



5 January 2026

Aviva plc

Update on Direct Line Capital Model

Aviva plc notes the PRA's written notice published earlier today, approving our request to revoke Direct Line's (DL's) Solvency II partial internal model covering UK Insurance Limited and Churchill Insurance Company Limited.

From 31 December 2025, DL's solo entity capital requirements can now be calculated using the Solvency II standard formula, and similarly DL can be included in Aviva's Group Solvency Capital Requirement (SCR) using the standard formula with adjustment. Although still prudent, this enables partial diversification benefits between DL and Aviva to be recognised from 31 December 2025. Previously, using DL's partial internal model, none of these diversification benefits could be recognised in Aviva's Group SCR.

This change in capital treatment is estimated to realise around £0.1bn of capital synergies at 31 December 2025, adding c.2pp to Aviva's full year 2025 Group shareholder solvency ratio. A further update will be provided alongside our full year results in early March, once the impacts are finalised.

Removing DL's partial internal model supports our plans to move DL's business onto Aviva's internal model in due course, subject to PRA approval. We remain on track to achieve this and to realise greater than £0.5bn of total capital synergies by around the end of 2026, as outlined at our In Focus event in November 2025.

-ends-

Enquiries:

Media:

Andrew Reid	+44 (0)7800 694 276
Sarah Swailes	+44 (0)7800 694 859
Marion Fischer	+44 (0)7800 693 219

Analysts:

Greg Neilson	+44 (0)7800 694 564
Joel von Sternberg	+44 (0)7384 231 238
Michael O'Hara	+44 (0)7387 234 388

Notes to editors

- We are the UK's leading diversified insurer and we operate in the UK, Ireland and Canada. We also have international investments in India and China.
- We help our 25.2 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 2024, we paid £29.3 billion in claims and benefits to our customers.
- Aviva is a Living Wage, Living Pension and Living Hours employer and provides market-leading benefits for our people, including flexible working, paid carers leave and equal parental leave. Find out

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 2025, total Group assets under management at Aviva Group were £419 billion and our estimated Solvency II shareholder capital surplus as at 30 September 2025 was £7.0 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
- The Aviva newsroom at www.aviva.com/newsroom includes links to our spokespeople images, podcasts, research reports and our news release archive. [Sign up](#) to get the latest news from Aviva by email.
- You can follow us on:
 - X: www.x.com/avivapl
 - LinkedIn: www.linkedin.com/company/aviva-plc
 - Instagram: www.instagram.com/avivapl
- For the latest corporate films from around our business, subscribe to our YouTube channel: www.youtube.com/user/aviva

Forward-looking statements

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. All statements other than statements of historical facts included in this announcement may be forward-looking statements.

By their nature, all forward-looking statements are subject to known and unknown risks and uncertainty. Accordingly, there are or will be important factors that could cause actual results - and Aviva's related plans, expectations and targets - to differ materially from those indicated in these statements. Forward looking statements should therefore be construed in light of such aforementioned factors. Neither Aviva, nor any of its respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur.

Forward-looking statements in this report are current only as of the date on which such statements are made and readers are cautioned not to place undue reliance on them. Such statements should be regarded as indicative and illustrative only, and Aviva does not provide any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur. Aviva undertakes no obligation to update the forward-looking statements in this report or any other forward-looking statements we may make, except as required by any applicable laws or regulations.

Aviva plc is a company registered in England and Wales No. 2468686.

Registered office
80 Fenchurch Street
London
EC3M 4AE

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact ms@seg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

MSCFLFSSLAIIEIIR