

Managing and executing innovation in asset management

A Q&A with Mark Versey, CEO of Aviva Investors, and Alastair Sewell, Senior Investment Director

1) Innovation can feel like a buzzword in asset management. What does it mean at Aviva Investors?



Mark Versey:

For us, innovation starts with understanding our client needs. Clients are often trying to achieve multiple objectives at once—our role is to break their challenges into addressable parts. We then build integrated solutions using our existing platform and components while also evolving our platform to meet future demands.

At its core this means building solutions that can deliver stable returns for a given risk budget, while integrating portfolio constraints and preferences. For example, clients may want liability solutions that optimise for long term yield, regulatory capital and sustainability; multi-asset solutions that span the retirement journey for workplace pension funds; bespoke MPS wealth offerings and products which bring increased access to private markets or include smoothed managed funds for stability.

Innovation also means creating access to new asset classes for many clients, such as carbon removal and venture capital. Or in private markets, for example, it can include improving speed of deployment and risk/return outcomes through multi sector approaches to private debt.

We also innovate in how we improve decision-making, through stronger equity and bond research, how we make the business more efficient and scalable by leveraging technology and, where it makes sense, partnering with specialist firms. In practice, that includes a strong push on AI adoption at scale / GenAI rollout.

Finally, we innovate through deliberate structuring: creating new vehicles and rails that widen access and modernise delivery. That includes vehicles such as LTAFs and distribution infrastructure like iCapital, and it very clearly includes digital assets and tokenisation—because that's about evolving financial market infrastructure itself.

2) What have been your most meaningful recent innovations—and what do they say about your approach?

Mark Versey:

A good illustration is our Venture & Growth Capital capability. We took something we had historically built for Aviva and industrialised it for broader investment. By launching in an evergreen structure, we avoid forced selling so we can continue to back investee companies through multiple growth stages. We also designed it to be efficient: outsourcing parts of the early-stage engine where appropriate, while in-sourcing follow-on rounds so we can be more selective as companies scale.

This example demonstrates how our solutions are built on deep foundations and aligned to how we manage Aviva's money. We want all our clients to be able to co-invest alongside Aviva and benefit from scale and long-term committed capital—with alignment of interest supported by a governance model designed for institutional capital.

It also demonstrates two other vital points: we take execution discipline seriously, and we design innovation so it can scale. In a large organisation, innovation doesn't succeed by accident; it needs a clear framework of governance, decision rights, funding routes and risk oversight from the outset.

At the same time, large organisations don't innovate on frameworks

alone. You still need a degree of spark—someone to spot the opportunity and create momentum. Our job is to make sure the organisation can absorb that spark, challenge it constructively, and, if it's the right thing to do, scale it effectively. Because at its heart this remains a people business—our assets go home at night. Progress depends on getting the right people into the right places, with clear accountability and the backing to execute.

3) How do you create a repeatable system for innovation that isn't dependent on a few passionate individuals?

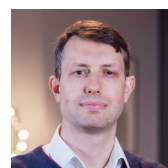
Mark Versey:

At a headline level it's all about culture. We have systematically built a high-performance culture focused not just on working harder but on working smarter. This means more empowerment and clearer accountability, moving from raising problems to finding solutions, and ultimately from 'leaning-in' to taking ownership.

Within this culture, we recognise that innovation has to operate at two levels simultaneously: the individual and the institution. We can't rely on heroics or informal networks, but we also can't reduce innovation to a mechanical process. Leadership's role is to bridge those two worlds.

That's why we've created deliberate governance structures for innovation: an executive run framework with dedicated budget and finance oversight, transformation support and help with business case creation. The point is to make it easier for the right ideas to progress and harder for weak ideas to drift into delivery. We call this the Ideas Factory.

A good example of how this works in practice is from Alastair Sewell, who has taken tokenisation through the Ideas Factory route and into delivery. Our work on tokenisation is a great case study of individual conviction being scaled through institutional support.



Alastair Sewell:

My lived experience of bringing tokenisation through Ideas Factory is that the framework is really effective and creates clarity and momentum. But what's critical is management buy-in: senior sponsorship that not only approves, but actively enables progress by unlocking resources, challenging constructively and removing friction.

It has also been a journey, which is exactly what you should expect with disruptive innovation. It isn't linear. We've progressed by learning, adapting, and moving forward iteratively rather than expecting perfection from the outset.

Execution has relied on cross-functional teams operating in sponsored collaboration modes, not conventional hierarchy, with flexibility in who is involved at different stages. A key leadership skill is building effective relationships quickly and creating a culture of pace, determination and energy in delivering what the technology can do.

4) Disruptive innovations are hard to predict. How do you build conviction without overcommitting too early?

Mark Versey:

We use test cases: fail fast, learn and repeat. That's how you build conviction without making irreversible commitments too early.

A useful lens here is our long experience with venture-style

decision-making: you define clear decision nodes where you either invest more, adapt, or stop. That discipline is essential when technologies and market structures are evolving and outcomes aren't guaranteed.

The point isn't to move slowly—it's to move deliberately, with explicit checkpoints so that commitment increases only when the client value case strengthens and execution risk reduces.

We are also making a major push on AI adoption and GenAI rollout to improve efficiency and scalability across the business, because the operating model of asset management will be shaped by both intelligence and infrastructure. Many employees across the firm now have AI-related objectives and we created a GenAI apprenticeship programme for those who want to become experts.

5) Let's talk tokenisation. Why do you see it as disruptive for asset management?

Mark Versey:

For us, the most immediate and compelling impact of tokenisation is its potential to reduce long-standing frictions in financial markets, especially around collateral. Settlement delays, reconciliation processes and fragmented infrastructure all create inefficiencies. Tokenisation offers a way to modernise that foundation.

Reduced settlement times can improve liquidity management, reduce counterparty risk and lower excess collateral needs. There are also implications for repo and securities financing: tokenised units in highly liquid assets—especially money market funds—can be mobilised as collateral without selling the underlying assets, improving collateral velocity and risk management, particularly during stress.

Stepping back, tokenisation is also about taking the "consumption" of funds closer to the way people already transact digitally. Digital money is better than physical money for convenience, security and transferability. Similarly, tokenised fund units can evolve towards being as easy to use as moving money between accounts or currencies.

Alastair Sewell:

We're also seeing the demand side develop. In 2025, tokenised money market funds grew 120% to around USD 8bn. This was from a low base, but it's a meaningful signal that adoption is accelerating.

Importantly, this is likely being driven by new sets of investors with different needs and preferences. For this new generation of investors always on access, operational simplicity and collateral utility matter as much as traditional fund mechanics.

Mark Versey:

Looking further ahead, programmability is the natural extension. Tokens can embed rules to control access and use, enabling new workflows over time. That potential could be transformative for this industry; the question is how to implement and deploy at scale in an effective, risk governed manner.

6) How are you turning tokenisation from concept into execution?

Mark Versey:

We've announced our intention to work with Ripple to tokenise elements of our liquidity product suite, including new tokenised share classes. The approach is to learn from a tokenised MMF and then run test cases with clients and banks, particularly around usage as collateral. We would genuinely like to speak with any institutions who want to participate in that journey. The goal is to create a repeatable blueprint for adoption for clients, not just run a one-off pilot.

A key challenge as you extend tokenisation into broader asset classes is market structure: how to support an effective and continuous market in asset classes like equities, and how to generalise learnings beyond the first use-cases.

Alastair Sewell:

Many colleagues also now have explicit tokenisation objectives in their goals—people are accountable for execution, not just awareness. If you want to see management buy-in, this is it. The leadership team expects delivery on our tokenisation initiative and will hold employees to account to do so.

And while MMFs are a logical starting point, we are actively exploring tokenisation's potential in other asset classes, especially private markets, where improved access models and more efficient investor interaction could be genuinely transformative—provided it's approached with the same discipline and standards.

7) Where have you seen the most powerful connections emerge across the organisation?

Mark Versey:

Innovation accelerates when it's designed to be cross-functional. A key step we've taken is to unify our investment function, public and private, under a single CIO. This enables cross-pollination (within appropriate parameters) between public and private capabilities and better reflects how end investors want to access exposures. The result is less siloing and more joined-up application of expertise.

Alongside that, we've strengthened the connective tissue between investment and operations—including dedicated teams in the COO function to support technology rollout—working closely with front office teams.

Lastly, and critically, we have strengthened the bridge between investment and distribution. A good example is the regular roundtable sessions we run on new asset classes and themes, ensuring we stay client led in our thinking while also educating the market and building trust.

Alastair Sewell:

One additional bridge I'd highlight is the likely convergence of agentic AI and tokenisation. As AI tools move from "assist" to "act"—agents that can execute workflows and transact—those agents will operate far more effectively in a world where securities are natively digital and tokenised, with machine-readable ownership, rules and transfer. That's when AI and tokenisation stop being parallel initiatives and start becoming a combined operating model.

8) What should the market expect next from Aviva Investors on innovation and tokenisation?

Mark Versey:

Learning from tokenised MMFs, running test cases with clients and banks—particularly around collateral—and creating a practical blueprint for adoption for our clients. The key challenge as we extend beyond initial use cases is solving market structure questions that allow tokenisation to scale into other asset classes.

Closing remark:

"We're building for a future where intelligence and infrastructure evolve together. As AI reshapes how decisions are made, and tokenisation transforms how assets move through financial market infrastructure, the opportunity is to reimagine the foundations of asset management itself. Our ambition is to be at the forefront of that shift—responsibly, at scale, and always with clients at the centre."

