FORUM POUR L'INVESTISSEMENT RESPONSABLE

Evaluation SAY ON CLIMATE

UK

AVIVA

2025

Transparency rating	PERFORMANCE SCORING	NARRATIVE SCORING	TREND SCORING
48% alignment with FIR recommendations	34 %	A **B** C D E	=

Aviva has committed to achieving net zero emissions by 2040 across its operations, investments, and insurance activities. This commitment partly relies on carbon offsetting from 2030 onwards, but the details remain unclear—particularly regarding Scope 3 emissions. **The company's targets for Scope 1 and 2 emissions are aligned with a 1.5°C trajectory and have been validated by the SBTi through to 2030.** Aviva has also set medium-term emissions reduction targets for its investment portfolio, but these **only cover 50% of its investment and lending activities according to SBTi and, with the exception of real estate, have not yet been externally validated**. Furthermore, while the climate **action plan is highly detailed, it lacks clear financial figures, and only 3% of assets are currently invested in sustainable assets, with no defined strategy to finance the climate plan**.Finally, the variable remuneration of the CEO and CFO does not include short-term climate-related criteria, and the long-term climate criterion remains weakly weighted.

As early as 2021, the **French Forum for Responsible Investment (FIR)** has called for the widespread adoption of stringent Say on Climate (SOC). After a first edition on 2022, the FIR signed again an agreement with 48 French and European signatories, encouraging the development of SOCs. Meanwhile, in 2022, FIR began analyzing the climate plans of French companies that submit them to shareholder vote. After joining forces in 2023, **FIR and ADEME** extended their partnership in 2024 by teaming up **with Ethos and the World Benchmarking Alliance**. Again this year, these players will be working together to study the climate plans of **European companies** submitted to a consultative vote by shareholders at their general meetings in 2025.

In 2022, FIR had published fact sheets assessing the extent to which French companies' climate strategies were in line with **its recommendations**. In 2023, as part of the partnership with ADEME, these analysis reports will be enriched **with the ACT assessment tool** to measure the contribution of corporate strategies and actions to the mitigation objectives of the Paris Agreement.

Analyses will be published as they become available, ahead of their annual general meetings.

As in previous years, FIR wishes to salute the efforts of companies that contribute to improving shareholder dialogue, and encourages them to reiterate the Say on Climate exercise annually.

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Ambition Net Zero 2050

Net Zero commitment for 2040 on operations (scopes 1, 2 and part of scope 3), investments (category 15 of scope 3) and insurance activities (categories 11 and 15 of scope 3)
▷ The nature and levels of offsetting are not explicit between now and 2040 (use of offsetting mechanisms for scopes 1 and 2 from 2030 and for a maximum of 10% (based on 2019 emissions), not yet clear for scope 3; today, carbon credits to offset all emissions from scopes 1, 3 and categories 3, 5, 6 and 7 of scope 3).
▷ The coverage of the Net Zero commitment has been clarified, but it is still difficult to understand the exact coverage in terms of assets under management.

Reference scenario(s) used

1. Emissions from operations
Commitment to a warming trajectory limited to 1.5°C for Scopes 1 and 2 targets, validated by SBTi up to 2030
▷ No commitment validated 1.5°c on scope 3 of operations
▷ No commitment validated after 2030

2. Financed issues:
No information on a global reference scenario:
- Participation in the GFANZ initiative, NZAOA, NZAM, NZIA[1] ; objectives aligned with NZAOA but no details on the scenarios used
- Alignment of certain portfolio investments to SBTi scenarios (SDA Real Estate Pathway 1.5°C; Electricity Generation WB 2°C)

Current GHG emissions *(vs 2023)*

Scope 1 et 2 : 51% reduction in operational emissions since 2019
Scope 3 (investments[2]) : 58% reduction against a 2019 baseline of 96 tCO2e/£m invested
1. Emissions from operations: 1% of total emissions ***18,541 tCO2eq (vs. 17,386)***

Scope 1 : *7,437 tCO2eq (vs 7,503)*	*Scope 2 :* *413 tCO2eq, market based (vs 429)*	*Scope 3[3]:* *10,691 tCO2eq (vs 9,454)*	*Total leased based: 25,488 tCO2eq (vs 24,830)* *of which scope 2: 7,360 tCO2eq (vs. 7,873)*

❍ As last year, Scope 3 emissions have increased compared to 2023, mainly due to the increase in business travel

2. Financed emissions: 99% of total emissions ***15.3 MtCO2eq (vs 17.7)***
Scope 3 (investments) :
- Equities, bonds, direct real estate, infra debt, mortgages (scopes 1 and 2 of the entities): 7.3 MtCO2 (vs 8.8MtCO2)
- Sovereign bonds: 8 MtCO2 (vs 8.9 MtCO2)
❍ Reduced coverage: does not include external funds offered on platforms, fund combinations instructed by consultants or external client mandates [4]
❍ 28% of the assets recorded in the Group's financial balance sheet are not included in the Group's GHG emissions

Short-term GHG emissions reduction target (before 2030)

1. Emissions from operations :
Scopes 1 & 2 :
- 2025 (compared with 2019) : - 62.2%; 2026 (compared with 2019) : - 62.9%; 2027 (compared with 2019) : - 70,2%

2. Financed issues :
Target based on NZAO (target-setting protocol V4, aligned 1.5°c) :
- Reduce the carbon intensity of scopes 1 and 2 of the portfolio of direct property investments held in unit-linked and open-ended funds by 25% by the end of 2024, compared with 2019.
Target based on NZAOA, aligned 1.5°c :
- By the end of 2024: reduce by 25% the carbon intensity of scopes 1 & 2 of equity and corporate bond portfolios (held in unit-linked and open-ended funds)
▷ Targets are not expressed in absolute terms
▷ The targets cover only part of the assets under management of the investment and lending activities (real estate, equities and corporate bonds) (2019 assets)
▷ The target of a 25% reduction in intensity for the property portfolio was not achieved by the end of 2024: -12%.

Medium-term GHG emissions reduction target (between 2030 and 2040)

1.emissions from operations :
Scopes 1 & 2: 90% reduction in emissions by 2030 (base year 2019, in asbolute terms), target validated as 1.5°c by SBTi
▷ No scope 3 targets for operations by 2030

2. Financed issues :
Overall objectives for 2030 :
- 60% reduction in the carbon intensity (Scope 1 and Scope 2) of listed equities, corporate bonds and loans, infrastructure and real estate assets held in shareholder, withprofits, and policyholder funds by the end of 2029 (base year 2019)
Target based on SBTi's SDA Real Estate pathway for 2030 (compared with 2019) :
- Reduce GHG emissions from the direct property portfolio by 57% (carbon intensity (kgCO$_2$e/m^2) :
▷ Targets are not expressed in absolute terms, precise reference scenarios are not communicated
▷ Targets cover only 50% of assets under management in investment and lending activities[3] (2019 assets) according to SBTi

[1] GFANZ: Glasgow Financial Alliance for Net Zero; NZAOA: Net Zero Asset Owner Alliance; NZAM: Net Zero Asset Managers initiative; NZIA: Net-Zero Insurance Alliance
[2] Financed Scope 1 and Scope 2 GHG emissions of listed equity, corporate bonds, private debt to companies (including private placements), and infrastructure (direct and debt, including project finance, public sector infrastructure finance and financing withguarantees), and financed Scope 1 and Scope 2 wholebuilding (operational) GHG emissions ofreal estate investments (direct real estate, Real Estate Long Income, commercial real estate mortgages and Equity Release Mortgages)
[3] Scope 3 operations: fuel and energy-related activities (cat 3), business travel (cat 6) and company fleet (cat 6), waste (cat 5)
[4] Does not include external fund links made available on platforms, consultant instructed scheme blends or external client mandates.

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Long-term GHG emissions reduction target (after 2040)

Objectif Net Zero 2040, which covers the following asset classes: direct operations, equities, bonds (sovereign and corporate), loans, infrastructure, property, mortgages (in shareholder, withprofits, and policyholder funds), insurance, etc.
▷ No quantified targets between 2030 and 2040
▷ No certification of long-term objective

Action plan measures

1. Emissions from operations :

Scopes 1 & 2 :

-100% electric or hybrid fleet in the UK and Ireland by the end of 2025 and by the end of 2027 in the rest of the world
- Maintaining 100% of electricity generated from renewable sources until the end of 2025 and beyond

Scope 3 :

- Support the acquisition of electric vehicles by customers
- Decarbonising the supply chain: target of 70% of suppliers having set scientifically validated targets by the end of 2025: (51% have targets validated by SBTi, 21% are at committed status)
- Other Scope 3 emissions :
- waste (2025 target: no waste to landfill in the UK and Ireland and 2030 target: no waste to landfill for the rest of the world) - business travel (the Group will set targets for 2026)
- employee commuting (the Group aims to improve the quality of data to better report on this category by 2026)
▷ Horizon on the action plan stops before 2030 for most actions: no quantified targets between 2030 and 2040
▷ Only 51% of suppliers have targets validated by SBTi for a target of 70% by the end of 2025.

2. Financed issues :

- Climate-aware investment and developing investment frameworks: using climate indicators to support decision-making while developing appropriate frameworks, in line with the Group's Net Zero ambition
- Offering sustainable products and services to customers: developing investment products and services to improve sustainable investment practices.
- Financing the transition: aiming to both decarbonise portfolios and align them with the objectives of the Paris Agreement.
- Holistic management: Acting at several levels of the system to support the transition, in particular via two engagement programmes with several stakeholders, including businesses:
- Climate Stawards 2030 (CS30) is divided into 3 programmes:
o Foundation Engagement Programme: with companies representing a significant proportion of the emissions financed by the Group
o Priority Emitters Programme: with priority emitters based on high-emission sectors
o Value Chain Engagement Programme: round tables on value chains and net zero
- the Climate Transition Engagement Programme (CTEP): with specific fund companies (ends in early 2025: a review is planned to see how the programme can be improved)
- Targeted divestments where climate risks are incompatible with Aviva's approach

Objectives based on SBTi :

- end 2025: at least 33% of equity, bond and corporate loan portfolios must be invested in companies with SBTi validated targets (1.5°c) (by value invested)
- By the end of 2030: Continue to finance electricity generation projects based exclusively on renewable energy sources (WB2°c)
▷ Horizon on the action plan stops at 2030
▷ Actions that lack overall figures for investments
▷ The target of 33% of the portfolio's equities, bonds and corporate loans to be invested in companies with targets validated by SBTi has not been readjusted even though it was already achieved last year: in 2024, 39% achieved.

CAPEX / OPEX investment alignment

Financed issues:*

Out of £407 billion of assets under management, £11.8 billion are invested in sustainable assets[5] , i.e. only 3%.
▷ The share of climate-related assets is relatively small compared to overall assets: £6.5 billion of green assets and £2 billion of assets invested in transition and climate-related funds: 2% of overall assets (stable vs. 2024)
▷ No new climate-related investment targets
▷ No information on the financing of the overall action plan

Remuneration

Variable annual remuneration for the CEO and CFO:
▷ No criteria related to climate strategy

Long-term remuneration of CEO and CFO :
Criterion of 7.5% of remuneration on reducing the carbon intensity of shareholders' assets and open funds, including loans, equities and private assets over the 3-year performance period.
▷ Weighting of the criterion a little low
▷ No target disclosed ex-ante

Annual consultative vote on implementation

No information on annual consultation on implementation but submission of the climate plan to a shareholder vote each year since 2021

Consultative vote on strategy every three years

No vote on strategy every three years

[5] Sustainable assets are defined here as green and sustainable assets, sustainability debt, social bonds and £1.5 billion of policyholder funds invested in Aviva Investors' climate transition funds.

Legend:
▷ Failure to obtain all points
❍ Indicates that all the criteria for obtaining all the points have been met, but there are suggestions for improving transparency.

AVIVA

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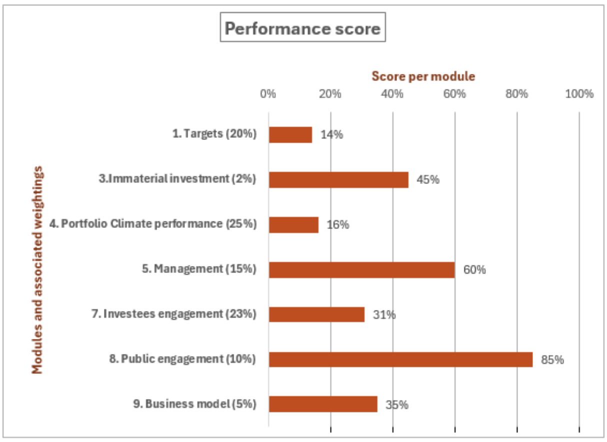
RÉPUBLIQUE FRANÇAISE
Liberté
Égalité
Fraternité

ADEME
AGENCE DE LA TRANSITION ÉCOLOGIQUE

ACT ACCELERATE ® CLIMATE TRANSITION

PERFORMANCE SCORE	NARRATIVE SCORE	TREND SCORE
34%	A **B** C D E	=

ACT Finance Investors Methodology



Company's categorization

1. Transitioning in a credible and robust way

2a. Committed company

2b. Performing company

3. Minimum Act categorization framework not achieved

**The company's categorization explanations are available in slide 6*

The score for each module is weighted (see slide 7) and results in a performance score.

Transition plan's assessment

Performance score

1. Targets : Aviva's target to be net zero by 2040 is not considered ambitious enough as scope 3 emissions from investee companies are not included in the scope of the targets. As Aviva has not set a fully aligned scope 3 category 15 target, the company is not considered to be aligned with a 1.5°C benchmark under the ACT tool. Aviva published for the first time the emission intensity linked to its investments (96 tCO_2/mio£ invested), but an intensity metric has yet to be published for its real estate target.

3. Immaterial investment : Aviva has put in place trainings on climate change for its employees which is positive but there is no information in the quality or the costs associated with these trainings.

4. Porfolio Climate Performance : Aviva does not clearly state that it has not made any new investments in coal or fossil fuels in the last 4 years. However, on the positive side, the company employs a metric based on degrees Celsius to assess the alignment of its portfolio with the Paris Agreement target. This metric is employed to monitor risk and to guide investment decisions.

5. Management : Overall standard oversight, expertise, strategy and transition plan, management incentives and climate scenario testing are in place for a low-carbon transition.

6/7. Investees engagement : Aviva published for the first time in its engagement strategy an escalation process. However Aviva's Climate Engagement Escalation Program to influence portfolio companies to reduce their GHG emissions only covers 30 significant carbon emitters. A global voting policy was developed which includes voting guidelines at its investee's general assemblies specific to climate. Aviva does not report on the share of investments that is delegated to external asset managers. Aviva reports engaging with asset managers regarding its delegated investments but not much details is provided. Aviva has launched an engagement campaign aimed at deforestation. Aviva's policy regarding investments in coal and unconventional fossil fuels is considered to be insufficient, as it may still invest in companies under certain restrictions.

8. Public engagement : Overall Aviva's public engagement is aligned with its climate goals. The company could improve by putting in place a review process of its trade associations.

9. Business model : Aviva has not, or does not plan to align its business model significantly to a low-carbon economy. The most significant action taken by the company to facilitate climate-friendly investments is the development of climate funds.

Transition plan's consistency (narrative score):
Aviva lacks ambitious sectoral targets and does not demonstrate sufficient action to reduce its emissions. In particular, the company's target to be net zero by 2040 does not include scope 3 emissions from investees. Aviva is also not planning a complete halt to new investments in fossil fuel companies as it has only adopted some restrictions with loopholes.

Trend score : There is no indication that the company's transition plan will significantly deteriorate or improve in the future.

Areas of improvements :
Aviva should set a science-based and comprehensive net-zero target also covering scope 3 emissions of investees. The company is also expected to end all new investments in fossil fuels and communicate this clearly. In addition, to make its commitment to net zero more credible, the company should encourage investee companies to stop developing new fossil fuel projects and reduce their production. It would also be welcome to see the company set a new and more ambitious target for sustainable assets investments, as its 2025 target of investing £6 billion has already been achieved.

Change in rating compared with analysis of FIR *Say On Climate* 2024	↑ Increase	→ Stagnation	↓ Drop

SAY ON CLIMATE 2025 evaluation grid

based on follow-up to FIR recommendations

	🟢	🟠	🔴
Ambition net zero 2050	If the ambition of contributing to carbon neutrality by 2050 is declared and clear explanations are given on how to achieve this neutrality The level of negative emissions is limited	The ambition to contribute to carbon neutrality by 2050 is declared and the explanations on how to achieve this neutrality are clear. The level of negative emissions is high	A declared ambition, but very little clarity on how the company intends to achieve carbon neutrality (no long-term reduction targets, targets set are not very credible, heavy reliance on offsetting, etc.) or no declared ambition to be carbon neutral by 2050
Reference scenarios used	The company positions its climate strategy in relation to a 1.5°C warming scenario for all scopes	The company uses a reference scenario limiting warming to between 2°C and 1.5°C, or 1.5°C for only part of its scope	No reference scenario explicitly mentioned or scenario(s) not used to define the strategy
Current GHG emissions	Disclosure of absolute greenhouse gas emissions; breakdown by scope; downward trend in past emissions (over at least 3 years) in line with company targets	Insufficiently detailed disclosure of absolute greenhouse gas emissions and/or lack of substantiated justification for the absolute increase in emissions over the last 3 years	No public data or little or no justification for the upward trend in emissions intensity and absolute values
Short-term GHG emissions reduction target	If the quantified emission reduction targets before 2030, expressed at least in absolute terms, cover the 3 scopes and are set in relation to the company's 1.5°C alignment trajectory. This trajectory has been scientifically validated.	If the quantified emission reduction targets before 2030 do not cover the majority of the company's activities, or if these targets cover all activities but are on a trajectory of between 2°C and 1.5°C	No quantified target for reducing emissions in the short term, or targets that are not very ambitious in the short term (reference year too far in the past, no absolute reduction, not scientifically validated, etc.)
Medium-term GHG emissions reduction target	If the quantified emission reduction targets between 2030 and 2040, expressed at least in absolute terms, cover the 3 scopes and respect the alignment with a 1.5°C scenario. This trajectory has been scientifically validated	If the quantified emissions reduction targets between 2030 and 2040 do not cover the majority of the company's activities, or if these targets cover all activities but are on a trajectory of between 2°C and 1.5°C	No quantified target for reducing emissions in the medium term, or targets that are not very ambitious in the medium term (reference year too far in the past, no absolute reduction, not scientifically validated, etc.)
Long-term GHG emissions reduction target	If the quantified emission reduction targets for 2050 or earlier, expressed at least in absolute terms, cover the 3 scopes and are set in relation to the company's 1.5°C alignment trajectory. This trajectory has been scientifically validated	If the quantified emission reduction targets for 2050 or earlier do not cover the majority of the company's activities, or if these targets cover all activities but are on a trajectory of between 2°C and 1.5°C	No quantified target for reducing emissions in the long term, or targets that are not very ambitious in the long term (reference year too far in the past, no absolute reduction, not scientifically validated, etc.)
Action plan measures	Detailed measures for each scope of the company with a sufficient level of detail, including short- and medium-term figures, to enable the alignment of this plan with the objectives set to be assessed.	Detailed measures for each scope of the company, but insufficient detail to assess the level of alignment with the objectives set (lack of quantified measures in particular)	Measures with little or no detail
Investment alignment (OPEX / CAPEX)	Details the proportion of investments (OPEX and CAPEX) that contribute to meeting short- and medium-term targets, and explains how these investments enable the targets to be met	The information provided on the contribution of investments to the achievement of objectives does not allow an understanding of how the company achieves the objectives set	No investments contributing to the achievement of explicit objectives
Remuneration	All variable parts of the remuneration of corporate officers include at least one criterion that assesses the achievement of greenhouse gas emission reduction targets. The % of remuneration determined by this criterion is published; it represents a significant proportion (10% or more)	At least part of the variable part of the remuneration of corporate officers is covered by a non-diluted criterion for reducing greenhouse gas emissions in line with the reduction trajectory defined by the company	The criterion included in the remuneration of corporate officers relating to the reduction in greenhouse gas emissions is diluted, or does not follow the reduction trajectory defined by the company. or No criteria relating to the reduction of greenhouse gas emissions are included in executive remuneration
Annual consultation on implementation	The company undertakes to consult shareholders annually on the implementation of its climate change strategy	The company is committed to consult shareholders on the implementation of its climate strategy over the coming years	The company does not undertake to consult shareholders on the implementation of its climate strategy
Consultation on strategy every three years	The company undertakes to consult shareholders on its climate strategy at least every three years	The company undertakes to consult shareholders on its climate strategy over the coming years	The company makes no commitment to consult shareholders on its climate strategy

Weighting: the two final criteria correlated with the vote are given a weighting of 0.5 each, while the other nine retain a weighting of 1.

ACT's methodology

IT'S TIME TO ACT

WHAT IS ACT ?

A joint voluntary initiative of the UNFCCC secretariat Global Climate Agenda.

WHY ACT ?

Drive climate action by companies and align their strategies with low-carbon pathways.

HOW DOES ACT WORK ?

ACT provides sectoral methodologies as an accountability framework to assess how companies' strategies and actions contribute to the Paris mitigation goals.

FRAMEWORK

1 What is the company planning to do?

2 How is the company planning to get there?

3 What is the company doing at present?

4 What has the company done in the recent past?

5 How do all of these plans and actions fit together?

COMMITMENT

TRANSITION PLAN

PRESENT

LEGACY

CONSISTENCY

INNOVATIVE : ACT is an integrated, long-term approach.

QUANTITATIVE : it measures past, present and future performance

TARGETED: on the main sources of emissions in the value chain

SECTORAL: addressing issues specific to the transition of each sector

TRANSPARENT: through third-party evaluation

ACT ASSESSMENT

For what purpose?
Credibly measure the contribution to the net-zero objective in relation to sectoral low-carbon trajectories.

For whom?
Companies with science-based objectives and/or a transition plan ready for assessment

20 → **PERFORMANCE SCORE**
Transition alignment metrics
1 - 20

A → **NARRATIVE SCORE**
Analysis of overall consistency
A - E

+ → **TREND SCORE**
Forecast of future changes
+ = -

ACT assessment categorization

The purpose of this categorization is to leverage on the ACT assessment methodologies, that provide an in-depth assessment of strengths and weaknesses of company's transition plans and propose a categorization framework providing a clear signal on a company's situation. It is willing to address the following question "what is a good ACT score?".
All the information on this paper is to be found [here.](#)

The categorization framework proposed is the following:

1. Companies transitioning in a credible and robust way;
2. Companies partially satisfactory on one or two of the following aspects:
    a. Companies "committed" that are ambitious enough but have not yet demonstrated the performance;
    b. Companies "performing" that have demonstrated good GHG trajectory at the moment but haven't provide aligned ambitions.
3. Companies **not** transitioning in an enough credible and robust way.

The categorization of companies proposed in this paper is based on thresholds on the global performance score, complemented by safeguards on relevant sub-module performance score levels, on narrative and on trend scores. The categorization framework is sum-up in the table below:

Category	1. Transitioning in a credible and robust way	2a. Committed	2b. Performing	3. Not transitioning in a credible and robust way[2]
Criteria application	Criteria blocks are cumulative			Criteria blocks are alternative[3]
Global performance score	≥12/20	No threshold.		Global < 12/20 AND
Module performance scores	Module 1 ≥ 75% Modules 2+4 ≥ 60% *Where relevant:* Modules 6+7≥ 50%	Module 1 ≥ 75%	Modules 2+4 ≥ 60%	Module 1 < 75% AND Modules 2+4 < 60%
Narrative score	≥ C global AND ≥ C on consistency and credibility AND reputation			< C global OR < C on consistency and credibility OR reputation
Trend score	= or +			-

ACT methodology

Finance

The full ACT methodology for the Investors Finance sector can be found on our website. The detailed assessment is summarized in a score based on three criteria : performance, overall consistency and trend. It takes the following form:

- **Performance** : number between 1 and 20
- **Evaluation (consistency)** : letter between A and E
- Trend : + (improvement), - (deterioration), = (stable)

Performance scoring

Module	Indicator
Targets	1.1 Alignment of scope 3 reduction targets
	1.2 Targets time horizon
	1.3 Achievement of past and current targets
	1.4 Engagement targets
	1.5 Financing targets
Intangible investment	3.1 Investments in human capital- training
Portfolio climate performance	4.1 Financial flows trend
	4.2 Portfolio alignment management
Management	5.1 Oversight of climate change issues
	5.2 2 Climate change oversight capability
	5.3 Low carbon transition plan
	5.4 Incentives to manage climate change
	5.5 Risk management
	5.6 Climate change scenario testing
Investors engagement	6.1 Strategy ton influence investors
	6.2 Activities to influence investors
Investees engagement	7.1 Strategy ton influence investees/ asset managers
	7.2 Activities to influence investees/ asset managers
	7.3 Activities to influence investees/ asset managers with fossil fuel and/ or deforestation link
Policy engagement	8.1 Financial institution policy on engagement with associations, alliances, coalitions or think thanks.
	8.2 Associations alliances coalitions or think thank do not have climate-negative activities or positions
	8.3 Positions on significant climate policies & lobbying
	8.4 Collaboration with public authorities
Business model	9.1 Tranformative measures facilitating climate investment reorientation & impact

Narrative scoring

1. Business model and strategy
2. Consistency and credibility
3. Reputation
4. Risks

Trend scoring

1. Probability of emissions' evolution
2. Evolution of business model and strategy