CGNU Life Assurance Limited	Ordinary	100%
Friends AEL Trustees Limited	Ordinary	100%
Friends AELLAS Limited	Ordinary	100%
Friends Life and Pensions Limited	Ordinary	100%
Friends Life Assurance Society Limited	Ordinary	100%
Friends Life Company Limited	Ordinary	100%
Friends Life FPLMA Limited	Ordinary	100%
Friends Life Limited	Ordinary	100%
Friends Life WL Limited	Ordinary	100%
Friends Provident Investment Holdings Limited	Ordinary	100%
Friends Provident Life Assurance Limited	Ordinary	100%
Friends' Provident Life Office	Company Limited by guarantee	0%
Friends' Provident Managed Pension Funds Limited	Ordinary	100%
Friends Provident Pension Scheme Trustees Limited	Ordinary	100%
Friends SLUA Limited	Ordinary	100%
Gateway Specialist Advice Services Limited	Ordinary	100%
Group Risk Services Limited	Ordinary	100%
Heritage friends life institutional (SLPM)	Ordinary	100%
The Lancashire and Yorkshire Reversionary Interest Company Limited	Ordinary	100%
London and Manchester Group Limited	Ordinary	100%
Premier Mortgage Service Limited	Ordinary	100%
Sesame Bankhall Group Limited	Ordinary	100%
Sesame Bankhall Valuation Services Limited	Ordinary	75%
Sesame General Insurance Services Limited	Ordinary	100%
Sesame Limited	Ordinary	100%
Sesame Services Limited	Ordinary	100%
Suntrust Limited	Ordinary	100%
Undershaft (NULLA) Limited	Ordinary	100%
Undershaft FAL Limited	Ordinary	100%
Undershaft FPLLA Limited	Ordinary	100%
Undershaft SLPM Limited	Ordinary	100%
Voyager Park South Management Company Limited	Ordinary	52%
Wealth Limited	Ordinary	100%
United States		
100 Wilshire Boulevard, Santa Monica, California Suite 2060, 90401, United States		
Fifth Wall Accelerate (Late-Stage), L.P.	Partnership	4%
225 West Wacker Drive, Suite 2250, Chicago IL 60606, United States		
Aviva Investors North America Holdings, Inc	Common	100%
1209 Orange Street, Wilmington, DE, 19801, United States		
Aviva Investors Americas LLC	Sole Member	100%
251 Little Falls Drive, Wilmington, DE, 19808, United States		
UKP Holdings Inc.	Common	100%
Cogency Global Inc., 850 New Burton Road, Suite 201, Dover, Delaware, Kent County, 19904, United States		
Exeter Properties Inc.	Common	95%
Winslade Investments Inc.	Common	100%

*99.99999574489%, the balance of which is held by a sanctioned shareholder and which Aviva will acquire upon such shareholder ceasing to be sanctioned or upon clearance by the Office of Financial Sanctions Implementation.

Definitions
Authorised Contractual Scheme ('ACS')
Fond common de Placement ('FCP')
Irish Collective Asset-management Vehicle ('ICAV')
Open Ended Investment Companies ('OEIC')
Société d'Investment à Capital Variable ('SICAV')
Tax Transparent Fund ('TTF')

Notes to the consolidated financial statements

Audit exemptions
The subsidiary undertakings of the Company, listed below, are exempt from the requirement to have their financial statements audited for the year ended 31 December 2025 under s479A of the Companies Act 2006 (the "Act") relating to subsidiary companies and subsidiary LLPs (as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008). Aviva plc will issue a guarantee pursuant to s479C of the Act in respect of these subsidiaries.

Aviva Life Investments International L.P. (Company Number: LP019749) is to take advantage of the exemption from the requirements to prepare and file annual accounts under Regulation 7 of the Partnership (Accounts) Regulations 2008.

Company / partnership name	Company / partnership number
130 Fenchurch Street General Partner Limited	11914662
ACP Stories 1 Limited	16422702
AICT GBP Real Estate (Curtain House) General Partner Limited	SC707169
ALPF Single Family Homes General Partner Ltd	14476516
Aviva ERFA 15 UK Limited	6518135
Aviva Europe UK Societas	SE000031
Aviva Investors (GP) Scotland Limited	SC336262
Aviva Investors 40 Spring Gardens (General Partner) Limited	9988845
Aviva Investors Climate Transition GBP Real Estate General Partner Limited	SC707168
Aviva Investors Commercial Assets GP Limited	7680828
Aviva Investors EBC GP Limited	7401608
Aviva Investors Energy Centres No.1 GP Limited	8322963
Aviva Investors Ground Rent GP Limited	7584928
Aviva Investors Infrastructure GP Limited	7739651
Aviva Investors PIP Solar PV (General Partner) Limited	9401121
Aviva Investors Social Housing GP Limited	7584936
Aviva Investors UK CRESD GP Limited	8424756
Aviva Life Investments International (General Partner) Limited	7019488
Aviva Management Services UK Limited	983330
Aviva RELI 1 GP Limited	14607635
Aviva RELI 2 GP Limited	15595027
Aviva RELI 3 GP Limited	15897909
Aviva RELI 4 GP Limited	15897819
Aviva Savings Limited	4384512
Aviva Special PFI GP Limited	8080716
Aviva UKLAP De-Risking Limited	3491273
Aviva Wealth Holdings UK Limited	6861305
Bunns Lane Development Limited	15399360
Cutter & Co Financial Planning Limited	11281160
Destination Financial Planning Limited	NI631014
Direct Line Group Limited	2811437
ERF Trustee (No.4) Limited	5095784
ERF Trustee (No.5) Limited	5492514
Finsure Premium Finance Limited	1670887
Flowers McEwan Limited	4237360
Green Flag Holdings Limited	3577191
Group Risk Services Limited	6744393
Heritage FL Single Family Homes Limited	15073749
Law Society (NI) Financial Advice Limited	NI023143
Lee Strathy Limited	8583095
Lime Property Fund (General Partner) Limited	5118252
London Wall Partners LLP	OC375373
Longcross General Partner Limited	13106500
Midlands Regen I GP Limited	14885856
Navigator Financial Planning Limited	NI048574
New Broad Street House GP Limited	16350435
Norwich Union (Shareholder GP) Limited	3783750
NUPPP (GP) Limited	4330905
REALTAF Cambridge GP Limited	15506358
REALTAF Ebbsfleet GP Limited	15506368
REALTAF Whitehouse GP Limited	15506313
REALTAF Wixams GP Limited	16143281
Stoney Wood Property Developments Limited	13161720
Succession Employee Benefit Solutions Limited	8146349
Succession Financial Management Limited	4454027
Succession Holdings Limited	8148663
Suntrust Limited	1460956
Tag Financial Planning Limited	10846528
The Lancashire and Yorkshire Reversionary Interest Company Limited	19770
True Financial Partnerships Limited	10271716
True Wealth Management Limited	7702656
True Wealth Planning Solutions Limited	10012883
Undershaft Limited	4075935
Veracity Asset Transformation Service Limited	7468932
Watson Laird Limited	NI611950

Notes to the consolidated financial statements

58 - SUBSEQUENT EVENTS

For details of subsequent events relating to:
- share buybacks, see note 31(c).

There are no other material subsequent events to report.

Company financial statements

INCOME STATEMENT

For the year ended 31 December 2025

	Note	**2025 £m**	2024 £m
Income			
Net investment income	A	**17,256**	2,063
		17,256	2,063
Expenses			
Operating expenses	B	**(318)**	(289)
Finance and other costs	C	**(818)**	(820)
Impairment of investment in subsidiaries	E	**(13,664)**	—
		(14,800)	(1,109)
Profit for the year before tax		**2,456**	954
Tax credit	D	**127**	152
Profit for the year after tax		**2,583**	1,106

Where applicable, the accounting policies of the Company are the same as those of the Group. The Company notes identified alphabetically are an integral part of these separate financial statements. Where the same items appear in the Group financial statements, reference is made to the Group notes identified numerically.

Company financial statements

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	2025 £m	2024 £m
Profit for the year	**2,583**	1,106
Items that will not be reclassified to income statement		
Remeasurements of pension schemes	**—**	1
Other comprehensive income, net of tax	**—**	1
Total comprehensive income for the year	**2,583**	1,107

Where applicable, the accounting policies of the Company are the same as those of the Group. The Company notes identified alphabetically are an integral part of these separate financial statements. Where the same items appear in the Group financial statements, reference is made to the Group notes identified numerically.

Company financial statements

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Ordinary share capital £m	Preference share capital £m	Share premium £m	Capital redemption reserve £m	Merger reserve £m	Equity compensation reserve £m	Retained earnings £m	Tier 1 notes £m	Total equity £m
Balance at 1 January	**881**	**200**	**17**	**44**	**2,688**	**135**	**10,397**	**496**	**14,858**
Profit for the year	—	—	—	—	—	—	**2,583**	—	**2,583**
Other comprehensive income	—	—	—	—	—	—	—	—	—
Total comprehensive income for the year	—	—	—	—	—	—	**2,583**	—	**2,583**
Dividends and appropriations	—	—	—	—	—	—	**(1,097)**	—	**(1,097)**
Forfeited dividend income	—	—	—	—	—	—	**2**	—	**2**
Direct Line Acquisition									
Acquisition of Direct Line	**124**	—	—	—	**2,198**	—	—	—	**2,322**
Preference share and Tier 1 notes									
Preference share cancellation[1]	—	**(200)**	—	—	—	—	—	—	**(200)**
Special dividends paid to preference share holders of Aviva plc[1]	—	—	—	—	—	—	**(94)**	—	**(94)**
Issue of Tier 1 notes[2]	—	—	—	—	—	—	—	**496**	**496**
Other movements									
Reserves credit for equity compensation plans	—	—	—	—	—	**72**	—	—	**72**
Shares issued under equity compensation plans	**1**	—	—	—	—	**(88)**	**(10)**	—	**(97)**
Balance at 31 December	**1,006**	**—**	**17**	**44**	**4,886**	**119**	**11,781**	**992**	**18,845**

1. Following the outcome of a tender offer and cancellation process launched on 11 March 2025 by the Company in relation to its £200 million preference share capital, cancellation of the preference shares reducing the number of preference shares in issue to nil, was approved by court order on 13 May 2025. The cancellation resulted in a £200 million reduction in the Company's preference share capital and a £94 million reduction in retained earnings arising from a special dividend paid to preference shareholders upon cancellation
2. On 31 March 2025, Aviva plc issued £496 million of 7.750% Fixed Fate Reset Perpetual Restricted Tier 1 Contingent Convertible Notes

For the year ended 31 December 2024

	Ordinary share capital £m	Preference share capital £m	Share premium £m	Capital redemption reserve £m	Merger reserve £m	Equity compensation reserve £m	Retained earnings £m	Tier 1 notes £m	Total equity £m
Balance at 1 January	901	200	17	24	2,688	122	10,589	496	15,037
Profit for the year	—	—	—	—	—	—	1,106	—	1,106
Other comprehensive income	—	—	—	—	—	—	1	—	1
Total comprehensive income for the year	—	—	—	—	—	—	1,107	—	1,107
Dividends and appropriations	—	—	—	—	—	—	(972)	—	(972)
Forfeited dividend income	—	—	—	—	—	—	—	—	—
Shares purchased in buyback[1]	(20)	—	—	20	—	—	(300)	—	(300)
Non-controlling interests share of dividends declared in the year	—	—	—	—	—	—	—	—	—
Other movements									
Reserves credit for equity compensation plans	—	—	—	—	—	61	—	—	61
Shares issued under equity compensation plans	—	—	—	—	—	(48)	(27)	—	(75)
Balance at 31 December	881	200	17	44	2,688	135	10,397	496	14,858

1. In the year ended 31 December 2024, £300 million of shares were purchased and shares with a nominal value of £20 million were cancelled as part of the share buyback programme

Where applicable, the accounting policies of the Company are the same as those of the Group. The Company notes identified alphabetically are an integral part of these separate financial statements. Where the same items appear in the Group financial statements, reference is made to the Group notes identified numerically.

Company financial statements

STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Note	**2025 £m**	2024 £m
Assets			
Non-current assets			
Investments in subsidiaries	E	**22,207**	31,808
Investment in joint venture	E	**123**	123
Receivables and other financial assets	F	**601**	656
Deferred tax assets	G	**84**	122
Current tax assets	G	**—**	146
		23,015	32,855
Current assets			
Receivables and other financial assets	F	**294**	952
Prepayments and accrued income		**63**	110
Cash and cash equivalents		**433**	50
Current tax assets	G	**310**	165
Total assets		**24,115**	34,132
Equity			
Ordinary share capital	31	**1,006**	881
Preference share capital	34	**—**	200
Called up capital		**1,006**	1,081
Share premium	36	**17**	17
Capital redemption reserve	36	**44**	44
Merger reserve	H	**4,886**	2,688
Equity compensation reserve		**119**	135
Retained earnings	H	**11,781**	10,397
Tier 1 notes	L	**992**	496
Total equity		**18,845**	14,858
Liabilities			
Non-current liabilities			
Borrowings	J	**4,481**	4,446
Payables and other financial liabilities	K	**431**	14,541
Pension deficits and other provisions	I	**30**	31
		4,942	19,018
Current liabilities			
Borrowings	J	**52**	50
Payables and other financial liabilities	K	**167**	127
Other liabilities		**109**	79
Total liabilities		**5,270**	19,274
Total equity and liabilities		**24,115**	34,132

Approved by the Board on 4 March 2026

Charlotte Jones
Chief Financial Officer

Company number: 02468686

Where applicable, the accounting policies of the Company are the same as those of the Group. The Company notes identified alphabetically are an integral part of these separate financial statements. Where the same items appear in the Group financial statements, reference is made to the Group notes identified numerically.

Company financial statements

STATEMENT OF CASH FLOWS
For the year ended 31 December 2025

All the Company's operating cash requirements are met by subsidiary companies and settled through intercompany loan accounts. As the direct method of presentation has been adopted for these activities, no further disclosure is required. In respect of financing and investing activities, the following items pass through the Company's own bank accounts.

	2025 £m	2024 £m
Cash flows from investing activities		
Dividends received from joint venture	**11**	—
Acquisitions of, and additions to, subsidiaries, joint ventures and associates	**(1,711)**	—
Net cash from investing activities	**(1,700)**	—
Cash flows from financing activities		
Proceeds from issue of ordinary shares	**1**	—
Shares purchased in buyback	**—**	(300)
Treasury shares purchased for employee trusts	**(25)**	(53)
Ordinary dividends paid	**(1,034)**	(921)
Funding provided from subsidiaries	**3,561**	2,203
Other[1]	**(39)**	(31)
Preference shares		
Preference dividends paid	**(9)**	(17)
Cancellation of preference share capital[2]	**(200)**	—
Special dividends paid to Aviva plc preference shareholders[2]	**(94)**	—
Borrowings		
Interest paid on borrowings	**(231)**	(243)
New borrowings drawn down, net of expenses	**498**	607
Repayment of borrowings	**(787)**	(1,209)
Net repayment of borrowings	**(289)**	(602)
Tier 1 Notes		
Coupon payments on Tier 1 notes	**(54)**	(34)
Issue of Tier 1 notes[3]	**496**	—
Net cash generated from financing activities	**2,083**	2
Total net drawn down in cash and cash equivalents	**383**	2
Cash and cash equivalents at 1 January	**50**	48
Cash and cash equivalents 31 December	**433**	50

1. 2025 includes £38 million (2024: £35 million) in respect of payments relating to equity compensation plans
2. Following the outcome of a tender offer and cancellation process launched on 11 March 2025 by the Company in relation to its £200 million preference share capital, cancellation of the preference shares reducing the number of preference shares in issue to nil, was approved by court order on 13 May 2025. The cancellation resulted in a £200 million reduction in the Company's preference share capital and a £94 million reduction in retained earnings arising from a special dividend paid to preference shareholders on cancellation.
3. On 31 March 2025, Aviva plc issued £500 million of 7.750% Fixed Rate Reset Perpetual Restricted Tier 1 Contingent Convertible Notes

Where applicable, the accounting policies of the Company are the same as those of the Group. The Company notes identified alphabetically are an integral part of these separate financial statements. Where the same items appear in the Group financial statements, reference is made to the Group notes identified numerically.

Notes to the company financial statements

A – NET INVESTMENT INCOME

	2025 £m	2024 £m
Dividends received from subsidiaries[1]	**17,155**	2,000
Dividends received from joint venture	**11**	—
Interest receivable from group company loans held at amortised cost	**47**	61
Other income	**1**	—
Interest and similar income from financial instruments at FVTPL	**41**	—
Net foreign exchange gains	**1**	2
Net investment income	**17,256**	2,063

1. Includes £2,750 million (2024: £2,000 million) dividend income from Aviva Group Holdings Limited and £14,405 million (2024: £nil) dividend income from General Accident Limited, following a capital reduction, to settle the intercompany loan and payables with Aviva plc

B – OPERATING EXPENSES

(a) Operating expenses

Operating expenses comprise:

	Note	2025 £m	2024 £m
Equity compensation plans	B(b)	**17**	16
Other operating costs		**299**	271
Other investment expenses		**2**	—
Realised loss on foreign exchange contracts		**—**	2
Operating expenses		**318**	289

(b) Equity compensation plans

All transactions in the Group's equity compensation plans, which involve options and awards for ordinary shares of the Company, are included in other operating costs. Full disclosure of these plans is given in the Group consolidated financial statements, note 32. The cost of such options and awards is borne by all participating businesses and, where relevant, the Company bears an appropriate charge. As the majority of the charge to the Company relates to directors' options and awards, for which full disclosure is made in the directors' remuneration report, no further disclosure is given here.

C – FINANCE AND OTHER COSTS

	Note	2025 £m	2024 £m
Interest payable on borrowings		**250**	243
Interest payable on group loans held at amortised cost	O(b)	**449**	534
Premium payments and other costs on external borrowings		**84**	19
Other costs		**35**	24
Finance and other costs		**818**	820

D – TAX

(a) Tax credited/(charged) to the income statement

(i) The total tax (credit)/charge comprises:

	2025 £m	2024 £m
For the period	**159**	146
Prior year adjustments	**6**	(2)
Current tax	**165**	144
Origination and reversal of temporary differences	**(38)**	8
Deferred tax	**(38)**	8
Total tax credited to income statement	**127**	152

The tax credit above, comprising current and deferred tax, can be analysed as follows:

	2025 £m	2024 £m
UK tax	**127**	152
Total	**127**	152

The Company (as part of Aviva Group) is subject to the reform of the international tax system proposed by The Organisation for Economic Co-operation and Development (OECD), which introduces a global minimum effective rate of corporation tax of 15% and took effect in 2024. No current tax charge is included in respect of these provisions.

Notes to the company financial statements

(ii) Deferred tax charged/(credited) to the income statement represents movements on the following items:

	2025 £m	2024 £m
Deferred tax :		
Pensions and other post retirement obligations	**—**	1
Provisions and other temporary differences	**4**	—
Unused losses and tax credits	**34**	(9)
Total tax charged/(credited) to income statement	**38**	(8)

(b) Tax charged to other comprehensive income
Tax charged to other comprehensive income in the year amounted to £nil (2024: £nil) in respect of obligations under pension and post-retirement benefit schemes.

(c) Tax reconciliation
The tax on the Company's profit before tax differs from the theoretical amount that would arise using the tax rate in the United Kingdom as follows:

	2025 £m	2024 £m
Total profit before tax	**2,456**	954
Tax calculated at standard UK corporation tax rate of 25% (2024: 25%)	**(614)**	(239)
Reconciling items		
Adjustment to tax charge in respect of prior years	**(11)**	7
Non-assessable dividend income	**4,292**	500
Disallowable expenses	**(20)**	(2)
Impairment of investment in subsidiaries	**(3,416)**	—
Movement in valuation of deferred tax	**(4)**	—
Losses surrendered intra-group for nil value	**(113)**	(123)
Tax on interest amounts charged directly to equity	**13**	9
Total tax credited to income statement	**127**	152

In accordance with the amendments to IAS 12, endorsed in the UK on 19 July 2023, the Company has applied the exemption and not provided for deferred tax in respect of the global minimum tax reforms.

E - INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURE

(a) Movements in Company's investments in its subsidiaries
At 31 December 2025, the Company has two wholly owned subsidiaries, both incorporated in the UK. These are General Accident Limited and Aviva Group Holdings Limited. Aviva Group Holdings Limited is an intermediate holding company, while General Accident Limited previously held preference shares listed on the London Stock Exchange.

The principal subsidiaries of the Aviva Group at 31 December 2025 are set out in note 56 to the Group consolidated financial statements.

	Note(s)	2025 £m	2024 £m
At 1 January		**31,808**	31,801
Additions	E(b)(i)	**4,063**	7
Impairments	E(b)(ii)	**(13,664)**	—
At 31 December		**22,207**	31,808

(b) Material movements
(i) Additions
On 1 July 2025 the Group acquired 100% of the issued share capital of the Direct Line Insurance Group plc (Direct Line) in exchange for total consideration of £4 billion. Ownership of Direct Line was subsequently moved from Aviva plc to Aviva Insurance Limited, via Aviva Group Holdings Limited. The additions of £4 billion relate to the increase in investment in subsidiary in Aviva Group Holdings Limited.
(ii) Impairments
General Accident Limited, formerly General Accident plc, previously held preference shares listed on the London Stock Exchange. During 2025 General Accident Limited cancelled its preference shares and subsequently performed a capital reduction of £13,664 million by cancelling its ordinary shares and associated share premium. On 1 December 2025, General Accident Limited declared a dividend of £14,405 million to Aviva plc, which was settled by clearing the intercompany loan and payables between Aviva plc and General Accident Limited, reducing the net assets in General Accident Limited. This resulted in an impairment charge recognised in Aviva plc of £13,664 million, alongside an equivalent reduction in the Company's investment in subsidiary for General Accident Limited.
(c) Joint venture
At 31 December 2025 the Company's investment in the joint venture, Aviva-COFCO Life Insurance Co. Limited has a cost of £123 million (2024: £123 million).

Notes to the company financial statements

F – RECEIVABLES AND OTHER FINANCIAL ASSETS

	Note	2025 £m	2024 £m
Loans due from subsidiaries held at amortised cost	O(a)	**672**	1,402
Amounts due from subsidiaries held at amortised cost	O(c)(i)	**223**	206
Total receivables and other financial assets		**895**	1,608
Expected to be recovered in less than one year		**294**	952
Expected to be recovered in more than one year		**601**	656
Total receivables and other financial assets		**895**	1,608

Fair value of these assets approximate to their carrying amounts.

G – TAX ASSETS AND LIABILITIES

(a) Current tax

Current tax assets recoverable in more than one year are £nil (2024: £146 million).

Current tax assets of £310 million (2024: £165 million) are expected to be settled by group relief, and are recoverable in less than one year.

(b) Deferred tax

(i) The net deferred tax asset arises on the following items:

	2025 £m	2024 £m
Pensions and other post retirement obligations	**8**	8
Unused losses and tax credits	**80**	114
Provisions and other temporary differences	**(4)**	—
Net deferred tax assets	**84**	122

(ii) The movement in the net deferred tax asset was as follows:

	Note	2025 £m	2024 £m
Net deferred tax assets at 1 January		**122**	114
Amounts (charged)/credited to income statement	D(a)	**(38)**	8
Net deferred tax assets at 31 December		**84**	122

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. In assessing future profitability, the directors have relied on board approved business plans and profit forecasts for the UK Group for up to 5 years. In entities where there is a history of tax losses, deferred tax assets are only recognised in excess of deferred tax liabilities if there is convincing evidence that future taxable profits will be available.

H – RESERVES

	2025		2024	
	Merger reserve £m	**Retained earnings £m**	Merger reserve £m	Retained earnings £m
At 1 January	**2,688**	**10,397**	2,688	10,589
Profit for the year[1]	**—**	**2,583**	—	1,106
Remeasurement of pension schemes	**—**	**—**	—	1
Dividends and appropriations	**—**	**(1,097)**	—	(972)
Forfeited dividend income	**—**	**2**	—	—
Shares purchased in buyback	**—**	**—**	—	(300)
Direct Line Acquisition				
Acquisition of Direct Line	**2,198**	**—**	—	—
Preference share and Tier 1 notes				
Special dividends paid to preference share holders of Aviva plc	**—**	**(94)**	—	—
Other movements				
Issue of share capital under equity compensation scheme	**—**	**(10)**	—	(27)
At 31 December	**4,886**	**11,781**	2,688	10,397

1. Includes £14,405 million (2024: £nil) dividend income from General Accident Limited, refer to note A, and £13,664 million (2024: £nil) impairment of investment in subsidiaries in relation to General Accident Limited, refer to note E

The vast majority of the retained earnings of the Company are distributable.

Notes to the company financial statements

I - PENSION DEFICITS AND OTHER PROVISIONS

	2025 £m	2024 £m
Total IAS 19 obligations to staff pension schemes	**30**	31
Total pension deficits and other provisions	**30**	31

J - BORROWINGS

The Company's borrowings comprise:

	2025 £m	2024 £m
Subordinated debt	**4,077**	4,063
Senior notes	**404**	383
Commercial paper	**52**	50
Total borrowings	**4,533**	4,496
Expected to be paid in less than one year	**52**	50
Expected to be paid in more than one year	**4,481**	4,446
Total borrowings	**4,533**	4,496

All the above borrowings are stated at amortised cost with the exception of commercial paper.

Maturity analysis of contractual undiscounted cash flows:

	2025			2024		
	Principal £m	**Interest £m**	**Total £m**	Principal £m	Interest £m	Total £m
Within one year	**52**	**235**	**287**	50	218	268
One to five years	**649**	**891**	**1,540**	385	861	1,246
Five to ten years	**260**	**1,019**	**1,279**	249	1,016	1,265
10 to 15 years	**200**	**954**	**1,154**	200	970	1,170
Over 15 years	**3,423**	**2,637**	**6,060**	3,646	2,530	6,176
Total contractual undiscounted cash flows	**4,584**	**5,736**	**10,320**	4,530	5,595	10,125

The fair value of the subordinated debt at 31 December 2025 was £4,153 million (2024: £3,999 million), calculated with reference to quoted prices. The fair value of the senior debt as at 31 December 2025 was £400 million (2024: £377 million), calculated with reference to quoted prices. The fair value of the commercial paper is considered to be the same as its carrying value.

Further details of these borrowings and undrawn committed facilities can be found in the Group consolidated financial statements in note 45, with the details of the fair value hierarchy in relation to these borrowings in note 23.

K - PAYABLES AND OTHER FINANCIAL LIABILITIES

	Note	2025 £m	2024 £m
Loans due to subsidiaries held at amortised cost	O(b)	**431**	9,597
Amounts due to subsidiaries held at amortised cost	O(c)(ii)	**167**	5,071
Total payables and other financial liabilities		**598**	14,668
Expected to be paid in less than one year		**167**	127
Expected to be paid in more than one year		**431**	14,541
Total payables and other financial liabilities		**598**	14,668

L - TIER 1 NOTES

On 31 March 2025, the Company issued £500 million of 7.750% Fixed Rate Reset Perpetual Restricted Tier 1 Contingent Convertible Notes (the RT1 Notes), see details in note 35. During the year coupon payments of £20 million were made (2024: £nil).

On 15 June 2022, the Company issued £500 million of 6.875% Fixed Rate Reset Perpetual Restricted Tier 1 Contingent Convertible Notes (the RT1 Notes), see details in note 35. During the year coupon payments of £34 million were made (2024: £34 million).

M - CONTINGENT LIABILITIES

Details of the Company's contingent liabilities are given in the Group consolidated financial statements, note 48.

N - RISK MANAGEMENT

Risk and capital management in the context of the Group is considered in the Group consolidated financial statements, notes 50 and 52.

The business of the Company is managing its investments in subsidiaries and joint venture operations. Its risks are considered to be the same as those in the operations themselves, and full details of the major risks and the Group's approach to managing these are given in the Group consolidated financial statements, note 52. Such investments are held by the Company at cost in accordance with accounting policy D.

Notes to the company financial statements

Financial assets, other than investments in subsidiaries and joint ventures, largely consist of amounts due from subsidiaries. As at the balance sheet date, these receivable amounts were neither past due nor impaired. The credit quality of receivables and other financial assets is monitored by the Company and provisions are made for expected credit losses. There are no material expected credit losses over the lifetime of the financial assets.

Financial liabilities owed by the Company as at the balance sheet date are largely in respect of borrowings (details of which are provided in note J and the Group consolidated financial statements, note 45) and loans owed to subsidiaries. Loans owed to subsidiaries were within agreed credit terms as at the balance sheet date.

(a) Interest rate risk
Loans to and from subsidiaries are at either fixed or floating rates of interest, depending on the preferences of the lending entities, with the latter being exposed to fluctuations in these rates.

All of the Company's long-term external borrowings are at fixed rates of interest and are therefore not exposed to fluctuations. However, for short-term commercial papers, the Company is affected by changes in these rates to the extent the redemption of these borrowings is funded by the issuance of new commercial papers or other borrowings. Further details of the Company's borrowings are provided in note J and the Group consolidated financial statements, note 45.

The effect of a 100 basis point increase/decrease in interest rates on floating rate loans due to and from subsidiaries and on refinancing the short-term commercial paper as it matures would be a decrease/increase in profit before tax of £4 million (2024: decrease/increase of £90 million). We manage and hedge our interest rate exposure through setting risk tolerance levels on a Solvency UK cover ratio basis. Exposure to interest rate risk is monitored through several measures that include duration, capital modelling, sensitivity testing and stress and scenario testing.

(b) Currency risk
The Company's direct subsidiaries are exposed to foreign currency risk arising from fluctuations in exchange rates during the course of providing insurance and asset management services around the world. The exposure of the subsidiaries to currency risk is considered from a Group perspective in the Group consolidated financial statements, note 52(b)(v).

The Company faces exposure to foreign currency risk through some of its borrowings which are denominated in Euros and Canadian dollars.

(c) Liquidity risk
Liquidity risk is the risk of not being able to make payments as they become due because there are insufficient assets in cash form. The Company's main sources of liquidity are liquid assets held within the Company and its subsidiary Aviva Group Holdings Limited, and dividends received from the Group's insurance and asset management businesses.

Sources of liquidity in normal markets also include a variety of short and long-term instruments including commercial paper and medium and long-term debt.

In addition to the existing liquid resources and expected inflows, the Company maintains significant undrawn committed borrowing facilities from a range of leading international banks to further mitigate this risk.

Maturity analysis of external borrowings and amounts due to and by subsidiaries are provided in notes J, K and F respectively.

(d) Intra-group capital arrangement
Consistent with our capital management framework, the Group has in place intra-group arrangements to provide additional capital support to its regulated subsidiaries. In the normal course of business, the Group will provide additional capital support to its regulated subsidiaries in certain circumstances. While the Group considers it unlikely that any material support will be required, the arrangements are intended to provide additional comfort to its regulated subsidiaries and its policyholders. See note 50 for more detail on risks and capital management objectives.

O – RELATED PARTY TRANSACTIONS

The Company had the following related party transactions.

Loans to and from subsidiaries are made on normal arm's-length commercial terms. The maturity analysis of the related party loans is as follows:

(a) Loans owed by subsidiaries

	2025 £m	2024 £m
Within one year	**213**	746
One - five years	**—**	202
Over five years	**459**	454
Total loans owed by subsidiaries	**672**	1,402

The interest received on these loans is £47 million (2024: £61 million). See note A.

On 1 January 2013, Aviva International Holdings Limited, an indirect subsidiary, transferred an unsecured loan with the Company of €250 million to Aviva Group Holdings Limited, its direct subsidiary. The loan, originally entered into on 7 May 2003, accrues interest at a fixed rate of 5.5% with settlement to be paid at maturity in May 2033. As at the statement of financial position date, the total amount drawn down on the loan was £218 million (2024: £207 million).

On 27 June 2016, the Company provided an unsecured loan of $CAD446 million to Aviva Group Holdings Limited, its subsidiary, with a maturity date of 27 June 2046. The loan accrues interest at 348 basis points above 6 month CORRA with a basis compensation adjustment of 49 basis points. As at the statement of financial position date, the total amount drawn on the loan was £241 million (2024: £247 million).

On 30 September 2016, the Company provided the following loans to Aviva Group Holdings Limited, its subsidiary:

- An unsecured loan of €850 million with a maturity date of 30 September 2026. The loan accrues interest at 49 basis points above 12 month EURIBOR with settlement to be paid at maturity. As at the statement of financial position date, the total amount drawn on the loan was £213 million (2024: £202 million).

Notes to the company financial statements

- An unsecured loan of €700 million with a maturity date of 3 July 2024. The loan was redeemed in full on its maturity date of 3 July 2024 and therefore at the statement of financial position date, the total amount drawn down on the loan was £nil (2024: £nil). The loan accrued interest at a fixed rate of 1.64% with settlement paid at maturity.
- An unsecured loan of €900 million with a maturity date of 4 December 2025. The loan was redeemed in full on its maturity date of 4 December 2025 and therefore at the statement of financial position date, the total amount drawn down on the loan was £nil (2024: £746 million). The loan accrued interest at a fixed rate of 1.74% with settlement paid at maturity.

(b) Loans owed to subsidiaries

Maturity analysis of contractual undiscounted cash flows:

	Principal £m	**Interest £m**	**2025 Total £m**	Principal £m	Interest £m	2024 Total £m
Within one year	**—**	**22**	**22**	—	478	478
One to five years	**431**	**44**	**475**	9,597	1,911	11,508
Over five years	**—**	**—**	**—**	—	—	—
Total contractual undiscounted cash flows	**431**	**66**	**497**	9,597	2,389	11,986

The interest paid on these loans is £449 million (2024: £534 million). See note C.

On 3 September 2013 Aviva Group Holdings Limited, its subsidiary, provided an unsecured rolling credit facility of £1,000 million to the Company. On 6 October 2016, the facility increased to £5,000 million. This facility had a maturity date of 31 December 2023 and the Company renewed this facility on 1 January 2024 to further extend the maturity date to 31 December 2028. The loan accrued interest at a fixed rate of 0.895% to 31 December 2023, and from 1 January 2024 accrued interest at the 12 month SONIA Swap Rate plus 0.648%. The total amount drawn down on the facility at 31 December 2025 was £431 million (2024: £158 million).

On 14 December 2017, the Company renewed its facility with General Accident plc (now General Accident Limited), its subsidiary, of £9,990 million and the Board approved the extension of the maturity of the loan by five years from 31 December 2017 to 31 December 2022. A subsequent loan amendment in December 2022 extended the loan maturity to 31 December 2027 and changed the interest rate to a floating rate based on the 12 month SONIA swap rate effective from 1 January 2023. The loan was settled on 1 December 2025 and therefore the loan balance outstanding at 31 December 2025 was £nil (2024: £9,439 million). This loan was previously secured against the ordinary share capital of Aviva Group Holdings Limited.

(c) Other transactions

(i) Services provided to related parties

	2025		2024	
	Income earned in year £m	**Receivable at year end £m**	Income earned in year £m	Receivable at year end £m
Subsidiaries and joint ventures	**17,166**	**223**	2,000	206

Income earned relates to dividends. The Company incurred expenses in the year of £0.6 million (2024: £0.5 million) representing audit fees paid by the Company on behalf of subsidiaries. The Company did not recharge subsidiaries for these expenses.

The related parties' receivables are not secured and no guarantees were received in respect thereof. The receivables will be settled in accordance with normal credit terms.

(ii) Services provided by related parties

	2025		2024	
	Expense incurred in year £m	**Payable at year end £m**	Expense incurred in year £m	Payable at year end £m
Subsidiaries	**407**	**167**	311	5,071

Expenses incurred relates to operating expenses. All the Company's operating cash requirements are met by subsidiary companies and settled through intercompany loans.

The Company has a prepayment of £39 million (2024: £81 million) relating to shares owned by an employee share trust to satisfy the Company's share awards.

The related parties' payables and receivables are not secured and no guarantees were given or received in respect thereof. The payables will be settled in accordance with normal credit terms. Details of guarantees, indemnities and warranties given by the Company on behalf of related parties are given in note 48(f).

(d) Key management

The directors and key management of the Company are considered to be the same as for the Group. Information on both the Company and Group key management compensation can be found in note 55.

P – SUBSEQUENT EVENTS

For Group subsequent events please see note 58.

Other Information

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Alternative performance measures

OVERVIEW

In order to fully explain the performance of our business, we discuss and analyse our results in terms of financial measures which include a number of Alternative Performance Measures (APMs). APMs are non-GAAP measures which are used to supplement the disclosures prepared in accordance with other regulations, such as International Financial Reporting Standards (IFRS) and Solvency II. We believe these measures provide useful information to enhance the understanding of our financial performance. However, APMs should be viewed as complementary to, rather than as a substitute for, the amounts determined according to other regulations.

The APMs utilised by Aviva may not be the same as those used by other insurers and may change over time. The calculation of APMs is consistent with previous periods unless otherwise stated.

In the UK the final Prudential Regulation Authority (PRA) rules for Solvency UK became effective from 31 December 2024. The new regime has been referred to as "Solvency II" in this section, unless otherwise stated, as this is in line with the current PRA guidance and consistent with the name of the prudential regime in PRA policy material.

Further details on APMs derived from IFRS measures and APMs derived from Solvency II measures are provided in the following sections. A further section describes other APMs.

Changes in APMs

As a result of the acquisition of Direct Line and the Group's refreshed targets we have performed a review of our suite of APMs in order to ensure that each is appropriately relevant and useful to users. As a result of this review we have taken the decision to stop reporting the Solvency II Future Surplus Emergence and Solvency II Return on Capital APMs.

Solvency II Future Surplus Emergence has been removed as it is a purely life business measure and, given the proportion of general insurance business, is no longer representative of Aviva's future operating capital generation.

As part of the Group's refreshed targets IFRS Return on equity is the main measure of value generation per share, and whilst we continue to disclose the Group level Solvency II Return on equity, the more granular business unit Solvency II Return on Capital has been removed as we believe Own Funds Generation provides the appropriate level of information on Solvency II performance.

The Group has introduced a number of additional APMs, Net written premiums, Wealth revenue margin and Wealth operating profit margin. Net written premiums provides additional information about the growth of volumes in the business, while Wealth revenue margin and Wealth operating profit margin provide information on the trends of revenue and operating profit in relation to assets under management for the Wealth business.

The definition for 'IFRS return on equity' has been updated. The denominator has been changed from a weighted average of shareholders equity to the period's opening shareholders' equity. Additionally the impact of the IAS 19 pension surplus/deficit has been excluded from this denominator. These changes remove a source of volatility which is not representative of operating performance from the calculation and therefore results in a more useful metric. Comparatives have been represented on this basis.

Additional reconciling items relating to claims in settlement acquired in business combinations have been included within Gross written premiums (GWP) and Combined operating ratio (COR) to remove the impacts of the measurement of contracts which have moved to measurement under the GMM from the PAA solely due to acquisition activities. This item is also removed within the reconciliation for Group adjusted operating profit. This change in treatments of the contracts is due to accounting requirements rather than any change in the contracts themselves.

The definition for the cash remittances APM has been updated. Due to exceptional movements of cash outside of the regular remittances, associated with the Direct Line acquisition, the APM definition has been updated. These updates preserve the APM's purpose in displaying the regular cash remittances and remove volatility associated with targeted M&A or other capital management actions. There is no effect on the comparative figures.

The impact of special dividends paid on cancellation of the preference shares of Aviva plc of £94 million and General Accident plc (GA plc) of £109 million have been excluded from the Operating earnings per share, IFRS return on equity and Solvency II return on equity APMs. This presentation ensures that year-on-year trends for these performance measures are not distorted by special dividends payable on the preference share cancellation.

APMS DERIVED FROM IFRS MEASURES

A number of APMs relating to IFRS are utilised to measure and monitor the Group's performance.

- Group adjusted operating profit
- Operating value added
- Stock of future profit
- Gross written premiums (GWP)
- Net written premiums (NWP)
- Combined operating ratio (COR)
- Claims, commission, expense and distribution ratios
- Operating earnings per share (Operating EPS)
- Controllable costs
- IFRS return on equity (RoE)
- IFRS Shareholders' equity per share
- Adjusted IFRS Shareholders' equity per share
- Assets Under Management (AUM) and Assets Under Administration (AUA)
- Net flows
- Aviva Investors revenue
- Cost income ratio (CIR)
- Cost asset ratio
- Wealth revenue margin
- Wealth operating profit margin

Definitions and additional information, including reconciliation to the relevant amounts in the IFRS financial statements and, where appropriate, commentary on the material reconciling items are included within this section.

Alternative performance measures

GROUP ADJUSTED OPERATING PROFIT

Group adjusted operating profit is an APM that supports decision making and internal performance management of the Group's operating segments that incorporates an expected return on investments supporting the life and non-life insurance businesses. The Group considers this measure meaningful to stakeholders as it enhances the understanding of the Group's operating performance over time by separately identifying non-operating items. The various items excluded from Group adjusted operating profit, but included in IFRS profit before tax, are:

(a) Investment variances and economic assumption changes

Group adjusted operating profit for life and non-life business is based on expected investment returns on financial investments backing shareholder and policyholder funds over the reporting period, with allowance for the corresponding expected movements in liabilities. This includes movements in the liabilities to with-profit policyholders that offset the operating result of non-profit contracts written in the with-profit funds. Group adjusted operating profit also includes the effect of the mismatch between movements in expected future insurance contract cash flows measured at current discount rates and the corresponding adjustment to the contractual service margin (CSM) measured at locked in rates.

The expected rate of return is determined using consistent assumptions between operations, having regard to local economic and market forecasts of investment return and asset classification.

For fixed interest securities classified as fair value through profit or loss, the expected investment returns are based on average prospective yields for the actual assets held less an adjustment for credit risk. The expected return on equities and properties is calculated using the appropriate risk-free rate in the relevant currency plus a risk premium.

Group adjusted operating profit includes the effect of variances in experience for non-economic items, such as mortality, persistency and expenses, and the effect of changes in non-economic assumptions such as changes in expected cashflows for non-life claims. Changes due to economic items such as market value movements and interest rate changes, which give rise to variances between actual and expected investment returns, and the impact of changes in economic assumptions on liabilities, are disclosed separately outside Group adjusted operating profit.

The exclusion of short-term investment variances from this APM reflects the long-term nature of much of our business. The Group adjusted operating profit, which is used in managing the performance of our operating segments, excludes the impact of economic variances to provide a comparable measure year-on-year.

(b) Impairment, amortisation and profit or loss on disposal

Group adjusted operating profit also excludes impairment of goodwill, associates and joint ventures; amortisation and impairment of other intangible assets acquired in business combinations; amortisation and impairment of acquired value of in-force business on non-participating investment contracts; and the profit or loss on disposal and remeasurement of subsidiaries, joint ventures and associates.

These items principally relate to merger and acquisition activity which we view as strategic in nature, hence they are excluded from the Group adjusted operating profit APM as this is principally used to manage the performance of our operating segments when reporting to the Group chief operating decision maker.

(c) Integration and restructuring costs

Group adjusted operating profit excludes integration and restructuring (I&R) costs that relate to a well-defined programme that materially changes the scope of our business or the manner in which it is conducted, with the exception of expected future I&R costs directly attributable to insurance contracts. Directly attributable I&R costs will be reflected in the CSM and the impact recognised in Group adjusted operating profit as CSM is amortised.

(d) Other items

Other items are those items that, in the directors' view, are required to be separately disclosed by virtue of their nature or incidence to enable a full understanding of the Group's financial performance.

At 31 December 2025, other items are a net charge of £120 million primarily comprising a charge of £12 million relating to voting fees and costs associated with the cancellation of the Group's preference share capital, a charge of £74 million relating to costs associated with acquisitions, and a charge of £21 million relating to the timing difference arising between measurement of claims in settlement acquired in business combinations under the General Measurement Model (GMM) and Premium Allocation Approach (PAA) bases (see below).

Application of IFRS requires insurance contracts on acquisition of a business to be accounted for as though they were entered into at the date of acquisition. As a result, on acquisition of Direct Line, IFRS requires contracts where claims were in settlement, including claims reported but not yet settled as well as claims incurred but not yet reported, must be re-measured at fair value and the value attributed recognised as revenue over the period to settlement of the outstanding claims. This approach requires the GMM to be applied instead of PAA and creates some timing differences in recognition of profit. To remove this effect, which only arises due the acquisition accounting, and align profit and revenue recognition to equivalent directly written contracts operating profit reflects these contracts on a PAA basis, with the adjustment of £21 million (2024: £nil) to the fair value approach under GMM recognised as a non-operating item. This adjustment will be required until the claims run off over the usual course of business.

At 31 December 2024, other items were a net gain of £31 million primarily comprising a gain of £68 million in relation to a revision to the 2023 restatement in respect of accounting processes for with-profit funds, and a charge of £24 million relating to costs associated with acquisitions.

Alternative performance measures

The table below presents a reconciliation between our consolidated Group adjusted operating profit and profit before tax attributable to shareholders' profits.

	2025 £m	2024 £m
UK & Ireland General Insurance	**1,077**	708
Canada General Insurance	**408**	288
Insurance, Wealth & Retirement (IWR)	**1,078**	1,071
Aviva Investors	**47**	40
International investments (India and China)	**60**	48
Business unit operating profit	**2,670**	2,155
Corporate centre costs and Other operations	**(185)**	(115)
Group debt costs and other interest	**(282)**	(273)
Group adjusted operating profit before tax attributable to shareholders' profits	**2,203**	1,767
Adjusted for the following:		
Investment variances and economic assumption changes	**(117)**	(666)
Amortisation of intangibles acquired in business combinations	**(111)**	(61)
Amortisation of acquired value of in-force business	**(55)**	(52)
Integration and restructuring costs	**(360)**	(217)
Profit on disposal and remeasurement of subsidiaries, joint ventures and associates	**—**	195
Other	**(120)**	31
Adjusting items before tax	**(763)**	(770)
Profit before tax attributable to shareholders' profits	**1,440**	997
Tax on Group adjusted operating profit	**(519)**	(407)
Tax on other activities	**133**	115
Tax attributable to shareholders' profits	**(386)**	(292)
Profit for the year	**1,054**	705

OPERATING VALUE ADDED

Operating value added represents the increase in "value" in the period on an IFRS 17 basis. This is defined as the operating profit in the period plus the operating change in the contractual service margin (CSM) (gross of tax). Operating changes in the CSM include new business, interest accretion, expected return, experience variances, assumption changes and release of CSM and exclude economic variances and economic assumption changes.

Non-operating changes in the CSM consist of investment variances, economic assumption changes, and integration and restructuring costs that are directly attributable to insurance contracts.

For business measured using the general measurement model (GMM) the CSM is calculated using locked-in rates, so investment variances and economic assumption changes will be limited to changes in expenses due to inflation. For contracts measured under the variable fee approach (VFA), variance between the expected return on the shareholder share of underlying assets and the actual return are reported as non-operating changes in CSM.

This APM is relevant mainly for the life business and is a more complete and useful measure of the value generated in the period, reflecting the benefit of writing new business and assumption changes in the period. No adjustment is made for the future value of the businesses for which no CSM liability has been established and operating value added is equal to operating profit.

	2025 £m	2024 £m
Group adjusted operating profit before tax attributable to shareholders' profits	**2,203**	1,767
Operating changes in CSM	**(188)**	200
Operating value added	**2,015**	1,967

	2025 £m	2024 £m
UK & Ireland General Insurance	**1,093**	712
Canada General Insurance	**408**	288
Insurance, Wealth & Retirement (IWR)[1]	**874**	1,268
Aviva Investors	**47**	40
International investments (India and China)	**60**	48
Business unit operating value added	**2,482**	2,356
Corporate centre costs and Other operations[1]	**(185)**	(116)
Group debt costs and other interest	**(282)**	(273)
Group operating value added	**2,015**	1,967

1. IWR operating value added excludes the impact of intra-group reinsurance of Periodic Payment Orders (PPOs). This intra-group reinsurance is reported under 'Other operations'

Alternative performance measures

	Note	**2025 £m**	2024 £m
Opening CSM	39(b)	**7,772**	7,248
New business		**423**	589
Interest accretion and expected return		**326**	290
Experience variance and other		**(45)**	173
Assumption changes		**(4)**	18
Release of CSM		**(888)**	(870)
Operating changes in CSM		**(188)**	200
Non-operating changes		**139**	324
Closing CSM[1]	39(b)	**7,723**	7,772

1. The CSM is included within Insurance contract and participating investment contract liabilities on the Consolidated statement of financial position. See note 39 for more detailed information on these balances

STOCK OF FUTURE PROFIT

Stock of future profit is the addition of the CSM and the risk adjustment, which represents the future profit recognised in the statement of financial position to unwind into profit over time. It is presented at the Group total. The releases from the stock of future profit are a key driver of profit for our life insurance business and these releases are provided for our IWR Protection, Annuities, Heritage and Ireland businesses.

GROSS WRITTEN PREMIUMS (GWP)

GWP is a measure of volumes written in the period for the General Insurance (GI) business. GWP is useful for understanding the growth of the business. Reconciliations of GWP to insurance revenue is set out below. Reconciling items arise from presentational and timing differences between writing premiums and recognising insurance revenue.

	Note	**2025 £m**	2024 £m
Gross written premiums		**14,145**	12,204
Movement in unearned premiums on contracts measured under the premium allocation approach (PAA)		**35**	(576)
Instalment income		**135**	86
Revenue from claims in settlement acquired in business combinations		**1,152**	—
Insurance revenue from general insurance business	3(a)	**15,467**	11,714
Insurance revenue from other segments	3(a)	**9,970**	9,033
Insurance revenue	4	**25,437**	20,747

NET WRITTEN PREMIUMS (NWP)

NWP is a measure of volumes written in the period for the GI business less premium ceded to reinsurers. NWP is useful for understanding the growth of the business. Reconciliations of GWP to NWP is set out below.

	2025 £m	2024 £m
Gross written premiums	**14,145**	12,204
Less: Reinsurance premium ceded	**(1,729)**	(1,072)
Net written premiums	**12,416**	11,132

Alternative performance measures

COMBINED OPERATING RATIO (COR)

COR is a useful financial measure of GI underwriting profitability calculated as total underwriting costs in our insurance entities expressed as a percentage of net insurance revenue. It is used to monitor the profitability of lines of business. A COR below 100% indicates profitable underwriting.

COR continues to be presented on a net of reinsurance basis and includes the impact of discounting (discounted COR).

COR presents claims in settlement acquired in business combinations as though measured under the premium allocation approach (PAA).

The Group considers COR with claims measured on an undiscounted basis (undiscounted COR) to align more closely to the way in which the business is managed, and undiscounted COR is disclosed alongside discounted COR.

The Group discounted and undiscounted COR are shown below.

	Note	**2025 £m**	2024 £m
Total claims and benefits – GI and Health[1]	7	**(9,795)**	(7,490)
Adjusted for the following:			
Claims and benefits – Health		**550**	510
Claims recoverable from reinsurers		**1,386**	593
Claims in settlement acquired in business combinations		**480**	—
Losses on onerous contracts (including recoveries) and other		**18**	(40)
Total incurred claims (included in COR)[1]		**(7,361)**	(6,427)
Insurance service expense – GI and Health	3(b)	**(14,261)**	(11,026)
Adjusted for the following:			
Insurance service expenses – Health		**716**	656
Insurance service expenses recoverable from reinsurers		**1,380**	585
Remove incurred claims[1]		**7,361**	6,427
Claims in settlement acquired in business combinations		**705**	—
Include non attributable expenses and other		**—**	(32)
Total commission and expenses (included in COR)[1,2]		**(4,099)**	(3,390)
Total underwriting costs - discounted		**(11,460)**	(9,817)
Remove discounting benefit		**(506)**	(428)
Underwriting costs - undiscounted		**(11,966)**	(10,245)
Insurance Revenue – GI and Health	3(b)	**16,241**	12,426
Adjusted for the following:			
Insurance Revenue – Health		**(774)**	(712)
Allocation of reinsurance premiums		**(2,090)**	(1,064)
Claims in settlement acquired in business combinations		**(731)**	—
Net insurance revenue (included in COR)		**12,646**	10,650
Discounted Combined operating ratio (COR)		**90.6 %**	92.2 %
Undiscounted Combined operating ratio (COR)		**94.6 %**	96.3 %

1. 2024 comparative amounts for incurred claims, commissions and expenses have been re-presented for alignment of accounting presentation following the acquisition of Direct Line
2. Commission and expenses (included in COR) is comprised of £(2,247) million incurred commission (2024: £(2,045) million) and £(1,852) million incurred expenses (2024 re-presented: £(1,345) million)

CLAIMS, COMMISSION, EXPENSE AND DISTRIBUTION RATIOS

Financial measures of the performance of our general insurance business which are calculated as incurred claims, earned commission or earned expenses expressed as a percentage of net insurance revenue, which can be derived from the COR table above. The ratios are meaningful to stakeholders because they enhance understanding of the profitability of the business sold. The commission ratio and expense ratio are aggregated together to calculate the distribution ratio, which is the key efficiency metric for the general insurance business.

OPERATING EARNINGS PER SHARE (OPERATING EPS)

Operating EPS is calculated based on the Group adjusted operating profit attributable to ordinary shareholders of Aviva plc net of tax, deducting non-controlling interests, preference dividends (excluding special dividends) and direct capital instrument coupons divided by the weighted average number of ordinary shares in issue, after deducting treasury shares. Operating EPS is considered meaningful to stakeholders because it enhances the understanding of the Group's operating performance over time by adjusting for the effects of non-operating items. Details of basic EPS and operating EPS can be found in note 14.

CONTROLLABLE COSTS

Controllable costs is a useful measure of the controllable operational overheads associated with maintaining our businesses. These predominantly consist of staff costs, central costs, property costs, IT related costs and other expenses. Controllable costs also include indirect acquisition costs, such as underwriting overheads, and claims handling costs. These are considered to be controllable by the operating segments.

Controllable costs excludes:

- Impairment of goodwill, associates and joint ventures; amortisation and impairment of other intangible assets acquired in business combinations; and amortisation and impairment of acquired value of in-force business. These items relate to merger, acquisition and disposal activity which we view as strategic in nature, hence they are excluded from controllable costs which is principally used to manage the performance of our operating segments;

Alternative performance measures

- Costs in relation to product governance and mis-selling. These costs represent compensation and redress payments made to policyholders, and recoveries from professional indemnity insurers for the compensation paid. These items are excluded from controllable costs because they have characteristics of claims payments;
- Premium based taxes, fees and levies that vary directly with premiums. These costs are by their nature a direct cost incurred as a result of generating premium income, and therefore not a controllable operational overhead;
- Integration and restructuring costs recognised in 'other expenses' that relate to a well-defined programme that materially changes the scope of our business or the manner in which it is conducted; and
- Other amounts that, in management's view, are not representative of underlying day-to-day expenses involved in running the business, and that would distort the year-on-year controllable costs trend. In 2025 these primarily include;
  - Costs relating to legal, professional and bridge facility fee associated with the Direct Line acquisition
  - Charges relating to the cancellation of preferences shares in Aviva plc and GA plc; and
  - Certain investment management costs included within other expenses but not deemed to be controllable costs which are directly attributable to insurance and investment contracts.

A reconciliation of other expenses in the IFRS consolidated income statement to controllable costs is set out below:

	Note	**2025 £m**	2024 £m
Other expenses[1]	7	**3,616**	2,804
Add: other acquisition costs	7	**1,412**	1,218
Add: claims handling costs[1]		**565**	347
Less: amortisation of intangibles acquired in business combinations		**(111)**	(61)
Less: amortisation of acquired value of in-force business on non-participating investment contracts	7	**(55)**	(52)
(Less)/add: net foreign exchange gains/(losses)	7	**(71)**	109
Less: product governance and mis-selling costs		**(74)**	(74)
Less: integration and restructuring costs		**(373)**	(217)
Less: premium based income taxes, fees and levies		**(258)**	(239)
Less: other costs		**(212)**	(213)
Controllable costs[1]		**4,439**	3,622

1. Comparatives have been re-presented for accounting presentation alignment resulting from the acquisition of Direct Line

IFRS RETURN ON EQUITY (ROE)

IFRS RoE shows how efficiently we are using our financial resources to generate a return for shareholders on an IFRS basis. The IFRS RoE calculation is based on Group adjusted operating profit after tax attributable to ordinary shareholders expressed as a percentage of opening ordinary shareholders' equity (excluding preference share capital, tier 1 notes, non-controlling interests and IAS 19 pensions surplus/deficit).

Aviva IFRS RoE for 2025 has been adjusted to reflect the impact of the Direct Line acquisition as if it had taken place on 1 January 2025. This includes annualisation of the earnings from Direct Line in operating profit and adjusting opening shareholders' equity for the Aviva plc shares issued in partial consideration for the acquisition at 1 July 2025 of £2,322 million.

	2025 £m	2024[1] £m
Operating profit attributable to ordinary shareholders (normalised)	**1,723**	1,288
IFRS Shareholders' equity less IAS 19 pension balance (normalised)	**9,852**	8,179
IFRS return on equity	**17.5 %**	15.7 %

1. 2024 comparative amounts have been re-presented to align with the updated definition which is based on opening shareholders' funds adjusted for the IAS 19 pension balance (previously weighted average shareholders' funds not adjusted for the IAS 19 pension balance)

IFRS shareholders' equity and adjustments for IFRS RoE denominator are set out in the table below. The closing shareholders' equity at 31 December 2025 adjusted for the closing IAS 19 pension balance will be used for the basis of IFRS RoE for 2026.

	31 December 2025 £m	1 January 2025 £m	1 January 2024 £m
IFRS Shareholders' equity	**9,694**	7,609	8,586
Less: Pension scheme surplus	**(187)**	(79)	(407)
Plus: Direct Line acquisition share capital	**N/A**	2,322	N/A
IFRS Shareholders' equity less IAS 19 pension balance	**9,507**	9,852	8,179

IFRS SHAREHOLDERS' EQUITY PER SHARE

IFRS Shareholders' equity per share is calculated as the equity attributable to ordinary shareholders of Aviva plc, divided by the actual number of shares in issue at the balance sheet date. IFRS Shareholders' equity per share is meaningful as a measure of the value generated by the Group in terms of the equity shareholders' face value per share investment.

Alternative performance measures

	Note	2025	2024
IFRS Shareholders' equity[1] at 31 December (£m)		**9,694**	7,609
Number of shares in issue at 31 December (in millions)	31	**3,058**	2,678
IFRS Shareholders' equity per share		**317 p**	284 p

1. Excluding preference shares of £nil (2024: £200 million)

ADJUSTED IFRS SHAREHOLDERS' EQUITY PER SHARE

Adjusted IFRS Shareholders' equity per share is calculated as the equity attributable to ordinary shareholders of Aviva plc, plus CSM (see note 39(b)) net of tax, divided by the actual number of shares in issue at the balance sheet date. Adjusted IFRS Shareholders' equity per share is meaningful as a measure of the value generated by the Group, including the value held in CSM, in terms of the equity shareholders' face value per share investment.

	Note	2025	2024
IFRS Shareholders' equity[1] at 31 December (£m)		**9,694**	7,609
Add: CSM (£m)	39(e)	**7,723**	7,772
Less: Tax on CSM (£m)		**(1,912)**	(1,910)
Adjusted IFRS Shareholders' equity[1]		**15,505**	13,471
Number of shares in issue at 31 December (in millions)	31	**3,058**	2,678
Adjusted IFRS Shareholders' equity per share		**507 p**	503 p

1. Excluding preference shares of £nil (2024: £200 million)

Alternative performance measures

ASSETS UNDER MANAGEMENT (AUM) AND ASSETS UNDER ADMINISTRATION (AUA)

AUM represent all assets managed or administered by or on behalf of the Group's subsidiaries, including those assets managed by Aviva Investors and by third parties. AUM include managed assets that are reported within the Group's statement of financial position and those assets belonging to external clients outside the Aviva Group which are therefore not included in the Group's statement of financial position.

Consistent with previous years, Aviva Investors AUA comprises AUM plus £39,220 million (2024: £35,965 million) of assets managed by third parties on platforms administered by Aviva Investors. Both AUM and AUA are monitored as they reflect the potential earnings arising from investment returns and fee and commission income and measure the size and scale of the Group's fund management business.

A reconciliation of amounts appearing in the Group's statement of financial position to AUM is shown below:

	2025 £m	2024 £m
Financial investments	**303,406**	263,979
Investment property	**6,987**	6,313
Loans	**30,847**	30,553
Cash and cash equivalents	**18,289**	23,481
Other	**6,633**	6,194
Assets included in statement of financial position	**366,162**	330,520
Less: third-party funds and UK Platform included above	**(24,767)**	(23,502)
Assets managed on behalf of the Group's subsidiaries[1]	**341,395**	307,018
Aviva Investors external AUM	**41,547**	39,696
UK Platform[2]	**70,183**	59,129
Other	**1,315**	1,008
Assets managed on behalf of third parties[3]	**113,045**	99,833
Total AUM[4]	**454,440**	406,851

1. Includes investments in sustainable assets, capturing green assets, social assets, transitioning assets and other sustainable assets. Definitions for this Climate-related measure can be found within the Reporting Criteria section of the Aviva plc Climate-related Financial disclosure 2025.
2. UK Platform relates to the assets under management in the UK Wealth business
3. AUM managed on behalf of third parties cannot be directly reconciled to the financial statements
4. Includes AUM of £262,491 million (2024: £238,196 million) managed by Aviva Investors

NET FLOWS

Net flows is used by management as a key measure of growth in AUM, from which income is generated through asset management charges (AMCs). This measure is predominantly used in Aviva Investors and the Wealth business within Insurance, Wealth and Retirement (IWR).

It is the net position of inflows and outflows. Inflows include net premiums received for insurance and participating investment contracts, deposits made under non-participating investment contracts, and other funds received from customers included in AUM. Outflows include net claims paid for insurance and participating investment contracts, redemptions and surrenders under non-participating investment contracts, and other funds withdrawn by customers from AUM.

Aviva Investors net flows includes flows on internal assets which are managed on behalf of Group companies, and external flows on assets belonging to clients outside the Group which are not included in the Group's statement of financial position.

Net flows excludes market and other movements. Net flows when positive in the period can be referred to as net inflows and when negative as net outflows.

AVIVA INVESTORS REVENUE

Aviva Investors revenue includes AMCs received as fee and commission income, plus transaction fees and other related income, and is stated net of fees and commissions paid. It is a useful measure of revenue earned from fund management activities. Aviva Investors recognises fee income in the segmental income statement within both fee and commission income and inter-segment revenue. Fees and commissions paid are classified in other operating expenses.

COST INCOME RATIO (CIR)

Cost income ratio is used to monitor profitable growth in Aviva Investors and is useful as it gives a simple view of how efficiently the business is being run, allowing management to clearly see how costs are moving in relation to income.

Cost income ratio is calculated as Aviva Investors' controllable costs divided by Aviva Investors revenue.

	2025 £m	2024 £m
Aviva Investors revenue	**390**	374
Aviva Investors controllable costs	**(343)**	(334)
Cost income ratio	**88 %**	89 %

Alternative performance measures

COST ASSET RATIO

Cost asset ratio is used to monitor efficiency in the Insurance, Wealth & Retirement (IWR) and Aviva Investors businesses and is calculated in basis points (bps) as controllable costs divided by average assets under management (AUM). It is a useful measure as it allows management to see the trend of costs compared with business volumes.

	2025 £m	2024 £m
Insurance, Wealth & Retirement (IWR) controllable costs	**1,549**	1,425
Insurance, Wealth & Retirement (IWR) average AUM	**362,754**	329,136
Insurance, Wealth & Retirement (IWR) cost asset ratio	**42.7 bps**	43.3 bps

	2025 £m	2024 £m
Aviva Investors controllable costs	**343**	334
Aviva Investors average AUM	**250,344**	232,609
Aviva Investors cost asset ratio	**13.7 bps**	14.4 bps

There is significant overlap between the AUM balances of the Insurance, Wealth & Retirement and the Aviva Investors businesses, while some of the Group's AUM is attributable to other business units. The internal allocation of AUM and AUA to Insurance, Wealth & Retirement and Aviva Investors provides the most relevant information to assess the efficiency of these businesses.

WEALTH REVENUE MARGIN

Wealth revenue includes AMC's received as fee income stated net of investment management expenses, plus interest related income. Wealth revenue margin is used to assess revenue trends in relation to asset levels and is calculated as Wealth revenue divided by average Assets under Management (AUM).

	2025 £m	2024 £m
Wealth revenue	**748**	665
Wealth average AUM	**216,137**	184,106
Wealth revenue margin	**34.6 bps**	36.1 bps

WEALTH OPERATING PROFIT MARGIN

Wealth operating profit margin represents the operating profit divided by the average Assets under Management (AUM). This margin is used to assess operating profitability and how it evolves in relation to asset levels.

	2025 £m	2024 £m
Wealth operating profit	**175**	129
Wealth average AUM	**216,137**	184,106
Wealth operating profit margin	**8.1 bps**	7.0 bps

Alternative performance measures

APMS DERIVED FROM SOLVENCY II MEASURES

The Group is a regulated entity under the Solvency II regulatory framework and therefore uses a number of APMs that are derived from Solvency II measures in addition to those that are derived from IFRS based measures.

A number of key performance measures relating to Solvency II are utilised to measure and monitor the Group's performance and financial strength:

- Solvency II shareholder cover ratio
- Value of new business on an adjusted Solvency II basis (VNB)
- Solvency II Present Value of New Business Premium (PVNBP)
- Annual premium equivalent (APE)
- Health In-Force Premiums
- Solvency II operating own funds generation (Solvency II OFG)
- Solvency II operating capital generation (Solvency II OCG)
- Solvency II return on equity (Solvency II RoE)
- Solvency II net asset value per share (Solvency II NAV per share)
- Solvency II debt leverage ratio

The Solvency II regulatory framework requires insurers to hold own funds in excess of the Solvency Capital Requirement (SCR). Own funds are available capital resources determined under Solvency II. This includes the excess of assets over liabilities in the Solvency II balance sheet, calculated on best estimate, market consistent assumptions and includes transitional measures on technical provisions (TMTP), subordinated liabilities that qualify as capital under Solvency II, and off-balance sheet own funds.

The SCR is calculated at Group level using a risk-based capital model which is calibrated to reflect the cost of mitigating the risk of insolvency to a 99.5% confidence level over a one-year time horizon — equivalent to a 1 in 200 year event — against financial and non-financial shocks. As a number of subsidiaries utilise the standard formula rather than a risk-based capital model to assess capital requirements, the overall Group SCR is calculated using a partial internal model, and it is shown after the impact of diversification benefit.

The 'shareholder view' of Solvency II is considered by management to be more representative of the shareholders' risk-exposure and the Group's ability to cover the SCR with eligible own funds and aligns with management's approach to dynamically manage its capital position. In arriving at the shareholder view, the following adjustments may be made to the regulatory Solvency II position:

- The contribution to the Group's SCR and own funds of the most material fully ring-fenced with-profits funds and staff pension schemes in surplus are excluded. These exclusions have no impact on Solvency II surplus as these funds are self-supporting on a Solvency II capital basis with any surplus capital above SCR not recognised.
- Adjustments for future regulatory changes that are finalised but not yet implemented at the reporting date in order to show a more representative view of the Group's solvency position.

The reconciliation presented below shows the key differences between Group equity on an IFRS basis and Solvency II own funds on a shareholder view. Additional items bridging from Solvency II shareholder own funds to Solvency II regulatory own funds are presented subsequently.

Alternative performance measures

	Note	2025 £m	2024 £m
Total Group equity on an IFRS basis		**11,089**	8,621
Exclude preference shares and tier 1 notes		**(992)**	(696)
Exclude non-controlling interests	38	**(403)**	(316)
Add back CSM	39(b)	**7,723**	7,772
Exclude tax on CSM		**(1,912)**	(1,910)
IFRS adjusted shareholders' equity		**15,505**	13,471
Goodwill	16	**(4,425)**	(2,584)
Acquired value of in-force business	17	**(355)**	(408)
Deferred acquisition costs (net of deferred income)	29, 47	**(787)**	(780)
Other intangibles	17	**(1,725)**	(723)
Elimination of goodwill and other intangible assets		**(7,292)**	(4,495)
Removal of IFRS risk adjustment	39(b)	**1,326**	1,118
Inclusion of Solvency II risk margin		**(1,409)**	(1,298)
TMTP		**1,152**	1,377
Revaluation of subordinated liabilities		**264**	312
Asset, liability and other accounting valuation differences		**2,241**	838
Tax differences		**(163)**	(98)
Exclude staff pension schemes in surplus (net of tax)		**(511)**	(417)
Solvency II unrestricted shareholder tier 1 own funds		**11,113**	10,808
Restricted tier 1		**992**	946
Tier 2		**3,813**	3,751
Tier 3		**103**	134
Solvency II shareholder own funds		**16,021**	15,639
Adjustments for:			
Fully ring-fenced with-profit funds	50	**1,495**	1,387
Staff pension schemes in surplus	50	**279**	297
Solvency II regulatory own funds		**17,795**	17,323

Estimated Solvency II regulatory own funds of £17,795 million (2024: £17,323 million) is £1,463 million (2024: £1,644 million) greater than estimated Solvency II regulatory net assets of £16,332 million (2024: £15,679 million), primarily due to recognition of eligible subordinated debt capital less adjustments for ring-fenced funds restrictions.

SOLVENCY II SHAREHOLDER COVER RATIO

The estimated Solvency II shareholder cover ratio, which is derived from own funds divided by the SCR using the 'shareholder view', is one of the indicators of the Group's balance sheet strength.

A reconciliation of the Solvency II regulatory position to the Solvency II shareholder position is provided below:

	2025				2024			
	Own funds £m	**SCR £m**	**Surplus £m**	**Cover ratio %**	Own funds £m	SCR £m	Surplus £m	Cover ratio %
Solvency II regulatory position	**17,795**	**(10,657)**	**7,138**	**167 %**	17,323	(9,402)	7,921	184 %
Adjustments for:								
Fully ring-fenced with-profit funds	**(1,495)**	**1,495**	**—**	**11 %**	(1,387)	1,387	—	16 %
Staff pension schemes in surplus	**(279)**	**279**	**—**	**2 %**	(297)	297	—	3 %
Solvency II shareholder position	**16,021**	**(8,883)**	**7,138**	**180 %**	15,639	(7,718)	7,921	203 %

Alternative performance measures

VALUE OF NEW BUSINESS ON AN ADJUSTED SOLVENCY II BASIS (VNB)

VNB measures the additional value to shareholders created through the writing of new life business in the period. It reflects Solvency II assumptions and allowance for risk, and is defined as the increase in Solvency II own funds resulting from life business written in the period, including the impact of interactions between in-force and new business, adjusted to:

- Remove the impact of the contract boundary restrictions under Solvency II;
- Include businesses which are not within the scope of Solvency II own funds (e.g. UK non-life Retail business and UK Equity Release); and
- Reflect a gross of tax and non-controlling interests basis, and other differences as set out in the footnote to the table.
- Reflect the VNB methodology for annuities, which uses pricing target asset mix and target reinsurance (where actual reinsurance is not in place rather than the actual asset mix and reinsurance). This is considered more useful as it avoids distortions in the value of new business due to timing differences in asset origination or temporary reinsurance gaps.

	2025 £m	2024 £m
Insurance (Protection and Health)	**237**	250
Wealth & Other	**266**	245
Retirement (Annuities and Equity Release)	**173**	300
Ireland	**48**	44
Insurance, Wealth & Retirement (IWR)	**724**	839
International investments (India and China)	**63**	51
Group value of new business on an adjusted Solvency II basis (VNB)	**787**	890

VNB is calculated using economic assumptions as at the point of sale, taken as those appropriate to the start of each quarter. For contracts that are repriced more frequently, weekly or monthly economic assumptions have been used. The economic assumptions follow Solvency II rules for risk-free rates, volatility adjustment and matching adjustment.

The operating assumptions are consistent with the Solvency II balance sheet. When these assumptions are updated, the year-to-date VNB will capture the impact of the assumption change on all business sold that year.

Aviva applies a Matching Adjustment (MA) to certain obligations in IWR, using methodology which is set out in the Solvency and Financial Condition Report (SFCR). The MA used for 2025 UK new business (where applicable) was 135 bps (2024: 122 bps). The MA is an addition to the rate used to discount Solvency II best-estimate liabilities, to reflect the return on the matching assets used. In the calculation of VNB, an MA is applied based on the target allocation of assets backing new business. This allocation will be different to the MA applied at the portfolio level.

A reconciliation between VNB and the Solvency II own funds impact of new business is provided below:

	2025 Total £m	2024 Total £m
VNB (gross of tax and non-controlling interests)	**787**	890
Solvency II contract boundary restrictions – new business	**(137)**	(77)
Solvency II contract boundary restrictions – increments / renewals on in-force business	**133**	124
Business which is not in the scope of Solvency II own funds	**(225)**	(210)
Actual vs target asset mix/expected reinsurance	**(24)**	16
Tax and other[1]	**(144)**	(268)
Solvency II own funds impact of life new business	**390**	475

1. Other includes the impact of 'look through profits' in service companies (where not included in Solvency II) of £(12) million (2024: £(24) million). For new business written in 2025, the surplus from members options including transfers, early/late retirement and take up of tax-free lump sum payments at retirement are included in Solvency II Own Funds on BPAs, whilst prior to 2025, these were excluded in Solvency II Own Funds and reported in Other (2024: £(87) million)

NEW BUSINESS MARGIN

New business margin (VNB margin) is calculated as value of new business on an adjusted Solvency II basis (VNB) divided by the present value of new business premiums (PVNBP) and expressed as a percentage.

Alternative performance measures

PRESENT VALUE OF NEW BUSINESS PREMIUMS (PVNBP)

PVNBP measures sales in the Group's life insurance business. PVNBP is derived from the present value of new regular premiums expected to be received over the term of the new contracts plus 100% of single premiums from new business written in the financial period and is expressed at the point of sale. The discounted value of regular premiums is calculated using the same methodology as for VNB. PVNBP also includes any changes to existing contracts which were not anticipated at the outset of the contract that generate additional shareholder risk and associated premium income of the nature of a new policy.

	2025 £m	2024 £m
Insurance (Protection and Health)	**3,407**	3,586
Wealth & Other	**30,602**	27,847
Retirement (Annuities and Equity Release)	**6,560**	9,408
Ireland	**3,058**	2,614
Insurance, Wealth & Retirement (IWR)	**43,627**	43,455
International investments (India and China)	**1,548**	1,507
Group present value of new business premiums (PVNBP)	**45,175**	44,962

The table below presents a reconciliation of IFRS expected premiums from new insurance contracts to PVNBP:

	Note	**2025 £m**	2024 £m
Expected premiums (including investment components) from new insurance contracts	39(d)	**8,172**	11,576
Contract boundary and other measurement differences between IFRS 17 and PVNBP		**(155)**	83
Expected premiums from new non-participating investment contracts, other retail business, equity release loans and increments on existing policies		**34,309**	30,266
Expected premiums from insurance contracts not in scope of insurance and reinsurance contracts[1]		**1,301**	1,530
Additions		**35,610**	31,796
Premiums from share of joint ventures, associates and other		**1,548**	1,507
Present value of new business premiums (PVNBP)		**45,175**	44,962

1. Includes premiums from Health business measured under PAA and the cash flows arising from guaranteed annuity options which are within the contract boundary of existing contracts under IFRS, whilst the non-GAAP measure of PVNBP recognises a contract boundary at the date of vesting and therefore includes the premium paid by with profit funds to shareholder owned funds to establish the annuities at vesting

ANNUAL PREMIUM EQUIVALENT (APE)

APE is calculated as the sum of new regular premiums plus 10% of new single premiums written in the period (where relevant). APE is used as a new business measure, in particular for Protection and Health, part of our Insurance, Wealth & Retirement business. This provides useful information on sales and new business when considered alongside VNB.

Protection and Health	**2025 £m**	2024 £m
Present value of new business premiums (PVNBP)	**3,407**	3,586
Remove capitalised value of future regular premiums	**(2,918)**	(3,073)
Annual premium equivalent (APE)	**489**	513

HEALTH IN-FORCE PREMIUMS

Health In-Force Premiums is calculated as the sum of regular premiums which are in-force as at the reporting date. Health In-Force Premiums is used as a primary trading metric for reporting the Health business. This provides useful information on sales and renewals.

Health	**2025 £m**	2024 £m
Annual premium equivalent (APE)	**144**	138
Add value of renewal premiums in the period	**920**	810
Health In-Force Premiums	**1,064**	948

SOLVENCY II OPERATING OWN FUNDS GENERATION (OFG)

Solvency II operating own funds generation (OFG) measures the amount of Solvency II own funds generated from operating activities and incorporates an expected return on investments supporting the life and non-life insurance businesses. OFG is used to assess sustainable growth. The Group considers this measure meaningful to stakeholders as it enhances the understanding of the Group's operating performance over time by separately identifying non-operating items.

The expected investment returns assumed within OFG are consistent with the returns used for Group adjusted operating profit. OFG includes the effect of variances in experience for non-economic items, such as mortality, persistency and expenses, the effect of changes in non-economic assumptions (for example, longevity) and model changes that are non-economic in nature.

Consistent with the Group adjusted operating profit APM, OFG and OCG exclude investment variances, economic assumption changes, and integration and restructuring costs.

OFG is the own funds component of OCG (see next section).

Alternative performance measures

Underlying OFG consists of OFG excluding items that meet the definition of Management Actions and Other. Management Actions and Other primarily includes the impact of capital actions, non-economic assumption changes and other items which, in the directors view, should be excluded in order to understand the Group's performance during the period and only applies to the life business units.

SOLVENCY II OPERATING CAPITAL GENERATION (OCG)

Solvency II operating capital generation (OCG) measures the amount of Solvency II capital the Group generates from operating activities. Capital generated enhances Solvency II surplus which can be used to support sustainable cash remittances from our businesses, which in turn, supports the Group's dividend as well as funding further investment to provide sustainable growth.

OCG reflects OFG and operating movements in the SCR including the impact of capital actions, for example, strategic changes in asset mix including changes in hedging exposure.

Underlying OCG consists of OCG excluding items that meet the definition of Management Actions and other. Management Actions and Other primarily includes the impact of capital actions, non-economic assumption changes and other items which, in the directors view, should be excluded in order to understand the Group's performance during the period and only applies to the life business units.

An analysis of the components of OCG is presented below:

	2025 £m	2024 **£m**
OFG from non-life	**1,234**	824
OFG from life new business	**390**	475
OFG from life existing business	**488**	519
Corporate centre costs and Other	**(173)**	(136)
Group external debt costs	**(184)**	(179)
OFG from life management actions and other[1]	**562**	152
OFG	**2,317**	1,655
Operating SCR impact	**135**	(187)
OCG	**2,452**	1,468

1. Management actions and other includes the impact of capital actions, non-economic assumption changes and other non-recurring items

OCG is a key component of the movement in Solvency II shareholder surplus. The table below provides an analysis of the change in Solvency II shareholder position.

Shareholder view	**Own funds £m**	**SCR £m**	**2025 Surplus £m**	Own funds £m	SCR £m	2024 Surplus £m
Solvency II position at 1 January	**15,639**	**(7,718)**	**7,921**	17,019	(8,206)	8,813
Acquisitions / disposals	**64**	**(1,369)**	**(1,305)**	(392)	1	(391)
Preference share cancellation[1]	**(653)**	**—**	**(653)**	—	—	—
Debt issue / (repayment)	**208**	**—**	**208**	(599)	—	(599)
Operating capital generation	**2,317**	**135**	**2,452**	1,655	(187)	1,468
Non-operating capital generation[2,3]	**(500)**	**69**	**(431)**	(785)	674	(111)
Dividends[4]	**(1,054)**	**—**	**(1,054)**	(959)	—	(959)
Share buyback	**—**	**—**	**—**	(300)	—	(300)
Solvency II position at 31 December	**16,021**	**(8,883)**	**7,138**	15,639	(7,718)	7,921

1. Preference share cancellation includes £450 million preference shares redemption, £94 million special dividends paid on cancellation of Aviva plc preference shares and £109 million special dividends paid on cancellation of GA plc preference shares
2. Non-operating capital generation includes integration and restructuring costs on a Solvency II basis (net of tax) of £247 million (2024: £106 million)
3. Non-operating capital generation includes £62 million (2024: £34 million) of RT1 note coupons
4. Dividends includes £9 million (2024: £17 million) of Aviva plc preference dividends and £12 million (2024: £21 million) of GA plc preference dividends

Alternative performance measures

SOLVENCY II RETURN ON EQUITY (SOLVENCY II ROE)

Solvency II RoE is used as an economic value measure by the Group to assess growth and performance.

Solvency II RoE is calculated as:

- Operating own funds generation less preference dividends and Restricted Tier 1 note coupons, adjusted to replace the run-off of TMTP with the economic cost of holding TMTP (calculated as Group Weighted Average Cost of Capital plus 1-yr swap rate, multiplied by the opening TMTP on a shareholder basis), divided by:
- Opening unrestricted tier 1 shareholder Solvency II own funds.

Solvency II RoE is calculated on an annualised basis and is shown below:

	2025 £m	2024 £m
Solvency II operating own funds generation (Solvency II OFG)	**2,317**	1,655
Adjustment to replace TMTP run-off with economic cost of TMTP	**60**	(31)
Less preference share dividends[1]	**(20)**	(38)
Less RT1 notes coupons	**(62)**	(34)
Adjusted Solvency II OFG	**2,295**	1,552
Opening unrestricted tier 1 shareholder Solvency II own funds	**10,808**	11,374
Solvency II return on equity	**21.2 %**	13.6 %

1. Preference share dividends exclude the £203 million special dividends paid to preference shareholders on cancellation of the preference shares during the year

Solvency II RoE (adjusted for excess capital) has increased by 8.5pp to 24.8% (2024: 16.3%). The excess capital (derived as Solvency II shareholder own funds in excess of our target shareholder cover ratio of 180%) at 1 January 2025 was £1,747 million (1 January 2024: £2,248 million).

SOLVENCY II NET ASSET VALUE PER SHARE (SOLVENCY II NAV PER SHARE)

Solvency II NAV per share is used to monitor the value generated by the Group in terms of the equity shareholders' face value per share investment. This is calculated as the closing unrestricted Tier 1 Solvency II shareholder own funds, divided by the actual number of shares in issue as at the balance sheet date. Consistent with Solvency II RoE, it is an economic value measure used by the Group to assess growth.

The Solvency II NAV per share is shown below:

	Note	**2025**	2024
Unrestricted tier 1 shareholder Solvency II own funds (£m)		**11,113**	10,808
Number of shares in issue at 31 December (in millions)	31	**3,058**	2,678
Solvency II NAV per share		**363 p**	404 p

SOLVENCY II DEBT LEVERAGE RATIO

Solvency II debt leverage ratio is calculated as total debt expressed as a percentage of Solvency II regulatory own funds plus senior debt and commercial paper. Solvency II regulatory debt includes subordinated debt and preference share capital. The Solvency II debt leverage ratio provides a measure of the Group's financial strength. The Solvency II debt leverage ratio is as follows:

	2025 £m	2024 £m
Solvency II regulatory debt	**4,805**	4,697
Senior notes	**404**	383
Tier 1 notes in subsidiaries	**343**	—
Commercial paper	**52**	50
Total debt	**5,604**	5,130
Solvency II regulatory own funds, senior debt and commercial paper	**18,594**	17,756
Solvency II debt leverage ratio	**30.1 %**	28.9 %

Alternative performance measures

A reconciliation from IFRS subordinated debt to Solvency II regulatory debt is provided below:

	Note	**2025 £m**	2024 £m
IFRS borrowings	45	**5,588**	5,612
Senior notes		**(404)**	(383)
Commercial paper		**(52)**	(50)
Operational borrowings		**(1,055)**	(1,116)
Less: Borrowings not classified as Solvency II regulatory debt		**(1,511)**	(1,549)
IFRS subordinated debt		**4,077**	4,063
Revaluation of subordinated liabilities		**(264)**	(312)
Solvency II subordinated debt		**3,813**	3,751
Preference share capital and tier 1 notes		**992**	946
Solvency II regulatory debt		**4,805**	4,697

OTHER APMS

Cash remittances

Cash paid by our operating businesses to the Group comprises dividends and interest on internal loans and is reported for the period up to the end of the month preceding the results announcement. As a result of a change in the timing of the results announcement, the 2025 reporting period covers a 13 month period, from the start of February 2025 to the end of February 2026. The 2024 reporting period covers an 11 month period, from the start of March 2024 to the end of January 2025. Dividend payments by operating businesses may be subject to insurance regulations that restrict the amount that can be paid. The business monitors total cash remittances at a Group level and in each of its businesses. Some remittances to Group may be excluded from this APM as, in the directors' view, the movements do not represent a regular cash remittance and so are not useful to understand the Group cash remittances year on year. Cash remittances are considered a useful measure as they support the payments of external dividends. Cash remittances eliminate on consolidation and hence are not directly reconcilable to the Group's IFRS consolidated statement of cash flows.

Excess centre cash flow

This represents the cash remitted by business units to the Group centre less central operating expenses and debt financing costs. Excess centre cash flow is a measure of the cash available to pay dividends, reduce debt or invest back into our business. Excess centre cash flow does not include cash movements such as disposal proceeds or capital injections. Excess centre cash flow when positive in the period can be referred to as excess centre cash inflows and when negative as excess centre cash outflows.

Centre liquidity

Centre liquidity comprises cash and liquid assets and represents amounts as at the end of the month preceding results announcements. As a result of a change in the timing of the results announcement, the 2025 reporting period covers a 13 month period, from the start of February 2025 to the end of February 2026. The 2024 reporting period covers an 11 month period, from the start of March 2024 to the end of January 2025. It provides meaningful information because it shows the liquidity at the Group centre available to meet debt interest and central costs and to pay dividends to shareholders.

Shareholder services

FINANCIAL CALENDAR

Ordinary dividend timetable:	**Final**
Ex-dividend date	26 March 2026
Record date	27 March 2026
Last day for Dividend Reinvestment Plan (DRIP) and currency election	22 April 2026
Dividend payment date[1]	14 May 2026
Other key dates:	
Annual General Meeting	9am on 6 May 2026
Q1 Trading Update[2]	14 May 2026
Half Year Results[2]	14 August 2026

1. Please note that the ADR local payment date will be approximately four business days after the proposed dividend date for ordinary shares
2. These dates are provisional and subject to change

Dividend payment options
Shareholders can receive their dividends in the following ways:

- Directly into a nominated UK bank account
- Directly into a nominated Eurozone bank account
- Shareholders living outside of the UK and the Single Euro Payments Area can elect to receive their dividends or interest payments in over 200 jurisdictions around the world via our Registrar, Computershare; or
- The DRIP enables eligible shareholders to reinvest their cash dividend in additional Aviva ordinary shares
- Direct credit (CREST payments)

You can find further details regarding these payment options at www.aviva.com/dividends and register your choice by contacting Computershare using the contact details opposite, online at **www.investorcentre.co.uk** or by returning a dividend mandate form. You must register for one of these payment options to receive any dividend payments from Aviva.

Manage your shareholding online
www.aviva.com/shareholders:

General information for shareholders

www.investorcentre.co.uk:

- Change your address
- Change payment options
- Buy or sell Aviva shares
- Switch to electronic communications
- View your shareholding
- View any outstanding payments

Annual General Meeting (AGM)
The 2026 AGM will be held at Aviva, Wellington Row, York, YO90 1WR on Wednesday, 6 May 2026, at 9am with facilities to attend and vote electronically.

Details of each resolution to be considered at the meeting and voting instructions are provided in the Notice of AGM, which will be made available on the Company's website at **www.aviva.com/agm** in March 2026.

The voting results of the 2026 AGM will be accessible on the Company's website at **www.aviva.com/agm** shortly after the meeting.

Shareholder contacts
For any queries regarding your shareholding, please contact Computershare:

By telephone: 0371 495 0105
We're open Monday to Friday, 8.30am to 5.30pm UK time, excluding public holidays. Please call +44 117 378 8361 if calling from outside of the UK

By email:
Avivashares@computershare.co.uk

In writing: Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZZ

American Depositary Receipts (ADRs)
For any queries regarding Aviva ADRs, please contact Citibank Shareholder Services (Citibank):

By telephone: 1 877 248 4237 (1 877-CITI-ADR)
We are open Monday to Friday, 8.30am to 6pm US Eastern Standard Time, excluding public holidays. Please call +1 781 575 4555 if calling from outside of the US

By email:
Citibank@shareholders-online.com

In writing: Citibank Shareholder Services, PO Box 43077, Providence, Rhode Island, 02940-3077 USA

Chief Corporate Governance Officer
Shareholders may contact the Chief Corporate Governance Officer:

By email:
Aviva.shareholders@aviva.com

In writing: Susan Adams, Chief Corporate Governance Officer, 80 Fenchurch Street, London, EC3M 4AE

By telephone:
+44 (0)20 7283 2000

Cautionary statement

This report should be read in conjunction with the documents distributed by Aviva plc (the 'Company' or 'Aviva') through The Regulatory News Service (RNS). This report contains, and we may make other verbal or written 'forward-looking statements' with respect to certain of Aviva's plans and current goals and expectations relating to future financial condition, performance, results, strategic initiatives and objectives and other future events and circumstances (including, climate and other sustainability-related plans and goals). Statements including those containing the words 'believes', 'intends', 'expects', 'projects', 'plans', 'will', 'seeks', 'aims', 'may', 'might', 'could', 'should', 'outlook', 'likely', 'target', 'goal', 'guidance', 'trends', 'future', 'estimates', 'potential', 'possible', 'objective', 'predicts', 'ambition' and 'anticipates', and words of similar meaning, are forward-looking. By their nature, all forward-looking statements are subject to known and unknown risks and uncertainty. Accordingly, there are or will be important factors that could cause actual results - and Aviva's related plans, expectations and targets - to differ materially from those indicated in these statements. Factors that could cause actual results to differ materially from those indicated in forward-looking statements in the report include: the impact of ongoing uncertain conditions in the global financial markets and the national and international political and economic situation generally (including those arising from the current and emerging geopolitical landscape and rising protectionist measures); market developments and government actions; the effect of credit spread volatility on the net unrealised value of the investment portfolio; the effect of losses due to defaults by counterparties, including potential sovereign debt defaults or restructurings, on the value of our investments; the impact of changes in short or long-term interest rates and inflation reduce the value or yield of our investment portfolio and impact our asset and liability matching; the impact of changes in equity or property prices on our investment portfolio; fluctuations in currency exchange rates; the effect of market fluctuations on the value of options and guarantees embedded in some of our life insurance products and the value of the assets backing their reserves; the amount of allowances and impairments taken on our investments; the effect of adverse capital and credit market conditions on our ability to meet liquidity needs and our access to capital; changes in, or restrictions on, our ability to commence capital management initiatives; changes in or inaccuracy of assumptions in pricing and reserving for insurance business (particularly with regard to mortality and morbidity trends, lapse rates and policy renewal rates), longevity and endowments; a cyclical downturn of the insurance industry; the impact of natural and man-made catastrophic events (including pandemics) on our business activities and results of operations; the transitional, litigation and physical risks associated with climate change; failure to understand and respond effectively to the risks associated with sustainability; our reliance on information and technology and third-party service providers for our operations and systems; the risks associated with adoption of and reliance on new and rapidly advancing technologies such as artificial intelligence and quantum computing; the impact of the Group's risk mitigation strategies proving less effective than anticipated, including the inability of reinsurers to meet obligations or unavailability of reinsurance coverage; poor investment performance of the Group's asset management business; the withdrawal by customers at short notice of assets under the Group's management; failure to manage risks in operating securities lending of Group and third-party client assets; increased competition in the UK and in other countries where we have significant operations; regulatory approval of changes to the Group's internal model for calculation of regulatory capital under the UK's version of Solvency II rules; the impact of recognising an impairment of our goodwill or intangibles with indefinite lives; changes in valuation methodologies, estimates and assumptions used in the valuation of investment securities; the effect of legal proceedings and regulatory investigations; the impact of operational risks, including inadequate or failed internal and external processes, systems and human error or from external events and malicious acts (including cyber-attacks, phishing/vishing attacks, and theft, loss or misuse of customer data); risks associated with arrangements with third parties, including joint ventures; our reliance on third-party distribution channels to deliver our products; funding risks associated with our participation in defined benefit staff pension schemes; the failure to attract or retain the necessary key personnel, including quality financial advisers and underwriters; the failure to act in good faith, resulting in customers not achieving good outcomes and avoiding foreseeable harm; the effect of systems errors or regulatory changes on the calculation of unit prices or deduction of charges for our unit-linked products that may require retrospective compensation to our customers; the effect of a decline in any of our ratings by rating agencies on our standing among customers, broker-dealers, agents, wholesalers and other distributors of our products and services; changes to our brand and reputation and the potential loss of or damage to customer relationships, whether related to changes in customer habits or not; changes in laws and legal or public policy, in particular; changes in tax law and interpretation of existing tax laws in jurisdictions where we conduct business; changes to International Financial Reporting Standards relevant to insurance companies and their interpretation; the inability to protect our intellectual property; the effect of undisclosed liabilities and other risks associated with our business disposals; uncertainties relating to announced and future acquisitions, combinations or disposals within relevant industries including diversion of management attention and other resources and the Group's ability to integrate and deliver expected benefits within the assumed timeframe; the impact of exposure to Lloyd's related risks following the acquisition of Probitas, including dependence on Lloyd's credit rating, solvency position and the maintenance of Lloyd's own licence and approvals to underwrite business and commitment to certain financial and operational obligations, including to make contributions to funds at Lloyd's; the policies, decisions and actions of government or regulatory authorities in the UK, the EU, the US, Canada or elsewhere, including changes to and the implementation of key legislation and regulation (for example, FCA Consumer Duty and Solvency UK). Please see Aviva's most recent Annual Report and Accounts for further details of risks, uncertainties and other factors relevant to the business and its securities. Forward-looking statements should therefore be construed in light of such aforementioned factors.

Aviva undertakes no obligation to update the forward-looking statements in this report or any other forward-looking statements we may make. Forward-looking statements in this report are current only as of the date on which such statements are made and readers are cautioned not to place undue reliance on such forward-looking statements. Such statements should be regarded as indicative and illustrative only, and Aviva does not provide any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur. The climate metrics, projections, forecasts and other forward-looking statements used in this report should be treated with special caution, as they are more uncertain than historical financial information and given the wider uncertainty around the evolution and impact of climate change. Climate metrics include estimates of historical emissions and historical climate change; forward-looking climate metrics (such as ambitions, targets, climate scenarios and climate projections and forecasts); and metrics used to assess climate-related risks and opportunities in funds/investment strategies. Our understanding of climate change effects, data metrics and methodologies and its impact continue to evolve. Accordingly, both historical and forward-looking climate metrics are inherently uncertain and, therefore, could be less decision-useful than metrics based on historical financial statements. The information in this report does not constitute an offer to sell or an invitation to buy shares in Aviva plc or an invitation or inducement to engage in any other investment activities.

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