

One Aviva. **57,000** people. People

We want our people to help to create a great place to work and a company they can be proud of. We also value and celebrate diversity, which helps us to compete effectively as a global business.

Embedding diversity

To integrate our diversity vision, we created an online 'Respect Diversity' toolkit that enables us to share best practice and benchmarking information across the group through training materials, interactive games, presentations and DVDs. Much of this information has since been included in Norwich Union's 'Respect' intranet site for employees.

Our 'Respect Diversity' initiative and toolkit were recognised as best practice by the UK's Equal Opportunities Commission and cited by the judges at the World Diversity Leadership Summit, hosted by the United Nations Global Compact, which honoured Aviva with a Global Innovation Award.

As part of the European Year of Equal Opportunities for All, Hibernian amended its Equality policy to include additional wording covering diversity and during Diversity Week, Aviva France demonstrated its commitment by signing a new Diversity Charter initiated by IMS – Entreprenne pour la Cité, an association of 180 businesses committed to social responsibility and partnership.

"Relying on teams that combine staff from different backgrounds, with diverse experiences and perspectives, represents a real competitive advantage."

Myriam Saunier, HR development manager, Aviva France

For more information, please visit
 www.aviva.com/csr08/people



To be a company that people are proud to work for, and where they feel respected and inspired to give their best, we need to invest in our relationships with our employees. To achieve our aims, human resources teams around the business ensure we comply with our own policies, such as the Group People strategy, as well as the relevant employment law.

Much of our efforts to date have focused on improving our talent management process; recruiting and developing the future leaders of our business; and building and communicating a strong employment brand. This was supported by a 70% participation rate in our Global Employee Climate Survey, in which 70% of participants agreed that Aviva is a great place to work.

Diversity, equality and human rights

Being a global organisation spread across 27 countries, multiple time zones and many cultures brings its challenges. We address these through our diversity programme, which embodies the key principles of respect, valuing differences and inclusion, and measures that ensure respect, fairness and equality among our employees. These range from policies that embody the UN's Universal Declaration of Human Rights and the International Labour Organization's core labour standards to specific initiatives promoting equal opportunities. Business units will be required to report against diversity targets in future.

Our diversity agenda has been strengthened by employee networks such as the Global Senior Women's Network, established to help make senior women accountable for nurturing female talent around the group. An event in Madrid was attended by 50 women in senior management from across the group, and the network's success has led to the creation of further groups in London and Norwich.

Pride Aviva, our lesbian, gay, bisexual and transgender network, has increased its membership to 150 in the UK, and played a role in securing company sponsorship of Stonewall's first-ever gay youth event in the UK. The event offered practical advice on being gay in 21st-century Britain through a mix of inspirational speakers and workshops.

Aviva was ranked 78th in the 2008 Workplace Equality Index, Stonewall's Top 100 employers for gay people in Britain. While this shows improvement on our previous ranking of 120th, Aviva remains committed to improving its score.

We continue to integrate the key principles of diversity into our business practices, and in 2008, we will raise awareness of multiculturalism, and the benefits this brings to us as a global organisation.

Talking talent

We want to create an environment where all our people are encouraged and supported to develop their skills, give of their best and achieve their full potential, as well as to maximise productivity and fulfil our business objectives. Therefore, managing our employee talent is fundamental to our success.

In 2007, we put in place *Talking Talent*, a group-wide management framework to assess how individual performance aligns with future potential as well as wider business initiatives. *Talking Talent* covers all aspects of attraction, recruitment, development and retention across our entire organisation. It underpins our belief that all our people have talent that can be harnessed to the benefit of our customers if those talents are deployed effectively. The programme was piloted in 2007 and has already featured in external events such as the Leadership Architect's conference in Chicago, USA. It will be rolled out globally in 2008 and 2009.

Learning and development

Aviva is committed to fostering a culture of lifelong learning and provides many training opportunities, with the main focus on leadership, professional development and qualifications, and core skills training. Aviva-COFCO, our joint venture in China, was given the 'Best Channel Strategy' award by *China Insurance Marketing* magazine for its training centre for brokers, while in the coming year, Aviva USA will invest \$2 million in learning and development, including the development of 'Aviva USA University'.



Best e-learning programme

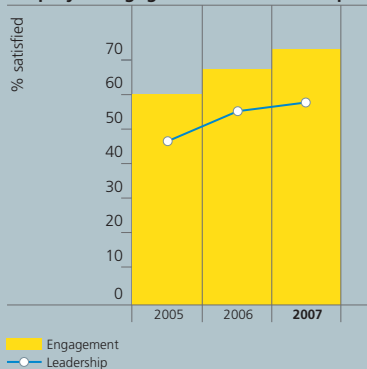
Norwich Union Learning and Development topped the Best E-Learning Programme category in the prestigious Training Journal Awards, with judges describing the 'Putting Customers at the Heart of Everything We Do' programme as "an innovative e-learning programme that has produced tangible results". The programme helped Norwich Union to deliver more than 196,000 hours of online training in 2007.

"At Aviva, the Global Employee Climate Survey is a business management tool that provides live and direct feedback from our teams across the world. During 2007, we showed progress on our engagement and leadership scores which were up 6 and 2 points over 2006 respectively. This reflects the work undertaken in 2007 to focus and embed the people strategy."

Reena Dayal, global project manager for Global Employee Climate Survey 2007

2007 Global Employee Climate Survey responses

Employee engagement and leadership



"The Global Employee Climate Survey is a great opportunity to get multiple perspectives and a good barometer of how we are viewed as an employer. It provides insight on areas that we can focus on to make Aviva a more challenging, exciting and rewarding place to work."

Brian Clark, executive vice president and chief product officer, Aviva USA

Delta Lloyd Group invests heavily in personal and career development, with all managers attending a workshop to assist with the personal development of their staff, and employees perform a self-assessment Personal Development Scan to identify their characteristics and competencies.

Towards the end of 2007, a number of Aviva's senior leaders took part in the Global Talent Management survey, the latest research on the worldwide 'war on talent' from McKinsey.

Leading people

We want to be known as an organisation that develops exceptional leaders, so in 2007, we developed a leadership feedback tool which we will extend across the group in 2008 and 2009. The tool, which was successfully piloted in 2007 in Australia and India, is intended to increase line managers' ability to:

- manage their impact on other people
- maximise the performance of every employee
- increase their own skills
- bring to life six outcomes that will create a great place to work, including respect, praise and clarity.

During the course of 2007, we also redesigned the programmes offered through the Aviva Leadership Academy, which provides an opportunity for Aviva managers to gain deeper self-insight and awareness of the impact of their leadership. It strongly supports the 'One Aviva' concept by encouraging an international network of colleagues to learn from each other.

Twenty-two employees in Hibernian are currently participating in 'Horizon', a personal development programme to identify and support high-potential employees, while Romania and France piloted the Leadership Target Plus programme, and Aviva Lithuania established the Academy of Managers, which offered sessions on situational management and coaching techniques during the year.

The 'Development for Tomorrow' programme in Sri Lanka identified 24 future sales leaders to undertake secondments with senior regional mentors for more 'hands-on'

development, and our *Leading into the Future* and *Building the Future* programmes in Canada, attended by more than 370 people managers, were awarded the Silver Award of Excellence from the Canadian Society for Training and Development.

Global Employee Climate Survey

An important way for Aviva employees to share their views – voluntarily and anonymously – is through participation in Aviva's Global Employee Climate Survey. This annual exercise allows us to benchmark progress and drive continuous business improvement.

In 2007, 42,443 employees responded to our third survey, which equates to a 70% participation rate, up from 66% in 2006; notably high participation rates were found in Sri Lanka, China and Taiwan (100%) and Lithuania (98%). The results showed improvement in all categories and improved performance against our external benchmark of performance in global financial services companies.

Experiencing Aviva

In 2007, we conducted extensive research through focus groups into our employees' experiences of working for Aviva to help us understand what Aviva meant to them as an employer. These findings and our Global Employee Climate Survey are being worked into an employment brand strategy, enabling us to attract and retain talent in highly competitive markets.

Being open with our people and making them feel involved is an important part of our culture, and helps us to build on strengths and make improvements. We believe that people should have an input into decisions that affect them so we have taken steps to create a culture of openness and inclusivity. These include a range of ways for employees to pass on their views and suggestions, including Morley's staff conference, our European Consultative Forum and 'Your Forum' in the UK.

Employee engagement meetings in Poland, called *Flesz*, encourage employees to act as speakers, presenters and hosts for discussions on a range of topics. Small groups of employees in India regularly meet the CEO to discuss issues of concern, and more than 800 Aviva USA employees

completed a short online survey about the design for the new head office, helping to create an efficient, pleasant and productive work environment.

We also participate in external surveys and benchmark studies to compare ourselves with best practice and to learn from what others do. In 2007, Aviva in the UK was included in *The Times* 'Top 50 Places Where Women Want to Work' list for the second consecutive year, while our businesses in Ireland, Australia and India were once again listed in national 'Great Places to Work' surveys.

Employer surveys will feature as a key part of our programmes in the coming year, both as a tool to aid our own development and to enhance our reputation as an employer people want to work for.

Managing change

We employ some 57,000 people worldwide in a new structure comprising four regions: the UK, Europe, Asia Pacific and North America. Together with Morley and our Group Centre function, we are experiencing growth and sharing best practices between regions. To help set up this new structure, there were a number of moves among our senior people in 2007, creating a better balance of talent across the group.

As with all major structural change, we sought to minimise the number of compulsory redundancies through voluntary turnover and redeployment, and where unavoidable redundancies occurred, we provided support to affected employees, such as the 1,000 employees who joined Swiss Re in October 2007 as part of the restructuring of Norwich Union's life and pensions operations.

In the second half of 2007, we also announced plans to save £300 million across our UK business. Although such savings will be achieved in a variety of ways, including a reduction in marketing spend, a commitment of this magnitude has meant 140 job losses within marketing, and a further 385 roles going from our IT operation.

We take care to manage all unavoidable redundancies as sensitively as we can. For example, Aviva USA's new headquarters in Des Moines, Iowa, required the relocation of approximately 400 positions from Quincy, Massachusetts. Outgoing staff were notified in person and given appropriate support, guidance and financial protection, while all communication was conducted in an open, honest and timely way.

Health and safety at work

Providing a safe and healthy environment for employees, contractors, customers and visitors remains a priority across the group. Our health and safety committees help to raise awareness of safety issues, identify, assess and reduce risk through regular inspections, and provide ways for potential violations to be reported.

We are equally supportive of people's individual wellbeing, and promote 'lifestyle awareness' topics such as fitness, posture, relaxation, stress management and healthy eating. In many of our business units, company-sponsored Employee Assistance Programmes provide staff and their families with support, ranging from guidance on parenting, education and finance through to professional counselling services for emotional and addiction issues.

In several locations, including Australia, employees receive company-funded vaccinations against influenza, and we offer seminars at our global headquarters in London to help employees who want to stop smoking. Employees with back pain at Aviva Czech Republic can relax on a hydro jet bed during lunch breaks and out of work hours, while Hibernian held 'Sleep Factor' and 'Beat the Energy Slump' workshops.

Looking ahead

We have listed our key initiatives for 2008 in this section. Furthermore, we will continue to support our new and growing business units in the effective implementation of our people strategy.



Social activities

At Hibernian, events designed to promote a healthy work-life balance included workshops on sleep, relaxation and energy levels, massages and a 'Bring Your Kids to Work at Halloween' day, while Aviva Group Centre's well-established social activities programme included self-defence, language and art classes, city walks and a Christmas pantomime. Aviva Lithuania also fosters an active lifestyle among employees and sales representatives, who compete in regular Olympics-style competitions. This year's summer event, held in Poland, saw Lithuanian competitors and teams win 11 gold medals.