

Liverpool Victoria Life Company Limited

Solvency and Financial Condition Report

For the year ended 31 December 2025

Summary

The purpose of the Solvency and Financial Condition Report (SFCR) is to provide information required by the Solvency II regulatory framework, in particular the capital position at 31 December 2025 of Liverpool Victoria Life Company Limited (LVLC). This report sets out different aspects of the Company's business and performance, system of governance, risk profile and valuation methods used for solvency purposes and its capital management practices.

Basis of preparation of the SFCR

The LVLC SFCR has been prepared on a Standard Formula basis. The calculation of the technical provisions is based on up-to-date and credible information and realistic assumptions as at 31 December 2025.

Business and Performance

LVLC's main purpose during the year was to manage the run-off of the UIA (Insurance) Limited business acquired in 2005. The company is also the reinsurer of Protection contracts consisting of term assurances and critical illness policies for which it receives premium income.

LVLC reported a UK GAAP profit for the year of £361k (2024: £459k). An interim dividend of £2,400k was declared and paid to the parent company, Liverpool Victoria Financial Services Limited (LVFS) in March 2025 (2024: £nil).

Section A of this report sets out further details about LVLC's business structure, key operations, market position and financial performance over the reporting period, split by underwriting performance and investment performance.

System of Governance

Changes of Directors during 2025 were as follows:

M R Hanscomb - resigned 31 December 2025
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J M Robert was appointed to the Board on 1 January 2026. Apart from the director changes, the governance of LVLC remained stable and is described in Section B of the LV= Group SFCR.

Section B of this report describes the system of governance in place throughout LVLC by which its operations are overseen, directed, managed and controlled.

Risk profile

The product range in LVLC principally covers a mixture of whole of life assurances, endowment assurances and term assurances acquired from UIA Ltd in 2005, in addition to accepting a small volume of reinsurance business from external organisations. The Company does not cede any reinsurance to other parties and all lines are closed to new business.

The main area of risk exposure is market risk. Other risks contributing to the SCR are underwriting risk, credit counterparty risk and operational risk.

Section C of this report further describes the risks to which LVLC is exposed and how it identifies, measures, manages and monitors these risks, including any changes in the year to LVLC's risk exposures and specific risk mitigation actions taken.

Valuation for Solvency purposes

Assets, technical provisions and other liabilities are valued in LVLC's Solvency II Balance Sheet according to the Solvency II regulations. Assets and liabilities are valued at an amount for which they could be exchanged, transferred or settled by knowledgeable and willing third parties in an arms-length transaction. Technical Provisions have been calculated as the sum of the Best Estimate Liabilities (BEL) and Risk Margin. The Transitional Measure on Technical Provisions is not used in LVLC. There have been no material changes in the valuation methods of LVLC during the year.

At 31 December 2025, LVLC's excess of assets over liabilities was £5,968k (2024: £8,004k) on a Solvency II regulatory basis. The reduction reflects the £2,400k dividend paid to LVFS during the year.

Section D of this report provides further description of the bases, methods and main assumptions used in the valuation of assets, technical provisions and other liabilities for each material asset/liability class. In addition, it also provides an explanation of the material differences between the UK GAAP and Solvency II bases of valuation.

Capital Management

LVLC manages Own Funds in line with solvency capital requirements. In the calculation of the Solvency Capital Requirement (SCR) LVLC uses a Standard Formula approach. The approach to calculating the SCR and Minimum Capital Requirement (MCR) is in accordance with the relevant regulations, PRA Rulebook and associated guidance.

At 31 December 2025, the Eligible Own Funds to meet the SCR were £5,674k (2024: £5,195k), while the SCR was £289k (2024: £332k) and the MCR was £3,500k (2024: £3,500k).

Section E of this report further describes the objectives, policies and procedures employed by LVLC for managing its Own Funds. The section also covers information on structure and quality of Own Funds and calculation of SCR.

The key capital management policies and objectives for LVLC are set at Group level and are consistent across all entities. For further information on these please see section E.1a and E.1b of the LV= Group SFCR.

Directors' approval statement

Financial year ended 31 December 2025

We certify that:

- a) The Solvency and Financial Condition Report has been properly prepared in all material respects in accordance with the PRA rules and Solvency II Regulations; and
- b) We are satisfied that:
 - i. throughout the financial year in question, the Company has complied in all material respects with the requirements of the PRA rules and Solvency II Regulations as applicable to the Company; and
 - ii. it is reasonable to believe that, at the date of the publication of the Solvency and Financial Condition Report, the Company has continued so to comply and will continue so to comply in future.

The Solvency and Financial Condition Report was approved by the Board of Directors on 09 April 2026 and signed on its behalf by:



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Stephen Percival
Director

09 April 2026

Liverpool Victoria Life Company Limited
County Gates
Bournemouth
BH1 2NF

A. Business and Performance (LVLC)

A.1 Business

a) Name and legal form of undertaking

Liverpool Victoria Life Company Limited is a UK-incorporated and domiciled company limited by shares.

For the contact details of LVLC please see part a) in chapter A.1 of the LV= Group SFCR.

b) Name and contact details of the supervisory authority responsible for financial supervision.

Firm's reference number: 110423

The Prudential Regulation Authority (PRA) and Financial Conduct Authority (FCA) are responsible for the financial supervision of the Company.

For the contact details of the PRA and the FCA please see part b) in chapter A.1 of the LV= Group SFCR.

c) Name and contact details of the external auditor

The Company has taken the exemption to not have an audit opinion on its SFCR.

d) Description of the holders of qualifying holdings in the undertaking

LVLC is a wholly owned subsidiary of LVFS. As LVFS is a mutual organisation, there are no external qualifying holdings within the meaning of the Solvency II regulations.

e) Details of the undertakings within the group

For an explanation of the undertaking's position within the group please see part e) in chapter A.1 of the LV= Group SFCR.

f) Material lines of business and material geographic areas.

LVLC underwrites life insurance contracts within the UK.

As such the following Solvency II life lines of business are written:

- Other life insurance
- Health reinsurance
- Life reinsurance

LVLC's main purpose during the year was to manage the run-off of the UIA (Insurance) Limited business acquired in 2005. The company is also the reinsurer of Protection contracts consisting of term assurances and critical illness policies for which it receives premium income.

g) Significant business or other events occurring during the reporting period that have a material impact on the undertaking.

An interim dividend of £2,400k was declared and paid to the parent company, LVFS in March 2025 (2024: £nil). For Solvency II purposes, the dividend was reported as a foreseeable dividend at 31 December 2024, reducing Eligible Own Funds accordingly.

There were no other significant business or other events occurring during the reporting period that have a material impact on the undertaking.

A.2 Underwriting performance

All business is underwritten in the UK and given the nature of the business and the relatively small size of the business compared to other companies within the LV= Group, LVLC has not entered into any reinsurance treaties to transfer insurance risk to an external reinsurer.

The following tables provide information on the income and expenses analysed by material lines of business written during the current and prior reporting periods:

2025	Other life insurance	Health reinsurance	Life reinsurance	Total
	£000	£000	£000	£000
Earned premiums, net of reinsurance	35	324	1	360
Net claims incurred	(400)	(315)	-	(715)
Changes in technical provisions	226	-	-	226
Expenses incurred (excluding investment management expenses)	(15)	-	-	(15)
Net total	(154)	9	1	(144)

2024	Other life insurance	Health reinsurance	Life reinsurance	Total
	£000	£000	£000	£000
Earned premiums, net of reinsurance	41	333	1	375
Net claims incurred	(503)	(230)	-	(733)
Changes in technical provisions	829	-	-	829
Expenses incurred (excluding investment management expenses)	(18)	-	-	(18)
Net total	349	103	1	453

During 2025, net earned premiums from reinsurance income have decreased slightly to £360k (2024: £375k). This reduction has been matched by the year-on-year reduction in claims levels to £715k (2024: £733k). Changes in technical provisions of £226k (2024: £829k) reflects the fall in technical provisions during the year as claims levels were greater than premiums as the book gradually runs-off with no new business written.

A.3 Investment performance

The following tables summarise the investment performance, on a UK GAAP basis for the current and prior reporting periods:

Investment income

LVLC	2025 £000	2024 £000
Income from investments at fair value through profit or loss		
- Dividend income	-	66
- Interest income	368	439
Interest on loans and receivables	24	21
Net realised losses on investments held at FVTPL	(81)	(175)
Investment income	311	351

Unrealised gains/(losses) on investments

LVLC	2025 £000	2024 £000
Unrealised gains/(losses) on investments held at FVTPL:		
- Debt securities	225	(568)
- Equity securities	93	210
Unrealised gains/(losses) on investments	318	(358)

Unrealised losses in 2024 moved to unrealised gains in 2025, mainly through movements in UK government bonds.

Investment expenses and charges

LVLC	2025 £000	2024 £000
Investment management expenses and charges	2	2

A.4 Performance of other activities

Income tax

LVLC	2025 £000	2024 £000
Income tax (charge)/credit	(122)	15
	(122)	15

The Income tax charge for the year of £122k (2024: £15k credit) is driven by investment values impacting the deferred tax asset, with the unrealised losses in 2024 replaced with unrealised gains in 2025.

A.5 Any other information

There is no additional information to disclose for section A.

B. System of Governance (LVLC)

The system of governance for LVLC is aligned to the approach applied across the LV= Group. Therefore, please refer to Section B of the LV= Group SFCR.

The Directors of LVLC during the year were as follows:

D E Hynam
S K Percival
M R Hanscomb – resigned 31 December 2025

J M Robert was appointed to the Board with effect from 1 January 2026.

C. Risk Profile (LVLC)

C.1 Overview

C.1.1 Overview of risk exposures

The current product range in LVLC consists almost entirely of whole of life assurances, plus a small number of endowment assurances acquired from UIA Ltd in 2005. In addition, LVLC accepts a small volume of reinsurance business from external organisations. The Company does not cede any reinsurance to other parties, and all lines are closed to new business.

The main area of risk exposure is market risk. Other risks contributing to the SCR are underwriting, credit counterparty and operational risks, which are covered in more detail in the sections below. In addition, the contribution of these risks to the overall Solvency Capital Requirement (SCR) for LVLC is shown below. However, at 31 December 2025, the SCR falls below the Absolute Minimum Capital Requirement (AMCR) that LVLC is required to hold. This has been the case for some time, and it is expected that this position is likely to continue going forward. The AMCR at 31 December 2025 was £3,500k (2024: £3,500k).

The amount of SCR illustrated below for LVLC is £289k (2024: £332k).

Post Diversification Risk Capital, for the year ended 31 December	2025	2024	Change
Market risk	45%	66%	(21)%
Underwriting risk	25%	16%	9%
Credit counterparty risk	18%	7%	11%
Operational risk	12%	11%	1%
Total	100%	100%	

C.1.2 Measurement of risk exposures

A group wide approach is taken in measuring risk exposures. This is described within the LV= Group SFCR in section C.1.2.

C.1.3 Prudent Person Principle

A common investment framework is employed across the LV= Group and its subsidiaries. This is set out within the LV= Group SFCR in section C.1.3.

C.1.4 Risk Concentration

There are no material concentrations of risk within LVLC. As a result, the SCR at 31 December 2025 falls below the AMCR.

C.1.5 Risk mitigation techniques

LVLC does not cede any business to either internal or external reinsurance parties.

C.2 Underwriting risk

C.2.1 Underwriting Risk Exposure

LVLC is exposed to the following underwriting risks:

- Mortality Risk – the risk that a different pattern of mortality rates is experienced than those assumed in the calculation of the best estimate liabilities, potentially causing an increase in those liabilities.

This risk is small and managed through ongoing monitoring.

C.2.2 Material changes over the reporting period

There has been a small, non-material increase in underwriting risk over the period.

C.3 Market risk

C.3.1 Market Risk Exposure

LVLC is exposed to the following market risks:

- Interest Rate Risk – this is present under all lines of business as the best estimate liabilities are calculated by discounting future cashflows.
- Spread risk – the risk arising due to changes in credit spreads.
- Concentration Risk – the risk arising from a large exposure to various counterparties across different forms. It includes the build-up of risk exposure to any particular asset, issuer or group of undertakings, or geographical area and excessive accumulation of risk in the portfolio as a whole.

SCR split of market risk, for the year ended 31 December	2025	2024	Change
Interest rate risk	78%	48%	30%
Concentration risk	0%	31%	(31)%
Spread risk	22%	21%	1%
Total	100%	100%	

These risks are managed through aligning the investment strategy with the organisation's risk appetite and utilising asset liability matching. These actions aim to match the risks arising from the liabilities with the risks inherent in the assets used to back them.

C.3.2 Material changes over the reporting period

Although there has been a change in the contribution of each individual risk to the total, there has only been a small non-material drop in the overall level of market risk during 2025. The observed reduction in concentration risk over 2025 has been caused by a decrease in the holdings in any one entity and also through an improvement in data quality.

C.4 Credit Counterparty Risk

C.4.1 Credit Counterparty Risk Exposure

LVLC is exposed to the default of counterparties of investments, where money owed to LVLC cannot be recovered.

Credit Counterparty Risk concentrations are monitored across the Group, aggregating similar risks that arise in distinct Group entities where necessary, to ensure that unexpected sensitivities to risks are not allowed to build up.

Credit Counterparty risk is described further in section C.4 of the LV= Group SFCR.

C.4.2 Material changes over the reporting period

There has been no material change in the level of credit counterparty risk during 2025.

C.5 Other Risks

Liquidity, Operational and other risks are managed at a Group level and are described further in sections C.5, C.6 and C.7 of the LV= Group SFCR.

C.6 Sensitivities

No stress and scenario testing is conducted for LVLC because of the limited risk exposures within the Company. In addition, the absolute minimum capital requirement applies and is expected to continue to apply going forward.

D. Valuation for Solvency Purposes (LVLC)

D.1 Assets

For Solvency II valuation purposes, assets and other liabilities are valued consistently with UK GAAP provided that UK GAAP valuation methods are consistent with the Valuation section of the PRA Rulebook. Asset and liability values represent the fair value amount for which they could be exchanged between knowledgeable and willing parties in an arm's length transaction.

The following table reconciles UK GAAP assets and liabilities for LVLC as reported in the 2025 LVLC Financial Statements, to amounts reported in the Solvency II balance sheet as at 31 December 2025. The UK GAAP figures are presented in the Solvency II balance sheet format where possible and therefore do not directly correspond to the line items in the 2025 financial statements. Differences between the UK GAAP and Solvency II balance sheets have been categorised as presentational or valuation adjustments.

Reconciliation between UK GAAP and the Solvency II valuation		2025				2024
		UK GAAP	Presentational adjustments	Solvency II valuation adjustment	Solvency II	Solvency II
Assets	Note	£000	£000	£000	£000	£000
Deferred tax asset	#	337	-	-	337	459
Investments (other than assets held for index-linked and unit-linked contracts)	D.1 (1)					
Equities		4,593	(4,593)	-	-	-
Bonds		7,559	44	-	7,603	8,264
Collective Investments Undertakings		-	4,593	-	4,593	6,959
Deposits other than cash equivalents						-
Cash and cash equivalents	#	1,244	-	-	1,244	372
Any other assets, not elsewhere shown	D.1 (2)	75	(44)	-	31	29
Total assets		13,808	-	-	13,808	16,083
Liabilities						
Technical provisions	D.2	7,818	(91)	-	7,727	7,956
Debts owed to credit institutions		15	(15)	-	-	-
Insurance and intermediaries payables	D.3 (1)	-	92	-	92	112
Reinsurance payables	#	1	(1)	-	-	-
Payables (trade, not insurance)	D.3 (2)	2	19	-	21	11
Any other liabilities, not elsewhere shown	#	4	(4)	-	-	-
Total liabilities		7,840	-	-	7,840	8,079
Share capital and Reconciliation reserve/ SII Surplus funds		5,968	-	-	5,968	8,004
Total Liabilities plus FFA/SII Surplus funds		13,808	-	-	13,808	16,083

#= Disclosure note not provided as Solvency II value equal to UK GAAP or the amounts are immaterial.

Supporting Notes

1. Investments

All financial investments, primarily consisting of government bonds and collective investment undertakings are measured at fair value for both Solvency II and UK GAAP purposes. Fair value is obtained from quoted market prices or, if they are not available, by using relevant valuation techniques. Further information on financial investments valued using an alternative method to either a quoted market price in active markets for the same or similar assets is included in section D.4. An active market follows the UK GAAP definition, where an active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

2. Any other assets, not elsewhere shown

For Solvency II valuation purposes, prepayments and accrued interest are valued consistently with UK GAAP. On the Solvency II balance sheet, the accrued interest on bonds is included in the market value of investments.

Under UK GAAP, prepayments and accrued interest balances are all due within one year. These are valued at fair value based on amounts receivable on demand.

	£000
Any other assets, not elsewhere shown – UK GAAP	75
Presentational adjustment – reclassify accrued interest to Investments	(44)
Any other assets, not elsewhere shown - Solvency II valuation	31

D.2 Technical provisions

D.2.1 Technical provisions by line of business

The following table sets out the LVLC technical provisions split by Solvency II lines of business as at 31 December 2025.

Line of Business	31 December 2025 - £000		
	Best Estimate Liability (BEL)	Risk Margin (RM)	Total Solvency II Technical Provisions
Health insurance	11	0	11
Other life insurance	7,697	19	7,716
Total Life insurance obligations	7,708	19	7,727

D.2.2 Technical Provisions methodology and assumptions

A description of the bases, methods and assumptions used for valuation of the technical provisions is set out below.

Technical Provisions have been calculated as the sum of the Best Estimate Liabilities (BEL) and Risk Margin. The Transitional Measure on Technical Provisions is not used in LVLC.

BEL

The BEL is the probability weighted average of future cashflows required to fulfil obligations to policyholders under existing contracts taking account of the time value of money using the relevant risk-free interest rate term structure. There is no reinsurance ceded by LVLC to either internal or external reinsurers, so all cashflows are calculated gross.

Risk Margin

Given its low level of materiality, the Risk Margin has been approximated. Appropriate allowance has been made in the calculation for the SCR, the average duration of the liabilities and the cost of capital.

Discount Rates

A curve is used as prescribed by the regulator and derived from swap rates.

No transitional adjustment, Matching Adjustment or Volatility Adjustment is applied to the discount rate.

Tax

All products are classified as Basic Life Assurance and General Annuity Business (BLAGAB).

Mortality

An insured population table is used to reflect the mortality risk within LVLC, with no adjustment.

Persistency

It is assumed that all policyholders retain their policies until maturity/expiry or earlier death.

Expenses

Expenses are fixed at £2 per month per policy in accordance with the fixed-cost agreement between LVLC and LVFS.

Investment Expenses

Investment expenses are modelled through an adjustment to the discount rate.

D.2.3 Uncertainty within the Technical Provisions

The calculation of the Technical Provisions is based on data, assumptions and models, which may not reflect actual future experience. In addition, some simplifications are used where appropriate. As such a level of uncertainty is associated with these results.

D.2.4 Comparison of Solvency II and UK GAAP Technical Provisions

The table below shows the difference between the technical provisions under Solvency II and UK GAAP.

Technical Provisions	31 December 2025 - £000		
	Solvency II Value	UK GAAP Value	Difference
Health insurance	11	11	-
Other life insurance	7,716	7,716	-
Other - Claim Liabilities	-	91	(91)
Total Life insurance obligations	7,727	7,818	(91)

As at 31 December 2025, the Solvency II Technical Provisions and UK GAAP Technical Provisions are materially aligned for LVLC. However, there are presentational differences where under UK GAAP the Life Claims outstanding are disclosed as part of the technical provisions and for Solvency II purposes are reclassified to insurance and intermediaries payables.

D.3 Other liabilities

The 2025 UK GAAP to Solvency II balance sheet reconciliation is presented in section D.1, including a categorisation of the presentational and valuation adjustments required to align the UK GAAP balance sheet to the prescribed format of the Solvency II balance sheet. An explanation of the adjustments is set out below:

Supporting Notes

1. Insurance and intermediaries payables

For Solvency II valuation purposes, insurance and intermediaries payables are valued consistently with UK GAAP. However, there are presentational differences where under UK GAAP the Life Claims outstanding are disclosed as part of the technical provisions and for Solvency II purposes are reclassified to insurance and intermediaries payables.

Under UK GAAP, Insurance payables are recognised when due and include amounts due to policyholders, agents, brokers and intermediaries. Insurance payables are initially recognised at fair value and subsequently held at amortised cost.

	£000
Creditors arising from direct insurance operations – UK GAAP	-
Reclassification of claims outstanding from technical provisions to insurance and intermediaries payables	91
Reclassification of Reinsurance payables to insurance and intermediaries payables	1
Total insurance and intermediaries - Solvency II valuation	92

2. Payables (trade, not insurance)

For Solvency II valuation purposes, payables (trade, not insurance) are valued consistently with UK GAAP.

Under UK GAAP, trade payables are recognised when due. Payables are initially recognised at fair value and subsequently held at amortised cost.

	£000
Other creditors including taxation and social security – UK GAAP	2
Reclassification of bank overdrafts from Debts owed to credit institutions	15
Reclassification of accruals and deferred income from Any other liabilities, not elsewhere shown	4
Payables (trade, not insurance) - Solvency II valuation	21

D.4 Alternative methods for valuation

There are no material assets or liabilities for LVLC that use alternative valuation methods.

D.5 Any other material information

All relevant information is provided in the sections above and as such, no further information is disclosed here.

E. Capital Management (LVLC)

E.1 Own funds

The key capital management policies and objectives for LVLC are set at Group level and are consistent across all entities. The approach to measuring and monitoring capital for LVLC is defined and actioned at Group level. In addition, the Group backs all the underlying entities and has in place mechanisms to support these capital positions if necessary.

For further information on these please see section E.1a and E.1b of the LV= Group SFCR.

The following table details the structure, amount and quality of basic own funds.

	Tier 1 £000	Tier 2 £000	Tier 3 £000	Total £000
Ordinary share capital	100	-	-	100
Reconciliation reserve	5,531	-	-	5,531
Deferred tax assets	-	-	337	337
Total Basic Own Funds	5,631	-	337	5,968
Total available Own Funds to meet the SCR	5,631	-	337	5,968
Total available Own Funds to meet the MCR	5,631	-	-	5,631

The following tables detail the eligibility of own funds to meet the SCR and MCR.

Total available Own Funds to meet the SCR	5,631	-	337	5,968
Capital restrictions	-	-	(294)	(294)
Total eligible Own Funds to meet the SCR	5,631	-	43	5,674

Total available Own Funds to meet the MCR	5,631	-	-	5,631
Capital restrictions	-	-	-	-
Total eligible Own Funds to meet the MCR	5,631	-	-	5,631

The basic own funds structure for LVLC is a combination of ordinary share capital and the reconciliation reserve which are both classified as Tier 1. This is supplemented by an amount equal to deferred tax assets which is classified as Tier 3.

Changes in Own Funds during the reporting period

LVLC is a wholly-owned subsidiary of LVFS.

	LVLC		
	1 January 2025 £000	Movement £000	31 December 2025 £000
Eligible own funds			
Tier 1 capital	5,145	486	5,631
Tier 3 capital	459	(122)	337
Total capital	5,604	364	5,968
Made up of:			
Equity shares	100	-	100
Reconciliation reserve / surplus	5,045	486	5,531
An amount equal to deferred tax assets	459	(122)	337
Total capital	5,604	364	5,968
Restriction to Tier 3 capital	(409)	115	(294)
Total eligible own funds to meet SCR	5,195	479	5,674

Tier 1 capital includes movements in excess of assets over liabilities.

Ancillary own funds

At 31 December 2025 there were no ancillary own funds.

Deductions from own funds

At 31 December 2025 there were no deductions from own funds (2024: £2,400k).

Explanation of the key elements of the reconciliation reserve

Reconciliation reserve	£000
Retained earnings on a Solvency II basis	5,868
An amount equal to deferred tax assets	(337)
Total	5,531

Material differences between equity as shown in the undertaking's financial statements and the excess of assets over liabilities as calculated for Solvency II purposes

There are no material differences between equity as shown in the undertaking's financial statements and the excess of assets over liabilities as calculated for Solvency II purposes. For further information please see Section D.1

Own-fund items that are subject to the transitional arrangements

LVLC has no Own Fund items subject to transitional measures.

E.2 SCR and MCR

E.2.1 SCR and MCR

The following table shows the amount of the SCR and MCR for LVLC:

£000	2025	2024
Solvency Capital Requirement (SCR)	289	332
Minimum Capital Requirement (MCR)	3,500	3,500

There has been a small, non-material, decrease in the SCR over 2025.

E.2.2 SCR split by risk

The following table summarises the risk modules which contribute to the Solvency Capital Requirement for LVLC applicable under the Standard Formula as at 31 December 2025:

Category	Specific Risk	Post Diversified Capital Requirement
Credit Counterparty Risk		54
	Interest	101
	Spread	28
	Concentration	0
Market Risk		129
Underwriting Risk		71
Liquidity Risk		0
Operational Risk		35
SCR		289

E.2.3 Basis of calculation

LVLC uses a Standard Formula basis to calculate the SCR. The approach to calculating the SCR and MCR is in accordance with the relevant regulations, PRA Rulebook and associated guidance. LVLC is not using any material simplifications or undertaking specific parameters in the calculation of the SCR and does not have any regulatory capital add-ons.

E.3 Use of a duration-based equity risk sub-module

LVLC has not applied the duration-based equity risk sub-module in the calculation of the SCR.

E.4 Differences between Standard Formula and any Internal Model used

This does not apply as LVLC does not use an Internal Model to derive its SCR.

E.5 Non-compliance with the MCR and the SCR

LVLC has maintained Own Funds in excess of the MCR (and hence the SCR) throughout the reporting period.

E.6 Any other information

There is no additional material information regarding capital management to disclose in this section.