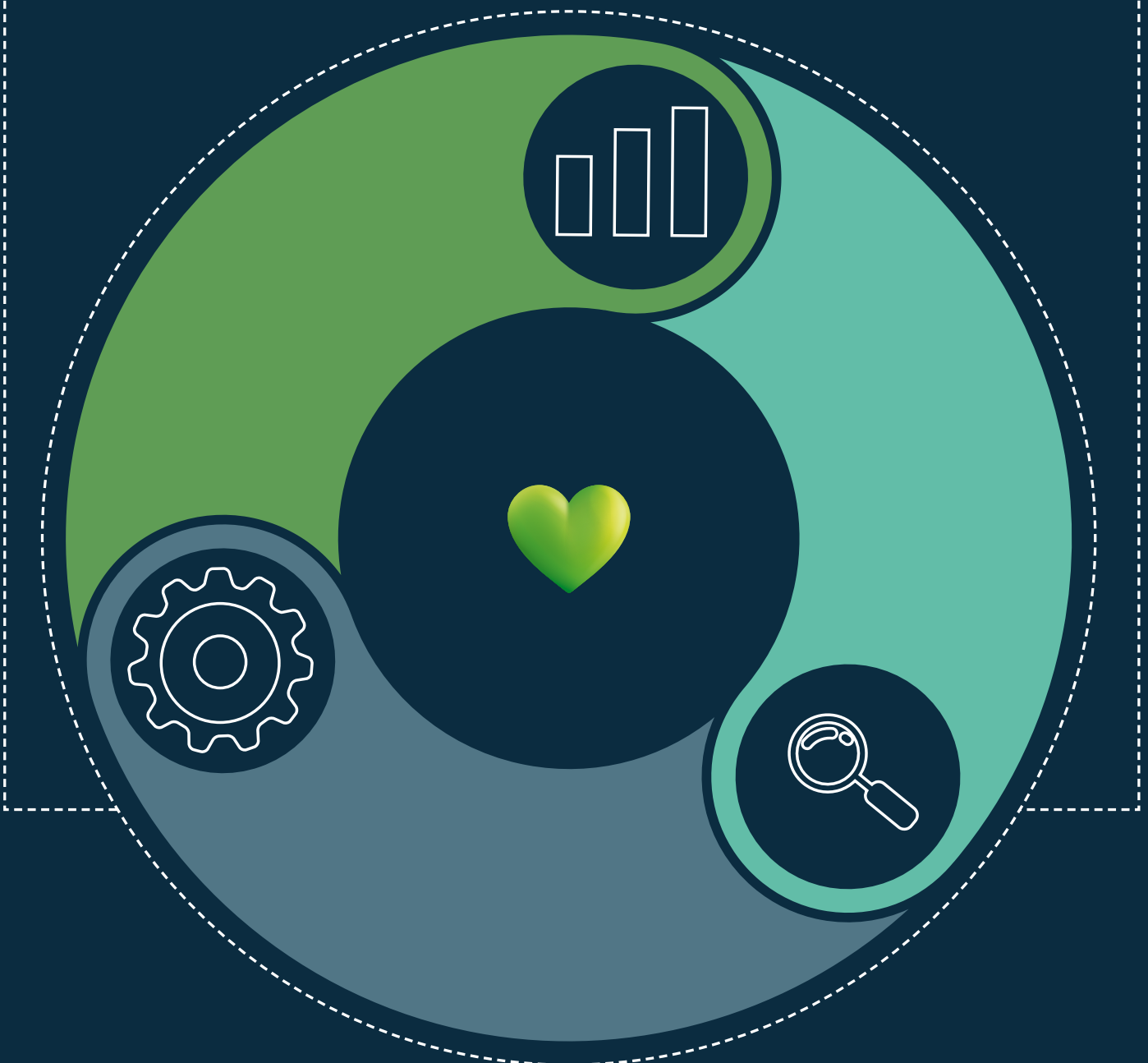


Our Business Strategy and Mutual Model

Our purpose is to help people live financially confident lives and we do this through our range of products, services and advice.

As one of the UK's leading mutual insurers, and an investment, protection, retirement and in-house advice specialist, we achieve our purpose by helping our members and customers to protect their income while they are working and maximise it when they stop.

With products predominantly sold through financial advisers, our mix of business provides us with a diverse risk portfolio – helping to mitigate the impact of adverse market conditions.



Business strategy

Our strategy is built around a diversified but focused portfolio, driven by a member-first philosophy. It is future focused with key components that define what we do, who we serve and how we deliver.

At the centre of our strategy is our multi-asset LV= Smoothed Managed Fund range that enables us to grow a modern With-Profits Fund for the benefit of our members today and for generations to come. In 2025, we celebrated 20 years since the launch of our first smoothed investment product, created to limit the impact of market volatility and enable a smoother investment journey. As an investment specialist, we have expanded our Smoothed Managed Fund range and refined the smoothing mechanism that cushions the impact of any short-term investment volatility.



Investments	Later Life and Pensions	Protection	Advice and Direct	Heritage
Provide access to multi-asset, low volatility investments through our with-profits Smoothed Managed Fund range.	Enable and secure retirement options with pension propositions and offer fixed term annuities and equity release products that supplement retirement income.	Offer critical illness, income protection and life insurance products to help protect livelihoods and incomes.	In-house advisers provide whole of market 'at retirement' advice and direct to consumer products.	Ensure fair value and service for our legacy with-profits, unit-linked and other policies.



Advisers	LV= Customers	Partnerships
Target advisers and their clients where the LV= brand and products are most competitive.	Grow our direct to customer proposition focused on protection, retirement and equity release products.	Create and sustain collaborative strategic partnerships through effective third-party management.



Culture	Customer and Adviser Experience	Technology	Brand	Capital Optimisation
Our values sit at the heart of LV= and help to define and strengthen our culture.	Deliver consistent service, experiences and outcomes to members, customers and advisers.	Continue to invest in our IT estate, further enhance our digital offerings and realise efficiencies.	Leverage LV's strong and recognised brand in the market to engage prospective consumers and existing policyholders.	Continue balance sheet and capital management alignment to the business strategy.

This is US

In 2025, we launched a 'This is US' five-year rolling plan with colleagues. It focuses on where we want to be in the long term, outlining our shared goals and key priorities so we can continue to deliver value to our members.



Financial Strength

Ensure we are sustainable for the future and growing, generating more capital, managing our costs and returning value to our members.



Market Leaders

Offer a diversified but focused range of products and services that deliver strong investment returns as a recognised and respected brand.



Service Excellence

Consistently deliver good outcomes to members, customers and advisers ensuring we are easy to do business with.



Colleagues Thrive

Be 'the place to be' where colleagues can be themselves and share a sense of pride in who we are and what we do.



Members Rewarded

Deliver for our members through the mutual bonus and investment returns. Listen to the voice of our members through a growing Member Community.

While our strategy is integral to our business, so are our culture and values.

Our culture

Our purpose of helping people to live financially confident lives is at the heart of our culture – it drives our approach and everything we do. Clearly set out in our balanced scorecard are our measures for success. Alongside this, we embed a performance-focused culture with our colleagues by deepening engagement to make sure they understand what our targets are, what they mean and how we all play a role in achieving them, as well as developing talent, skills and capability.

Our values

Our four values run in parallel with our strategy and scorecard: trusted, curious, inclusive and courageous. They are an intrinsic part of who we are, how we do business and reflect our culture and what we think is important. The values are rooted throughout the business and support our colleagues to bring their best selves to work. They also reinforce our commitment to creating an inclusive culture where all colleagues feel welcomed, respected, supported and valued.



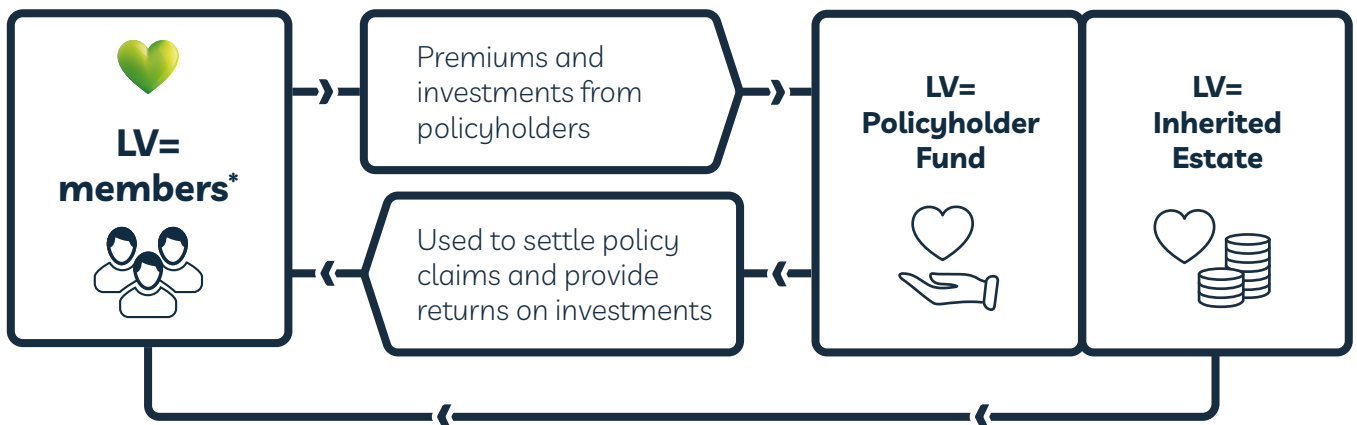
Our mutual model

As a mutual business, we are owned by our members and we operate using our mutual model. We run the business in a responsible and sustainable way, aiming to grow consistently for our members today and in the future.

Our focus is to deliver value for our members, particularly for our with-profits members who, due to the nature of with-profits policies, have invested in LV=. In 2025, we launched the UK's first with-profits fixed term annuity, enabling more people to share in the success of our mutual.

We have over one million members and customers who hold a variety of products including investments, life insurance, income protection and retirement income solutions.

Members have access to a range of member benefits and additional support services. Eligible members, who hold certain with-profits policies, may also benefit from a mutual bonus when the business performs well.



*Our mutual model does not include LV= members in the ring-fenced RNPFN or Teachers Funds. Eligible with-profits members in these funds benefit from the distribution of the RNPFN or Teachers inherited estates.

Our products and services that feed into our mutual model

Savings and Retirement - Smoothed Managed Fund range, unit-linked pensions, fixed-term annuities, closed book lifetime annuities, LV= Equity Release and our Retirement Advice Service.

Protection - Products that help protect people's lives and incomes, such as life insurance, income protection and critical illness.

Heritage - A closed book of savings and retirement products issued by LV= and companies acquired by LV= in previous years, including Teachers Assurance and Royal National Pension Fund for Nurses (RNPFN).

LV= Policyholder Fund

Premiums and investments are invested in a variety of assets and any returns increase the value of the Policyholder Fund. The fund is also used to settle policy claims.

Due to our range of both with-profits and unit-linked products, the LV= Policyholder Fund contains different mixes of assets for different products. The fund also includes our non-profit protection and annuity products.

The LV= Inherited Estate

The LV= Inherited Estate is the money that is not needed to pay our liabilities. These funds represent the retained profits we have made since we began in 1843. It is used to invest in new business and in our subsidiary companies, to generate future returns and acts as a source of capital for running the business. If a mutual bonus is awarded to eligible with-profits members, this is generated from the LV= Inherited Estate.