

## One Aviva. **Diverse suppliers.** Suppliers

We are clear and consistent with our suppliers about what we expect of them and what they can expect of us.

### Working closely with suppliers


In 2007, Aviva Group Centre had a cleaning team who worked unsociable hours, and were unknown to our staff. With supplier ICS, we switched to daytime cleaning, and introduced housekeepers to staff, both in person, and through a poster campaign. The move to daytime cleaning has been a success for all involved; housekeepers enjoy better working conditions and staff turnover has dropped. Working relationships have improved, as has the service, resulting in a reduction in costs.

Aviva UK's operational services has also worked closely with its catering services supplier Avenance to implement a number of initiatives to minimise waste. These include:

- compostable paper napkins made from non-bleached recycled material
- recycling cardboard, tins, milk bottle tops and coffee grounds for garden compost
- using refillable sugar shakers instead of paper sachets
- biodegradable plastic cutlery, sandwich boxes and labels
- switching as much packaging as possible to biodegradable corn starch.

*"Avenance is proactively responding to changes in the market, particularly regarding increasing environmental concerns. We are keen to work as partners to share ideas, trial new products and ultimately lighten our environmental footprint."*

Viv Shinner, *operations manager, Avenance*

For more information, please visit  
 [www.aviva.com/csr08/suppliers](http://www.aviva.com/csr08/suppliers)



We understand that our suppliers play an important role in ensuring that we continue to meet the needs of our customers. The embedding of CSR in our group purchasing and supply management policy means that we have identified benchmarks and expectations on each procurement activity and can influence our large supplier base to continue to meet our standards.

### CSR in supply management

Our group policy on purchasing and supply management, revised in December 2007, now requires all Aviva suppliers to sign the Aviva Supplier Code of Conduct, either upon appointment or contract renewal. The Code has been used to cover in excess of £1.1 billion of procurement activity during 2007. Our top 200 suppliers are being assessed against a series of questions designed to measure their commitment to CSR, and each Aviva business must establish a CSR performance improvement plan for its top five suppliers. All sourcing decisions must now give CSR aspects a minimum 10% weighting, while human rights questions also form part of our supplier review and tender process.

To raise the profile of CSR in our sector and help to develop industry standards and common approaches, Aviva plays a leading role in the Chartered Institute of Purchasing and Supply's Financial Services Purchasing Forum (FSPF), with David Allcock of Aviva UK Procurement as the current vice chair. The FSPF hosts a CSR sub-group, also chaired by David, which has grown from four to 30 major financial services organisations in 18 months. The aim of the group is to drive a standard approach to the management of CSR issues in the financial services sector.

### Responsible purchasing

Aviva remains committed to building sustainable relationships with suppliers and promoting environmental and ethical best practice. Where possible, we select suppliers that comply with ethical and

environmental best practice, taking into account both cost and quality, with priority given to those with ISO 9001 or similar certification standards.

Examples include:

- Morley's vending machine supplier, which buys coffee directly from the growers in Colombia, and Delta Lloyd, which now sources Good Origin coffee produced in a sustainable manner
- Hibernian's storage provider, which started a scanning service to reduce the amount of paper documentation kept on-site
- Aviva France's contractor for recycling used ink cartridges, which helped head office to recycle 92% of its waste last year
- Knight Frank, the property manager at our Melbourne office, which made alterations to heating and cooling systems to improve energy efficiency.

### Supporting our suppliers

Sustainable supplier relationships are two-way partnerships, so we aim to give support, guidance and training for third parties where appropriate. For example, in India, all the cab drivers used by Aviva Global Services (AGS) attend regular training forums designed to raise awareness about road safety, and help to improve interaction with AGS employees.

We also understand our responsibilities to our suppliers, such as prompt payment. Morley's 'Business Invoice Viewer', for example, provides real-time updates on all supplier invoices, promoting prompt authorisation and helping to meet the challenging target of paying 85–90% of suppliers within 28 days of receiving an invoice.

### Looking ahead

Our focus in 2008 will be towards implementing our new purchasing and supply management policy, as well as establishing and reporting on key metrics across the group.

### Fairtrade Fortnight

Aviva kicked off the Fairtrade Fortnight in February with a breakfast at Aviva global headquarters for City professionals, suppliers and representatives from the City of London Corporation, the Fairtrade Foundation and the Fairtrade steering group, established to promote fair trade within the Square Mile and across London. Guests heard from Erica Kyere, a farmer from a cooperative in Ghana, who highlighted the impact that the price guarantees from Fairtrade partnerships can make. During the same two weeks, Caron Services, a family-run vending machine business, supported Aviva France by running a promotion at its head office, as well as providing a coffee machine, Fairtrade coffee and snacks for a Telethon event.



### Stationary stationery

First 2 Office, Aviva's stationery supplier, challenged eight Master's students at London's Royal College of Art to create sculptures from unwanted stationery donated by customers including Aviva. In just two days, 84 pallets of unwanted supplies were collected, of which 62 were recycled, 11 were donated to charity and 11 were turned into sculptures for The Office Stationery Amnesty Arts Award. As part of the London Sustainability Festival, Aviva exhibited the winning pieces in the Aviva global headquarters main reception.