



## Aviva's policy on tobacco manufacturing

### Aviva's position

We believe that supporting the tobacco industry through our own investments is inconsistent with our business purpose and values. The Aviva plc Board has determined that we should seek an orderly withdrawal from investment in tobacco manufacturing securities in respect of Aviva's own assets.

Aviva's Business Standard on General Insurance Underwriting excludes tobacco manufacturing as a business activity.<sup>1</sup>

### Scope

The restriction applies to beneficial<sup>2</sup> equity and fixed income holdings and single-stock derivatives referencing companies<sup>3</sup> that are involved in the manufacturing of cigarettes and other tobacco-related products.

The restriction does not apply to non-beneficial holdings (e.g. third party funds, retail funds and external funds), or beneficially held holdings in passive funds, exchange traded funds (ETFs) or index-linked derivatives, or 'execution only' mandates where the underlying policyholder retains full investment discretion. As a result, we may appear on company shareholder registers as nominees for shares held in non-beneficial funds and for passive funds held in Aviva's beneficial holdings.

### Process and governance

We include tobacco manufacturing companies on our STOP LIST<sup>4</sup>. This list of companies is reviewed annually.

We will divest any equity holdings within 90 business days. We expect to run off existing fixed income holdings to avoid the detrimental financial impact of immediately disposing of these securities on our customers.

### Further information

If you have any questions regarding this policy and what it means for your investment, please contact [cr.team@aviva.com](mailto:cr.team@aviva.com)

Policy owner: Tom Stoddard, Chief Financial Officer, Aviva Plc Date: February 2018

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<sup>1</sup> Employee benefits insurance does not fall under the scope of this policy.

<sup>2</sup> Beneficial Group funds, such as business derived from Life, Pensions and General Insurance businesses, including With Profits, Re-insurance and healthcare.

<sup>3</sup> We use a minimum threshold of 10% of revenues when establishing whether the restriction applies.

<sup>4</sup> The STOP LIST includes a list of companies from which Aviva's businesses are preventing from investing, such as companies manufacturing cluster munitions and companies subject to international sanctions.