News Release

16 November 2023

Aviva plc Q3 2023 Trading Update

Continued capital-light growth momentum and delivery across our diversified Group

Strong and resilient capital position. Outlook for capital returns unchanged

Guidance reaffirmed for 5-7% operating profit growth in 2023. On track to exceed Group medium-term targets

General Insurance	Protection & Health	Wealth	Retirement	Solvency II
£8.0bn	£330m	£6.4bn	£4.4bn	200%
GWP +13%[1]	Sales[2] +23%	Net flows, 6%[3] of opening AuM	Sales[2] +2%	Shareholder cover ratio
9M22: £7.2bn	9M22: £268m	9M22: 6%[3]	9M22: £4.3bn	HY 23: 202%

Amanda Blanc, Group Chief Executive Officer, said:

"Aviva has delivered nine months of strong growth. We have clear trading momentum, driven by our uniquely diversified business, as well as our leading positions in growing markets.

"We have continued to expand our capital-light businesses, which now make up over half of our portfolio. We see significant opportunities to generate further higher return, capital-light growth in the future as we prioritise these segments.

"General Insurance premiums grew 13%, reflecting the strength of our operations in the UK, Canada, and Ireland, across both commercial and personal lines. Our workplace pensions business continues to shine, with flows up 26% on the back of over 350 new corporate customers, and higher auto enrolment contributions due to wage inflation. Health sales are also buoyant, up 56%.

"Customers are our number one focus, and we helped them with claims following wildfires, hail and flooding in Canada. Also, after storms Babet and Ciarán in the UK we've had teams on the ground helping our customers, arranging repairs to damaged properties and providing alternative accommodation.

"Aviva's prospects are very positive. We expect to beat our medium-term financial targets and, in line with previous guidance, grow operating profit by 5-7% this year, despite higher weather-related claims.

"I am extremely confident that Aviva will continue to deliver more for shareholders, and we reiterate our guidance for a total dividend of c.33.4p for 2023, and further regular and sustainable returns of surplus capital."

Continued capital-light growth momentum

- General Insurance gross written premiums (GWP) up 13% at constant currency to £8.0bn. UK&I GWP up 15% and Canadian GWP up 11% at constant currency, both driven by strong rate, new business volumes and retention.
- Group undiscounted combined operating ratio (COR) was 96.3% (9M22[4]: 94.2%), reflecting the impact of Q3 wildfires and other adverse weather in Canada, offset by continued rate increases and disciplined underwriting. On a discounted basis the Group COR was 92.5% (9M22[4]: 93.1%).
- Protection & Health sales[2], were up 23% with strong growth in Individual Protection, and in Health which was supported by higher corporate new business.
- Wealth net flows of £6.4bn represented 6%[3] of opening assets under management, but were 9% lower than 9M22 due to the impact of the challenging market volatility on Platform. Workplace net flows were up 26% to £5.1bn (9M22: £4.1bn) driven by strong new business and the impact of wage inflation.
- Retirement sales[2], were up 2% with higher BPA and Individual Annuity volumes. Year-to-date BPA volumes are c.£5.5bn as at the date of this update.
- Q3 YTD baseline controllable costs[5] of £2.0bn were down 1% versus 9M22. This reflects our strong focus on cost efficiency in an inflationary environment. We remain on track to deliver our £750m cost reduction target this year, a year earlier than planned.

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Further good progress on strategic delivery

- In September we announced the exit of our Singapore joint venture for a total consideration of c.£850m[6]. This further simplifies the Group's geographic footprint following the successful international disposal programme completed in 2021. The sale is expected to close in Q1 2024.
- We also announced the acquisition of AIG's UK protection business for £460m[6]. This will accelerate Aviva's growth in the attractive UK protection market and continue our progress in repositioning the Group towards capital-light growth.
- The acquisition, which is expected to close in H1 2024, will broaden distribution, add over 2.5m customers across individual and group protection, and deliver significant capital and expense synergies.
- At our 'In Focus' investor and analyst briefing in October we set out how Wealth is central to Aviva's strategy and plays a critical role in the Group. The wealth market presents significant opportunities for Aviva to generate sustainable, capital-light growth, and we have an ambition to reach at least £250bn in assets and at least £280m in operating profit[7] per annum in five years' time.

Strong solvency and liquidity positions

- Estimated Solvency II shareholder cover ratio remains strong at 200% (HY23: 202%).
- The movement in the quarter was primarily driven by positive total capital generation, more than offset by the interim dividend. The sale of Singapore (+c.8pp) and acquisition of AIG's UK protection business (-c.5pp) will be reflected in our solvency position on their respective closing.
- Pro forma Solvency II debt leverage ratio of 30.6% (HY23 pro forma: 30.3%).
- Centre liquidity (October 2023) remains strong at £1.5bn (July 2023: £1.6bn) and is after repayment of the senior notes that matured in October, marking the conclusion of our deleveraging programme.
- The Group's shareholder asset portfolio remains defensively positioned and continues to perform well. Further detail is provided on page 5.

Confident outlook reiterated

- Our continued momentum and consistent delivery reinforces our confidence in the Group's prospects, financial targets and outlook.
- We remain on track to exceed the Group's medium-term targets. We expect to beat our own funds generation (£1.5bn p.a. by 2024) and cash remittances (>£5.4bn cumulative 2022-24) targets, and to deliver our target of £750m gross cost reduction by 2024 one year early.
- Since the end of Q3, the UK has been impacted by Storms Babet and Ciarán. Our focus during and after these events has been on helping our affected customers. We currently estimate that year-to-date weather-related claims across the Group, including these two recent UK storms, are within our annual long-term average (LTA) weather assumption, which is c.4pp of the undiscounted COR.
- Our 2023 guidance for 5-7% growth in operating profit[7] from £1,350m in 2022 remains unchanged, subject to normalised weather conditions for the remainder of the year.
- We remain committed to delivering for shareholders. Consistent with previous guidance, we expect to pay a total dividend of c.£915m or c.33.4p for 2023, with low-to-mid single-digit growth in the cash cost of the dividend thereafter.
- Under our capital framework, which remains unchanged, surplus capital is available for reinvestment in the business, bolt-on M&A and/or additional returns to shareholders. We continue to anticipate further regular and sustainable returns of surplus capital.

Pages 3-6 of the release cover Q3 2023 trading performance in further detail

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Insurance, Wealth & Retirement (IWR) trading performance

Protection & Health (Insurance)

	Sales[2]			VNB		
	9M23 £m	9M22 £m	% change	**9M23 £m**	9M22 £m	% change
Protection & Health (Insurance)	**330**	268	23 %	**168**	142	18 %

- Health sales[2] were up 56% to £123m supported by strong performance with corporate clients.
- Individual Protection sales[2] were up 17% to £115m, although trading conditions are becoming more challenging as indicated by recent subdued mortgage market data. Group Protection sales[2] were up 1% to £92m.
- Value of new business (VNB) grew by 18% to £168m (9M22: £142m) driven by higher volumes in Individual Protection and Health, partly offset by higher interest rates which negatively impacts VNB in Protection.

Wealth

	Net flows			Assets under management		
	9M23 £m	9M22 £m	% change	**9M23 £bn**	HY23 £bn	% change
Wealth	**6,373**	7,024	(9)%	**159**	157	1 %
Of which: platform	**1,744**	3,394	(49)%	**48**	47	1 %
Of which: workplace	**5,114**	4,055	26 %	**101**	100	2 %
Of which: individual pensions	**(485)**	(425)	(14)%	**10**	10	(2)%

- Net flows of £6.4bn remained resilient at 6%[3] of opening Assets under management (AuM), despite being 9% lower than the prior year, reflecting the continued impact of macroeconomic conditions in adviser platform.
- Workplace net flows were up 26% to £5,114m (9M22: £4,055m), benefitting from new business, with 357 new schemes won year to date, alongside strong retention and the positive impact of wage inflation on employee contributions.
- Platform net flows were 49% lower as market volatility and cost of living pressures continued to impact lower investment activity.

Retirement

	Sales[2]			VNB		
	9M23 £m	9M22 £m	% change	**9M23 £m**	9M22[8] £m	% change
Retirement (Annuities & Equity Release)	**4,356**	4,276	2 %	110	135	(19)%

- Sales[2] were up 2% to £4.4bn reflecting higher volumes of BPA (up 9% to £3.2bn) and Individual Annuities (up 15% to £847m), offset by Equity Release where volumes were 46% lower (at £353m) with the overall market down due to higher interest rates.
- Together with schemes where we are preferred provider, year-to-date BPA volumes are c.£5.5bn (as at the date of this update).
- New business margins were down for Retirement overall. BPA margins were broadly consistent year-on-year. However, Individual Annuity margins were lower than last year, although still strong.
- VNB[8] of £110m was 19% lower reflecting lower Individual Annuity margins and lower volumes in Equity Release.

Ireland

- Sales[2] up 7% to £1.3bn, driven by the successful launch of a new Individual Pension product and continued strong sales[2] in Group Protection.
- VNB up 8% to £26m (9M22: £24m) driven primarily by higher volumes.

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General Insurance GWP and COR

									GWP
			Personal lines			Commercial lines			Total
	9M23 £m	9M22 £m	Sterling % change	9M23 £m	9M22 £m	Sterling % change	9M23 £m	9M22 £m	Sterling % change
UK	**2,147**	1,789	20 %	**2,390**	2,147	11 %	**4,537**	3,936	15 %
Ireland	**152**	146	4 %	**195**	175	11 %	**347**	321	8 %
Canada	**1,953**	1,867	5 %	**1,207**	1,101	10 %	**3,160**	2,968	6 %
Total	**4,252**	3,802	12 %	**3,792**	3,423	11 %	**8,044**	7,225	11 %

			Discounted COR			Undiscounted COR
	9M23 %	9M22[4] %	Change	9M23 %	9M22[4] %	Change
UK	**92.8 %**	93.8 %	(1.0)pp	**96.1 %**	94.5 %	1.6pp
Ireland	**89.7 %**	95.2 %	(5.5)pp	**96.0 %**	95.3 %	0.7pp
Canada	**92.4 %**	91.9 %	0.5 pp	**96.7 %**	93.7 %	3.0 pp
Total	**92.5 %**	93.1 %	(0.6)pp	**96.3 %**	94.2 %	2.1pp

Overall

- GWP up 11% (13% at constant currency) to £8.0bn (9M22: £7.2bn) with double-digit growth in both Personal Lines and Commercial Lines. Canada delivered growth of 11% at constant currency, and the UK delivered growth of 15%.
- Undiscounted COR was 2.1pp higher at 96.3%. The UK COR was 96.1%, while the Canadian COR of 96.7% reflects the impact of Q3 wildfires and other adverse weather, for which £115m of claims costs were booked.
- Discounted COR was 92.5% (9M22[4]: 93.1%), driven by higher discount rates.

UK & Ireland

- UK Commercial Lines growth of 11% was driven by strong new business and retention levels alongside the continuation of the favourable rate environment. Commercial Lines GWP included 9% growth in Global Corporate & Specialty (GCS) and 14% growth in SME.
- UK Personal Lines premiums[2] were up 20% to £2,147m (9M22: £1,789m) reflecting continued strong rating discipline in the inflationary environment, growth from new propositions such as Aviva Zero and the Azur High Net Worth acquisition, partly offset by volume reductions on the existing retail book as we prioritise rate over volume.
- UK undiscounted COR for Q3 YTD was 96.1% (9M22[4]: 94.5%) reflecting an increase in claims frequency (as consumer habits continue to trend back to pre-Covid norms), increased reinsurance costs and inflationary pressures. Actions taken to mitigate these dynamics continue to earn through this year and next.
- Ireland growth of 5% at constant currency reflects strong rate and retention in Commercial Lines, while the undiscounted COR was 96.0% (9M22[4]: 95.3%).
- Since the end of Q3, the UK has been impacted by Storms Babet and Ciarán. Our focus during and after these events has been on helping our affected customers. In UK GI, we estimate that claims from weather events to date, including these two recent storms, are within our annual long-term average (LTA) weather assumption, which is c.4pp of the undiscounted COR.

Canada

- Commercial Lines premiums[2] were up 10% (14% at constant currency), with the business benefitting from a favourable rate environment, and strong new business activity and retention across both SME and GCS.
- Personal lines premiums[2] were 5% higher (9% at constant currency) driven by new business growth in the RBC and direct channels, and rate actions.
- Undiscounted COR of 96.7% (9M22[4]: 93.7%) reflects the impact of the severe Q3 weather, an increase in auto theft related losses and a return to more normal claims frequency post-Covid. These impacts were partly offset by continued positive rate increases.
- We have booked estimated claims costs of £115m relating to the severe and prolonged adverse weather across Canada in Q3. This relates to a number of wildfire, hail and flooding events in Alberta, Nova Scotia, Northwest Territories and British Columbia.
- As a result, the total weather impact on the Canadian undiscounted COR for discrete Q3 was 11.8pp. The Canadian weather long-term average (LTA) reflects historical seasonality and has a c.4pp full year impact on the COR (adjusted for changes to our reinsurance treaty structure in Canada for 2023).

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Aviva Investors net flows and assets under management (AUM)

	Net flows			Assets under management		
	9M23 £m	9M22 £m	% change	**30 Sep 23 £bn**	30 Jun 23 £bn	% change
Aviva Investors	**(2,058)**	(3,335)	38 %	**218**	221	(1)%
Of which: external assets	**498**	709	(30)%			
Of which: internal assets	**(1,254)**	(299)	(319)%			
Of which: strategic actions	**(1,302)**	(3,745)	65 %			

- External net flows were positive at £498m against a continued backdrop of volatile markets. This reflects continued strong inflows into our Real Assets business in 2023.
- Total net outflows of £2,058m reflect expected net outflows from internal assets (inflows from our Workplace and BPA businesses more than offset by outflows, mainly from our UK heritage life customers), and £1,302m of strategic actions reflecting outflows from clients previously part of the Group.
- Assets under management reduced by 1% in the period to £218bn, primarily driven by the impact on valuations of fixed income securities and real estate from higher interest rates.
- The business continues to focus on improving efficiency through further rationalisation of its product portfolio and streamlining of its operating model.

International Investments

- Sales[2] up 93% to £1,614m (9M22: £837m), driven by new propositions and strengthened sales capability in China. VNB up 1% to £65m (9M22: £64m).
- In September we announced the exit of our Singapore joint venture for a total consideration of c.£850m[6]. The sale is expected to close in Q1 2024.

Shareholder asset portfolio

- Aviva's high quality shareholder asset portfolio of £79bn at 30 September continues to perform well and is defensively positioned.
- Corporate bonds represent £21.9bn or 28% of the portfolio. Of this 84% is externally rated investment grade and 15% internally rated. Aviva has a long history in private debt, with a robust internal rating model, and these assets have an average rating of 'single A' quality.
- The corporate bond portfolio continues to perform well with c.£375m of upgrades to a higher rating letter and <£100m downgraded to a lower rating letter during the first nine months of 2023. No corporate bonds were downgraded below investment grade.
- Our commercial mortgage portfolio of £5.5bn comprises largely long-duration fixed rate contracts with low average loan-to-value (LTV) ratios of 47% on a fair value basis, or 51% using the nominal loan value.
- Loan interest cover (LIC, ratio of rental income to loan interest cost) remains strong at c.2.57x, leaving our borrowers significant headroom to absorb lower rents or rental voids.
- Financial covenants are in place on most loan contracts, including all new lending. These covenants restrict maximum LTVs and minimum LICs with swift action taken to bring the loan back into tolerance in the event of a breach.
- Our securitised mortgage loan and equity release portfolio of £9.4bn is mostly internally securitised with low average LTVs of 26%.
- Equity release new business LTVs are actively managed and we remain a conservative lender within the overall marketplace.

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Capital & centre liquidity

Solvency II shareholder cover ratio

- Estimated Solvency II shareholder cover ratio remains strong at 200% (HY23: 202%).
- The movement in the quarter was primarily driven by total capital generation which added 3pp, the interim dividend of £304m (4pp reduction), and a £92m cost (1pp reduction) from completing our recent Tier 2 debt consent solicitation exercise.

£bn	30 Jun 23	Movements in Q3[9] Total capital generation	Dividends	Tier 2 consent solicitation costs	30 Sept 23
Own funds	15.4	0.1	(0.3)	(0.1)	15.1
SCR	(7.6)	0.1	0.0	0.0	(7.6)
Surplus	**7.8**	**0.2**	**(0.3)**	**(0.1)**	**7.6**
Solvency II Shareholder cover ratio (%)	**202 %**	**3 %**	**(4)%**	**(1)%**	**200 %**

Solvency II debt leverage ratio

- Solvency II debt leverage ratio of 31.6% (HY23: 32.3%) includes the redemption of £259m Tier 2 notes in full at their optional first call date in July.
- Our pro forma Solvency II debt leverage ratio is 30.6% (HY23 proforma: 30.3%) after allowing for the maturity of €315m Senior notes in October. This marks the conclusion of our deleveraging programme.

Centre liquidity

- Centre liquidity (October 2023) remains strong at £1.5bn (July 2023: £1.6bn).

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Appendix

Q3 discrete quarter information

IWR sales[2] and Value of New Business (VNB)

	PVNBP			VNB		
	Q323 £m	Q322 £m	Sterling % change	**Q323 £m**	Q322 £m	Sterling % change
Protection & Health (Insurance)	**653**	586	11 %	**50**	42	20 %
Wealth & Other	**5,679**	5,631	1 %	**48**	48	(2)%
Retirement[8]	**1,133**	1,514	(25)%	**36**	58	(38)%
Ireland	**461**	366	26 %	**8**	8	— %
Insurance, Wealth & Retirement (IWR)	**7,926**	8,097	(2)%	**142**	156	(9)%

Annual Premium Equivalent (APE)[2]

	APE		
	Q323 £m	Q322 £m	Sterling % change
Individual Protection	**39**	35	12%
Group Protection	**31**	27	13%
Health	**37**	25	47%
Protection & Health APE total	**107**	87	22 %

Wealth and Aviva Investors net flows

	Net flows		
	Q323 £m	Q322 £m	Sterling % change
Wealth	**2,078**	2,062	1%
Of which: Workplace	**1,744**	1,356	29%
Of which: Platform	**503**	847	(41)%
Of which: Individual Pensions	**(169)**	(141)	(20)%
Aviva Investors	**(1,557)**	918	(270)%
Of which: external assets	**308**	507	(39)%
Of which: internal assets	**(1,376)**	654	(310)%
Of which: strategic actions	**(489)**	(243)	(101)%

General Insurance GWP and COR

	GWP									Undiscounted COR		
	Personal lines			Commercial lines			Total			Total		
	Q323 £m	Q322 £m	Sterling % change	**Q323 £m**	Q322 £m	Sterling % change	**Q323 £m**	Q322 £m	Sterling % change	**Q323 %**	Q322[4] %	Change
UK	**758**	591	28 %	**796**	717	11 %	**1,554**	1,308	19 %	**95.7 %**	93.4 %	2.3 pp
Ireland	**54**	53	2 %	**57**	56	2 %	**111**	109	2 %	**98.0 %**	91.5 %	6.5 pp
Canada	**730**	729	— %	**375**	385	(3)%	**1,105**	1,114	(1)%	**104.1 %**	97.1 %	7.0 pp
Total	**1,542**	1,372	12 %	**1,228**	1,158	6 %	**2,770**	2,531	9 %	**99.3 %**	94.9 %	4.4 pp

Canada total GWP up 9% at constant currency (Personal Lines up 10% and Commercial Lines up 8%).

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Footnotes included within the news release

1. Constant currency

2. Sales for Protection & Health refers to Annual Premium Equivalent (APE). Sales for Retirement refers to Present Value of New Business Premiums (PVNBP). Sales or premiums for General Insurance refer to gross written premiums (GWP). APE, PVNBP and GWP are Alternative Performance Measures (APMs) and further information can be found in the 'Other information' section of the Half Year Report 2023.

3. Net flows annualised as a percentage of opening assets under management.

4. Comparatives have been restated for changes in COR following adoption of IFRS 17.

5. Baseline controllable costs exclude strategic investment, cost reduction implementation, IFRS 17 and other costs not included in the 2018 baseline.

6. Subject to customary closing conditions, including regulatory approvals.

7. Reference to operating profit represents Group adjusted operating profit, on IFRS 17 basis, as published in the Half Year Report 2023. Operating profit is a non-GAAP APM and is not bound by the requirements of IFRS. Further details of this measure are included in the 'Other information' section of the Half Year Report 2023.

8. Comparatives for VNB have been restated for BPAs and Individual Annuities following a VNB methodology change in 2023 to use the pricing target asset mix and target reinsurance (where actual reinsurance is not in place) rather than the actual asset mix and reinsurance.

9. Rounding differences apply.

Notes to editors

- All figures have been translated at average exchange rates applying for the period, with the exception of the capital position which is translated at the closing rates on 30 September 2023. The average rates employed in this announcement are 1 euro = £0.87 (Q3 2022: 1 euro = £0.85) and CAD$1 = £0.60 (Q3 2022: CAD$1 = £0.62). Where percentage movements are quoted on a constant currency basis, this is calculated by applying year to date average exchange rates to prior period.
- Growth rates in this announcement have been provided in sterling terms unless stated otherwise.
- All percentages, including currency movements, are calculated on unrounded numbers so minor rounding differences may exist.
- Throughout this trading update we use a range of financial metrics to measure our performance and financial strength. These metrics include Alternative Performance Measures (APMs), which are non-GAAP measures that are not bound by the requirements of IFRS and Solvency II. A complete list and further guidance in respect of the APMs used by the Group can be found in the 'Other information' section of the Half Year Report 2023.
- We are the UK's leading Insurance, Wealth & Retirement business and we operate in the UK, Ireland and Canada. We also have international investments in India, China and Singapore.
- We help our 18.7 million customers make the most out of life, plan for the future, and have the confidence that if things go wrong we'll be there to put it right.
- We have been taking care of people for more than 325 years, in line with our purpose of being 'with you today, for a better tomorrow'. In 2022, we paid £23.2 billion in claims and benefits to our customers.
- In 2021, we announced our ambition to become Net Zero by 2040, the first major insurance company in the world to do so. We are aiming to have a cut of 25% in the carbon intensity of our investments by 2025 and of 60% by 2030; and Net Zero carbon emissions from our own operations and supply chain by 2030. While we are working towards our sustainability ambitions, we acknowledge that we have relationships with businesses and existing assets that may be associated with significant emissions. Find out more about our climate goals at www.aviva.com/climate-goals and our sustainability ambition and action at www.aviva.com/sustainability
- Aviva is a Living Wage and Living Hours employer and provides market-leading benefits for our people, including flexible working, paid carers leave and equal parental leave. Find out more at www.aviva.com/about-us/our-people
- As at 30 June 2023, total Group assets under management at Aviva Group were £358 billion and our Estimated Solvency II shareholder capital surplus as at 30 September 2023 was £7.6 billion. Our shares are listed on the London Stock Exchange and we are a member of the FTSE 100 index.
- For more details on what we do, our business and how we help our customers, visit www.aviva.com/about-us

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Cautionary statement

This document should be read in conjunction with the documents distributed by Aviva plc (the ‘Company’ or ‘Aviva’) through The Regulatory News Service (RNS). This announcement 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 (including, without limitation, climate-related plans and goals). Statements containing the words ‘believes’, ‘intends’, ‘expects’, ‘projects’, ‘plans’, ‘will’, ‘seeks’, ‘aims’, ‘may’, ‘could’, ‘outlook’, ‘likely’, ‘target’, ‘goal’, ‘guidance’, ‘trends’, ‘future’, ‘estimates’, ‘potential’, ‘objective’, ‘predicts’, ‘ambition’ and ‘anticipates’, and words of similar meaning, are forward-looking. By their nature, all forward-looking statements involve risk and uncertainty. Accordingly, there are or will be important factors that could cause actual results to differ materially from those indicated in these statements. Aviva believes factors that could cause actual results to differ materially from those indicated in forward-looking statements in the announcement include, but are not limited to: 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 Russia-Ukraine and Israel-Palestine conflicts and uncertainty over the US Debt Ceiling); 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 initiate 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 the longer-term impact of COVID-19) 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 environmental, social or governance (‘ESG’) factors; our reliance on information and technology and third-party service providers for our operations and systems; 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 attack 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; 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 simplifying our operating structure and activities; 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; changes in tax laws 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, separation issues and other risks associated with our business disposals; and other uncertainties, such as diversion of management attention and other resources, relating to recent and future acquisitions, combinations or disposals within relevant industries; 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 II). 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. The information in this document is unaudited.
Aviva undertakes no obligation to update the forward looking statements in this announcement 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.

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