

Sustainability Report

For the year ended 31 December 2025





2025

Performance Highlights



Launched our social impact programme



LV= Together

We are on track to achieve our 2030 decarbonisation objective

This applies to publicly listed corporate bond and equity holdings within our full control

The Financial Ombudsman Service agreed with

86%

of our complaint decisions

378

LV= members assisted via our member support programme



Carbon Neutral Organisation

Our operations are carbon negative

We calculated our operational carbon emissions and offset **110% of our total emissions, which has supported worthwhile projects**

Signatory to the Women in Finance charter. Women continue to represent

43%

of our senior colleagues



We are a Disability Confident Leader. This means that we meet the UK government's high standards as an inclusive employer



We have made a collective commitment to improve ethnic equality of opportunity in the workplace

The purpose of this Report

Sustainability is an integral part of the way we do business. This Report aims to share our approach and what we are doing at LV= to tackle environmental, social and governance (ESG) issues with our members, customers, advisers and other stakeholders.

This Report also brings together sustainability disclosure information in accordance with the Taskforce on Climate-related Financial Disclosure (TCFD) entity reporting requirements, the Streamlined Energy and Carbon Reporting requirements and the Non-Financial and Sustainability Reporting Information Statement under Section 414CA and 414CB of the Companies Act 2006.



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Sustainability Review

David Hynam

Chief Executive (CEO) and Chief Sustainability Officer (CSO)



For more than a century and a half, our mutual has been built around the principle of helping people live financially confident lives. Today, we deliver this by protecting incomes and maximising retirements. That purpose guides every decision we make as we deliver products, services and advice to support futures, families and finances. Because we have no external shareholders, we run the business for the people who rely on us today and those who will join us tomorrow, our members – reinvesting for resilience, value and long term returns.

As I introduce our 2025 Sustainability Report, I want to share how we have advanced our plan across its three core pillars and where we are pressing further. Sustainability is not a side project for us; it is an integral part of being a mutual today.

Safeguarding our Environment

We continue to align day-to-day management of the business with a lower carbon future. We are committed to reducing emissions for the assets we have full control over, and are on track to achieve our 2030 decarbonisation objective.

This matters because indirect emissions from investments make up the largest share of our footprint. We will continue to look for ways to further improve where we can do so credibly and responsibly.

Sustainable Mutual

In 2025, we launched LV= Together, our approach to social impact. Through focused partnerships and sponsorships, our goal is to create positive, lasting change in the communities we are part of and broader society.

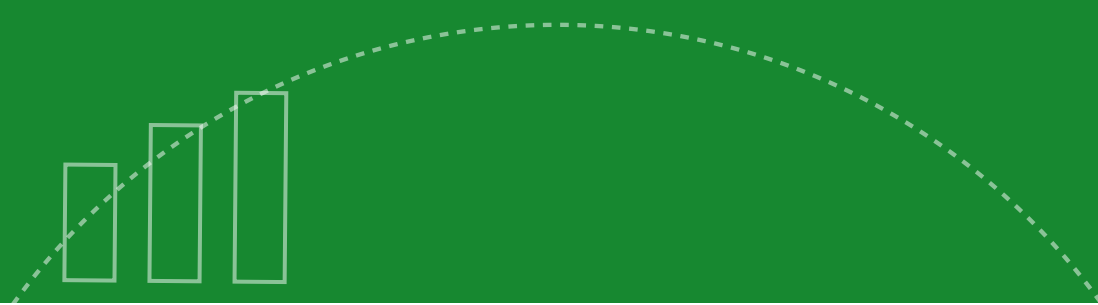
With the Social Mobility Foundation, we published research on how young people facing barriers can be better supported in education and work. Through The King's Trust, we invited young people to our office to help inspire future careers. We are also proud that independent benchmarks recognise our progress: ranked in the top 25 of UK employers by the Financial Times and included among its European Diversity Leaders list, reflecting the inclusive culture our colleagues are building. We are also proud to have achieved Disability Confident Leader status.

Trusted and Thoughtful Provider

How we serve our members and customers matters as much as what we offer. I am delighted to see LV's well-deserved recognition of the care and teamwork that make this a great place to be. That spirit shows up for our members too. This year, our member support programme helped 378 members when they needed us most; we achieved silver accreditation from STAR (Scheme for Transferring Assets Responsibly) for the quality of our pension transfer service; and our continuous improvements have been reflected in consistently excellent-rated customer feedback.

We remain committed to balancing near term delivery with long term stewardship, so we can protect what matters today and pass on a stronger business to the next generation of members. Thank you to every colleague and partner who has contributed to our progress.

A handwritten signature in black ink, appearing to read 'David'.



Jean-Marc Robert
Chief Risk Officer (CRO)



As David sets out, our sustainability aspirations are grounded in long-term value for members. Effective risk management helps to enable that to be delivered responsibly and sustained over time. Specifically, our approach supports our aims to protect member outcomes and sustain trust – across business performance, environmental impacts and our wider social responsibilities.

Risk management provides the framework through which sustainability considerations (both opportunities and risks) are identified, assessed and integrated into decision-making. In this context, the identification and management of current and emerging risks – including those arising from climate change – remain a core focus of our risk agenda and governance.

Managing climate-related risks

The past number of years have been reported as the warmest on record, with increases in the frequency and severity of extreme weather events also observed. Against this backdrop, the management of climate-related risk continues to be an important area of focus. We have continued to identify and assess our exposures to both physical and transition climate risks through our established risk identification and assessment processes. This includes undertaking proportionate stress and scenario analysis to support our understanding of potential impacts and inform management actions where appropriate. Our approach is pragmatic and evidence-based where possible, reflecting our current risk profile and exposures. It also reflects our commitment to balancing near-term delivery with long-term resilience, ensuring that climate considerations are embedded in decision-making rather than treated as a standalone issue.

We also continue to refine our methodologies and processes to ensure they remain appropriate in a rapidly evolving risk environment and aligned with regulatory expectations. In 2026, we will further review our approach to ensure ongoing consistency with the Prudential Regulation Authority’s updated expectations for the management of climate-related risks.

Transitioning to net zero

The global energy transition reached a notable milestone in 2025, with renewable energy becoming the leading source of electricity generation worldwide for the first time. As global electricity demand is expected to increase – driven by electrification and data infrastructure – effective management of transition risk remains important in protecting member value.

During 2025, we continued to advance our approach to managing transition risk through our Responsible Investing Framework. This included taking decisive action to exclude, within our segregated mandates, investments in companies deriving substantial revenues from thermal coal and oil sands.

As set out in this Report, we hold no investments in businesses earning more than 25% of revenues from these activities.

Operationally, LV= has used 100% renewable electricity since 2021, reinforcing our commitment to align our operational practices with our environmental objectives. We recognise that some emissions are harder to eliminate in the near term, and therefore carbon offsetting remains part of our approach. We maintain carbon-neutral+ accreditation across our direct operations and have strengthened our approach by supporting projects focused on carbon removal. These actions form part of our broader approach to managing climate-related risk and supporting long-term sustainability.

Seeking opportunities for impact

Our commitment to sustainability extends beyond mitigating risk. It is also about supporting positive outcomes for society and the environment in a manner consistent with our mutual purpose.

Our colleagues play an important role in this and during the year came together to support fundraising and volunteering activities across our communities. This active engagement reflects a shared commitment to acting responsibly and supporting long-term value creation.

This Report provides further detail on the actions we are taking to strengthen our sustainability framework and support the long-term resilience of our business for the benefit of current and future members.



Sustainability Strategy

Our purpose has been to **help people live financially confident lives** since 1843. Everything we do is to help our members and customers plan for a financially secure future by protecting their income while they are working and maximising it when they stop. As a mutual, our members are at the **heart of LV=.**

Our sustainability strategy focuses on three core pillars that we believe are essential foundations in helping our members and customers for many generations to come.



Safeguarding our Environment

Commitment

Deliver strong, stable and sustainable value to our members and customers and achieve this in a way that protects and nurtures our planet for both current and future generations.

Goal

Strive to embed environmental considerations in everything we do. Safeguarding our environment is our first pillar because we believe looking after our environment is fundamental to ensuring a society and economy where all can thrive.

Key initiatives

- Develop a transition plan to net zero.
- Invest responsibly by ensuring environmental, social and governance factors are considered when making decisions.
- Further reduce the environmental impact of our operations.

Sustainable Mutual

Commitment

Make a positive and lasting impact in our local communities because, as a mutual, we believe our role in society goes beyond supplying products and services. Empower our colleagues to deliver positive sustainable outcomes for our members, customers and wider stakeholders.

Goal

Be part of a society that works for everyone. Our priority is to ensure that we are here for our members and customers for generations to come.

Key initiatives

- Support our communities through activities and fundraising.
- Build talented diverse teams and prioritise the wellbeing of our colleagues.

Trusted and Thoughtful Provider

Commitment

Build on our strong governance and values-led culture to ensure we go above and beyond what is required to meet legal and regulatory obligations. The way we serve our members and customers is of equal importance to the products, services and advice that we offer.

Goal

Be a trusted and thoughtful mutual business that is member-focused and provides attractive and sustainable member returns through product, service and investment excellence.

Key initiatives

- Support our members and customers with excellent customer service and access to help when they need it.
- Embed a strong governance framework, which is driven by a values-led culture.
- Collaborate with others in our industry to drive change.

Safeguarding our Environment



We all have an important part to play in safeguarding our environment by sustainably using our resources **to protect** and **nurture** our planet for current and future generations. Central to this is the collective reduction of greenhouse gas emissions.

Our ambition is to transform our business to become net zero in line with the UK government's commitment to net zero by 2050 and in support of the Paris Agreement's objective to limit global temperature increases¹.

As we prepare for this, we will continue to seek opportunities to accelerate this timeline.

¹ The Paris Agreement is a legally-binding international treaty on climate change. The goal is to hold the increase in the global average temperature to well below 2°C above pre-industrial levels and pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels.

During 2025, we continued to make progress across our investments, operations and supply chain. Within our investments portfolio, we have made significant progress and are on track to achieve our 2030 decarbonisation objective. We explore this further in the responsible investment section on page 14. In our operations, we have further enhanced the efficiency of our offices as part of the energy savings opportunity scheme². Within our supply chain, our focus has been on enhancing the data we collect and further embedding environmental, social and governance factors into our due diligence processes. With that in mind, we have integrated a new platform that ensures we collect, as standard, information on emissions, net zero commitments and broader environmental, social and governance (ESG) practices that improve our decision making.

We cannot achieve our full ambitions alone. Achieving net zero status is reliant on many stakeholders, including governments and policymakers, to ensure that the goals of the Paris Agreement are achieved. We must also ensure that our ambitions for net zero outcomes are balanced against our ability to deliver the risk-adjusted investment performance our members expect. We plan to evolve our approach by considering interim targets for a greater proportion of our emissions.

Since 2022, we have been carbon negative in relation to our operational greenhouse gas emissions and have maintained our Carbon Neutral + accreditation. This means we have determined our carbon emissions for our business and offset 110% of both our direct and indirect operational emissions³. We achieved this by supporting six emission removal projects that were voted for by our colleagues. The projects include reforestation in Ghana and Sierra Leone, plantations in Uruguay and afforestation and improved grassland management in China. More information about these projects can be found on page 17.

Net zero is the goal of balancing greenhouse gases produced with those absorbed. This means reducing emissions and utilising methods of absorbing greenhouse gases from the atmosphere.

We continue to identify and implement environmental initiatives to further lower our carbon footprint and reduce the reliance on offsetting.



Our operations are carbon negative

We calculated our operational carbon emissions and offset 110% of our total emissions which has supported worthwhile projects

Strategy

Uncertainty remains in the ways in which we, and the wider financial services sector, may be impacted by climate change while governments, industries and society more widely seek to determine the appropriate speed and actions required to protect the environment. In 2019, the UK government became the first major economy to pass a net zero emissions law; also supported at COP 26 where the Chancellor set out plans for the UK to be the world's first net-zero-aligned financial centre. The scale of change required to meet these targets, and the potential consequences if we don't, present both risks and opportunities for our business. These risks and opportunities will likely manifest over different time frames depending on the scale of intervention taken to protect the environment. In our risk analysis, we explore the following time frames:

LV= time frames

Short Term	Less than five years
Medium Term	Five to ten years
Long Term	Greater than ten years

Climate-related risks and opportunities

As a UK life and pensions mutual insurer, the risks associated with climate change, particularly physical risk, may be less material than for other companies who carry out general insurance or global operations. However, the impact of climate change remains highly uncertain, particularly in relation to the extent to which different geographical locations may be affected.

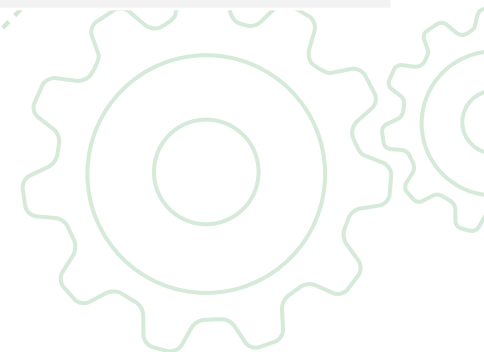
² The Energy Savings and Opportunity Scheme is a mandatory assessment administered by the UK Environment Agency. The scheme is designed to identify tailored and cost-effective measures to save energy and achieve carbon and cost savings.

³ This calculation focuses on our operational emissions including direct emissions from heating and cooling our offices, consuming electricity and estimates for homeworking and business travel. It does not include other indirect emissions such as those from our investment portfolio or the goods and services we purchase from third parties.

The key risks and opportunities for our business from climate change include:

Risk or opportunity	Description	Timeframe	Examples of potential impact	Approach
Physical risk	Physical risks due to climate change arise from a number of factors and relate to specific weather events (such as heat waves, floods, wildfires and storms) and longer-term shifts in the climate (such as changes in precipitation, extreme weather variability, sea level rise and rising average temperatures).	Medium to Long Term	<ul style="list-style-type: none"> █ Fall in the value of investments or property backing equity release or commercial mortgage loans █ Failure/disruption of a third party █ Shifts in longevity, morbidity and mortality █ Disruption of business operations █ Inflation of business as usual costs due to scarcity of resources or increased geopolitical tension arising from climate changes 	<ul style="list-style-type: none"> █ Monitor via scenario analysis and sensitivities █ Use of reinsurance to mitigate demographic risk exposures █ Monitor evolving industry practice and regulatory guidance for assessing and adjusting to demographic risks █ Business continuity planning and operational resilience testing
Asset transition risk	<p>Asset transition risks can arise from the process of adjustment towards a low-carbon economy.</p> <p>A range of factors influence this adjustment, including climate-related developments in policy and regulation, the emergence of disruptive technology or business models, shifting sentiment and societal preferences, or evolving evidence, frameworks and legal interpretations.</p>	Short to Medium Term	<ul style="list-style-type: none"> █ Fall in the value of investments which are perceived as environmentally unfriendly or which may be adversely affected by climate change █ Failure or disruption of a third party who provides a service to us, adversely affecting delivery of that service 	<ul style="list-style-type: none"> █ Monitor via a transition risk indicator █ Monitor via sensitivity testing █ Ensure ESG considerations are embedded in investment processes
Policy and legal risk	Changes to regulation and disclosure requirements from governments encouraging firms to transition to a low-carbon economy have the potential to create compliance and legal risks as we adjust to new regulation.	Short to Medium Term	<ul style="list-style-type: none"> █ Increased operating costs as a result of implementing regulatory requirements █ Increased operating costs from third parties █ Potential fines and litigation 	<ul style="list-style-type: none"> █ Emerging regulatory changes are tracked by our Compliance team █ Operation of a 'three lines of defence' model to mitigate risk of non-compliance █ Contract renegotiation and tender processes with third parties

Risk or opportunity	Description	Timeframe	Examples of potential impact	Approach
Reputational risk	Reputational risk may arise as a result of unfavourable market and consumer reactions if we are judged not to have responded appropriately to climate change and emerging regulatory requirements.	All	<ul style="list-style-type: none"> ■ Reduced new business volumes ■ Increased lapse/surrender rates ■ Potential litigation 	<ul style="list-style-type: none"> ■ Integration of climate change and greenwashing risks within our risk management framework to ensure appropriate response ■ Monitoring to understand and explain any increases in the operational emissions of the business per full-time employee ■ Implementation and publication of our sustainability strategy ■ Ensure targets set are achievable with progress monitored
Product innovation opportunity	As regulations and consumer preferences change, opportunities for new and innovative products which meet consumer needs are likely to be created.	Medium Term	<ul style="list-style-type: none"> ■ Consumer demand creates opportunities for product innovation and growth, thereby addressing new and evolving consumer needs 	<ul style="list-style-type: none"> ■ Monitor consumer sentiment by conducting surveys and watching industry trends
Investment opportunities	Asset transition presents an opportunity for enhanced returns from assets that support the transition to a low-carbon economy. Longer term there is an opportunity for enhanced returns from assets which are resilient to the physical effects of climate change.	Medium to Long Term	<ul style="list-style-type: none"> ■ Increase in the value of our investments 	<ul style="list-style-type: none"> ■ Ensure ESG considerations are embedded within our investment processes





Our **sustainability strategy** is integrated into business planning to ensure that climate change and other ESG considerations are captured alongside other financial metrics **as we plan for the future** and assess the resilience of our business strategy.



Embedding sustainability into the business planning process

Our business plan, which is reviewed and approved by the Board annually, provides a road map for delivering the group's strategic objectives.

The plan is developed by setting a number of assumptions including those relating to future trading, demographic experience of the existing business and anticipated spend. The assumptions are set using a combination of analysis of past experience overlaid by expert judgement informed by the risk analysis and assessment activities undertaken over the year. Climate change considerations are factored implicitly into some assumptions, such as future market returns or lapse rates, and in some cases more explicitly, such as consideration of the level and allocation of spend required to support initiatives required to deliver key strategic goals relating to climate change. These assumptions are assessed by management, including our Risk Management team, and the Board for both reasonableness and for consistency with our capabilities and objectives.

The assumptions are then used to project a number of metrics, such as solvency, liquidity and capital generation over a five-year period, to ensure a holistic view of the implications of pursuing the strategy are understood. This includes a review of the projected exposures against the climate-related risk indicators.

Stress and scenario testing is used to understand potential downside risk and aid assessment of the resilience of our business model. This includes reviewing the impact of climate-driven scenarios, which are derived from considering the climate-related risk identification and stress testing processes carried out during the year, but with focus towards the risks where adverse impacts are most likely to emerge over the plan period. Further details of some of the scenario analysis performed in 2025, including that which supports the plan, is set out in the next section.

The ongoing validity of the plan is assessed by reconciling actual business outcomes experienced over the following year to the projections, understanding any key differences emerging and determining responses where appropriate.

In recent years, this process supported the delivery of several activities which have enhanced our ability to manage climate-related risks. These include improvements made to our offices to reduce our carbon footprint, the implementation of carbon offsetting, the development of our climate-related scenario analysis and the sourcing of data to monitor and manage exposures.

Climate scenario analysis

Scenario testing was performed within the business plan process with scenarios designed to consider how climate change could affect the strategic outlook. The table below describes the two pathways that we assessed (transition headwinds and delayed transition) and the rationale behind the assumptions used.

The transition headwinds scenario assumes our strategy experiences additional challenges from the external environment, both regulatory changes and transition, and physical impacts from climate change.

The delayed transition scenario assumes there is a delay in implementing our climate change transition strategy (or that additional activity is deemed required to meet objectives) and that we face regulatory, investment and expense challenges as a result.

While it is challenging to predict how climate change will evolve in the medium to long term, scenario analysis is a key tool for assessing our potential business exposure to various plausible outcomes. The scale of global warming will depend significantly on the actions taken to protect the environment and the timing and impact of these actions. Similarly, the effects that interventions may have on the economy are also uncertain.

A number of scenarios were developed to support our understanding of the potential implications arising as a result of acute and chronic changes to the climate, which included:

- significant falls to the value of properties backing Commercial Mortgage Loans used to back annuities or Equity Release Mortgage loans, as a result of an increase in the frequency and severity of weather events, including storms and floods,
- shocks to the investment portfolio using the Network for Greening Financial Services scenarios, including the Disorderly Transition scenario, which is assumed to result in a 2°C temperature rise by 2100,
- changes to mortality, morbidity or longevity assumptions as the climate shifts,
- LV= failing to comply with regulations or being subject to litigation because of failing to appropriately manage the risks related to climate change.

The impact on the investment portfolio from each of these scenarios was expected to have limited impact on our solvency position because of the diversification within our existing holdings and the hedging strategies in place. Similarly, the impact on our liquidity surplus was expected to be limited. However, it was also recognised that certain considerations and factors, such as sea level rises or forced mass migration, were not yet modelled within these scenarios.

The scenarios rely on a number of assumptions about the size and timing of impacts from climate change. Therefore, they are intended to promote discussion rather than fully predict and model the future. We expect to further enhance our climate scenario analysis as industry practice evolves and data improves.

Business plan scenarios	(1) Transition headwinds	(2) Delayed transition
Reputational	Poor performance from investments with specific environmental or social characteristics leads to a reduction in new business volumes and increased lapses across some product lines.	Negative public perception of our ESG positioning leads to a more significant reduction in new business volumes and lapses across a wider range of products.
Expenses	Greater than expected policy and regulatory action increases transformation costs.	As for the transition headwinds scenario, but with additional strategic investment required due to delayed transition increasing the cost.
Physical risk	Climate change drives a shock to property values and sees the Equity Release Mortgage market growth fall and annuity margins impacted by reduced Commercial Mortgage Loan availability.	As per transition headwinds scenario.
Transition risk	No stress in this scenario.	Delays to the transition of investments leads to losses due to stranded assets in 2029. This is exacerbated by litigation costs.



Responsible Investment

We believe we have an obligation to our members to invest their money responsibly to manage investment risks. Our Responsible Investing Framework ensures we work closely with our external asset managers to ensure ESG considerations are firmly embedded in the origination and management of our investments. By doing so, we strive to deliver strong and stable member returns in a way that protects and nurtures our planet for both current and future generations.

We are on track to achieve our 2030 decarbonisation objective.

This applies to publicly listed corporate bond and equity holdings within our full control.

Over 2025, we made significant progress towards our interim net zero objective to reduce our carbon footprint by 25% before 2030 for publicly listed corporate bond and equity funds where we have full investment control. As part of our Responsible investing approach, we optimised returns for members and significantly reduced exposure to holdings that we believed had increased ESG risks. For example, we divested away from assets in the mining and tobacco sectors. We have reduced our carbon footprint by 31% over 2025 across these funds. Carbon footprint is influenced by a range of factors such as changes in company emissions, data and methodology changes and investment management activity. It is important to note that decarbonisation pathways are rarely linear and short-term emissions performance may vary despite sustained effort. The decarbonisation of investment portfolios, engagement with investee companies and allocation of capital to support the transition to a low-carbon economy are core components of our wider long-term ambition to reach net zero by 2050.

Responsible investment encompasses all ESG considerations. We ensure ESG risks are identified and managed appropriately to drive strong and stable member returns.

Metrics

The Investment Committee, With-Profits Committee and other relevant management committees regularly review a range of metrics including tracking progress against our decarbonisation objective.

Management

Our Investment Oversight team regularly review fund managers to discuss performance and ensure ESG issues are appropriately considered in investment decisions.

Exclusion

We may exclude some companies or sectors where we believe activities are misaligned with our Responsible Investing Framework. In our assets-backing annuity business, we screen our bonds using a framework outlined by the UN Global Compact initiative.

Strategic Asset Allocation

We believe that the transition to a low-carbon economy presents both investment risk and opportunity and climate change is factored into the capital market assumptions used in our strategic asset allocation reviews⁴.

To support our approach, we require our asset managers to be signatories to either the United Nations Principles for Responsible Investment or the UK Stewardship Code. The high standards expected of signatories help us ensure our asset managers invest responsibly.

Currently, our decarbonisation objectives apply to funds where we have full investment control. We define control as funds where we utilise segregated mandates to determine investment characteristics. We typically use this approach for funds not directly linked to policyholder investment return, such as annuities or our estate. These assets currently represent approximately half of our assets under management and around 40% of these are invested in public equity or corporate bonds. We may consider developing interim targets for funds directly linked to policyholder investment return. Within these funds we must ensure our ambitions for net zero outcomes are appropriately balanced against delivering the risk-adjusted investment performance our members expect.



⁴We do not currently use our climate-related scenario analysis in the investment decision-making process.

⁵Applies to funds where we have full investment control.

2025 highlights

Reviewing our exclusions

While we prefer engagement over exclusion, we recognise that in some cases divestment may be necessary to appropriately manage ESG risks, deliver risk-adjusted returns for our members and align with our Responsible Investing Framework.

Over 2025, we strengthened our commitment to the energy transition by formalising an exclusion to holdings deriving greater than 25% revenue from thermal coal extraction and/or power generation, and oil sands production and generation. This applies to holdings where we have full investment control which is approximately half of our assets under management.

Exposure to companies with revenue from thermal coal and oil sands is limited across all investments as, with the exception of index strategies, all of the pooled investment funds we currently allocate to operate a 25% or lower revenue threshold exclusion. We may consider exceptions on a case-by-case basis, particularly if a company can demonstrate a credible path to transition away from thermal coal or oil sands in alignment with the goals of the Paris Agreement.

Engaging for change

We believe that engagement with investee companies is an effective way to drive positive ESG change and contributes to the long-term success of the global economy.

Our engagement approach aligns to our net zero ambitions and we have established a joint Sustainability Forum with BlackRock, our primary asset manager, focusing on engagement with our highest emitters. We recognise that BlackRock engage collectively, focusing on understanding material risks and opportunities. We believe regular engagement can influence change and ultimately our goal, through BlackRock, is to advocate for a greater proportion of companies to make credible net zero commitments.

Funding the transition

We recognise that as well as encouraging decarbonisation through engagement activity, we have a part to play in ensuring capital is deployed to climate solutions that support the mitigation and adaptation of the real economy.

Over 2025, we increased our allocation to funds which promote specific environmental or social characteristics by more than £350m. These investments now represent over half of our policyholder assets. These funds range from operating simple exclusions to having specific objectives, such as the reduction of carbon emissions intensity over time.

To ensure we support the transition to a low-carbon economy, we are exploring specific allocations to investments that provide climate solutions.



Award-winning Investment team

In 2025, our Investments team won Mutual Insurer Investment Strategy of the Year at the Insurance Investor European Awards, recognising our innovative, member-first approach.

The team also won Insurer of the Year at the Insurance Asset Management Awards.

Operations

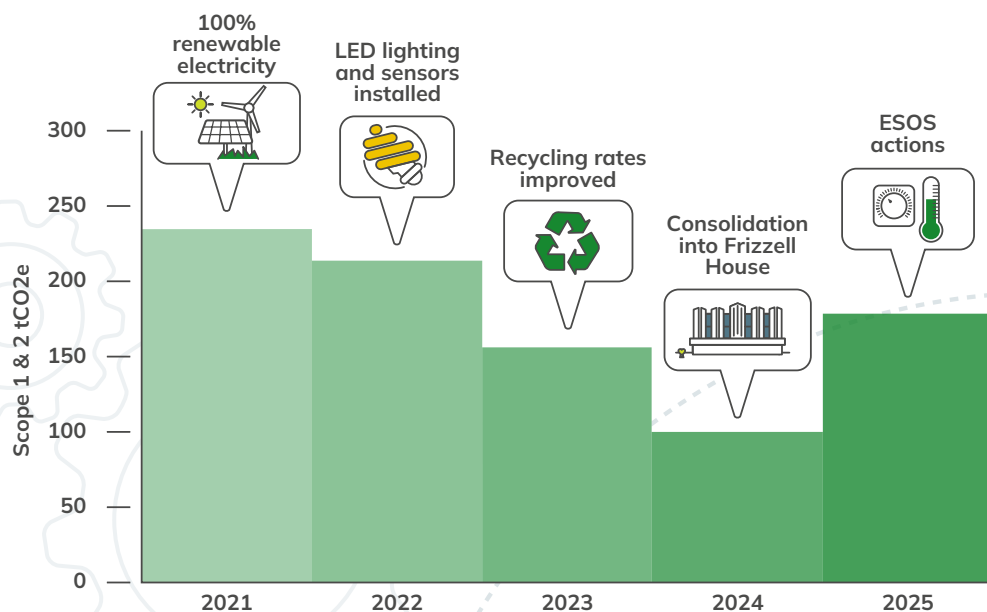
During 2025, we focused on the following key areas.

Carbon emissions reduction through the Energy Saving Opportunities Scheme (ESOS)

We have been using 100% renewable electricity since 2021. To reach operational net zero, we must further reduce emissions from the heating and cooling of our offices. We have invested in making improvements to our energy efficiency throughout the year, implementing actions to reduce our carbon emissions against our 2021 baseline. Projects implemented have included:

- lighting upgrades including the installation of energy efficient LED lights controlled by passive infrared sensors at our Bournemouth and Hitchin offices.
- tighter parameters on office temperatures and changes to server room temperatures.
- adjustments to water and heating system timers.

Following the exit of a tenant on the first and second floors of Frizzell House, our Scope 1 emissions have risen to 180 tCO₂e. Due to using 100% renewable electricity the combined Scope 1 & 2 emissions also total 180 tCO₂e.



Paper usage

We have a number of work streams in place to minimise our paper usage. This includes giving our members the opportunity to receive communications digitally or use digital payments rather than cheques. For example, thousands of our members now receive their Annual General Meeting notification via email instead of in the post.

Supplier management

Our Third-Party Management team continue to support the purchase of goods and services through its framework and practices, in such a way as to maximise value for the business, our members and customers whilst identifying and mitigating risk.

As part of our third-party engagement and risk management processes, we require prospective vendors to agree to our Third-Party Code of Conduct and Ethical Standards. This document outlines the standards we expect vendors to meet and is based on our core values. It contains important requirements which include, but are not limited to, the following topics:

- Compliance with laws and regulations
- Payment of a living wage
- A zero-tolerance approach to modern slavery and the exploitation of child labour
- Minimum standards regarding health and safety

2025 highlights

- **Improved methodology:** We have invested significant effort in collaborating with industry experts and peers to define meaningful ESG reporting requirements for suppliers. For 2025 emissions, we have adopted an improved methodology that prioritises actual data over factored estimates. Scope 3 emissions are calculated using supplier spend-to-turnover ratios applied to the verified 2024 emissions data. Where suppliers have not provided actual 2024 emissions, the legacy factoring approach is still used.
- **Focus on actual emissions data:** We are committed to using actual supplier data wherever available, rather than relying on broad industry-related factoring, which due to its generic nature, can prove inaccurate. Over the year, we engaged vendors and gathered data. 77% of our restated 2024 Scope 3 emissions are now based on actual supplier provided emissions data.
- **Supplier due diligence:** To support our goals, we launched a new due diligence platform enabling a more granular review of all third parties. All new suppliers (and existing suppliers undergoing their annual review or renewals) now complete a due diligence exercise exploring net zero commitments, emissions reporting and broader ESG practices. Over time, we expect to use this platform to request annual ESG updates from suppliers, track supplier progress against net zero and ESG commitments, and integrate ESG performance as a key factor in supplier selection and ongoing relationship management.

Carbon removal projects voted for by our colleagues

To reduce our environmental impact, we continue to monitor energy efficiency and waste management across our offices and ensure that any business travel only takes place when necessary. We are proud to maintain our carbon neutral status in relation to our operational greenhouse gas emissions.

In 2025, we chose to support six carbon removal projects. It is anticipated that our carbon removal, which supports the below projects, will reduce greenhouse gas emissions by 1,046 tCO₂e. We continue to identify and implement environmental improvement initiatives to further lower our carbon footprint and reduce reliance on carbon removal.

Reforestation of degraded forest reserve areas in Ghana, West Africa

This project aims to restore 14,000 hectares of degraded forest reserves which will help combat deforestation, improve soil quality, protect water resources and enhance biodiversity in the region. Miro Forestry, a UK-based forest investment company, is undertaking this project that aims to restore 14,000 hectares of degraded forest reserves. This will help combat deforestation, improve soil quality, protect water resources and enhance biodiversity in the region.

Reforestation of degraded lands in Sierra Leone

This project consists of high quality commercial forestry plantations with short term rotational species, providing environmental, social and economic benefits to local communities. It's expected to provide income to more than 600 people and around 80 communities in Yoni Chiefdom, contributing to the improvement of their well-being and their families.

Guanaré forest plantations on degraded grasslands

The main objectives of this project are wood production, land restoration and carbon sequestration through afforestation. All practices follow Forest Stewardship Council standards for sustainable forest management, while enhancing biodiversity conservation by increasing the connectivity of forests and generating income and job opportunities for local communities and rural areas of Uruguay. The total area affected by the project is 33,225 hectares if we include buffer zones, grasslands and native forests.

Afforestation of degraded grasslands in Vichada, Colombia

This large-scale grouped project aims to restore degraded grasslands by establishing commercial timber plantations. The project's main climate benefit is the removal of significant amounts of atmospheric CO₂, sequestering it in the growing biomass of the plantations. Over its 30-year crediting period, it is estimated to remove an average of 98,588 tonnes of CO₂e per year.

Qianbei Afforestation Project

The Qianbei Afforestation Project is located in Guizhou Province, China, and aims to plant native tree species on barren lands for carbon sequestration while contributing to local sustainable development goals. The project has planted 50,061 hectares of forest, enhancing biodiversity and mitigating the effects of climate change.

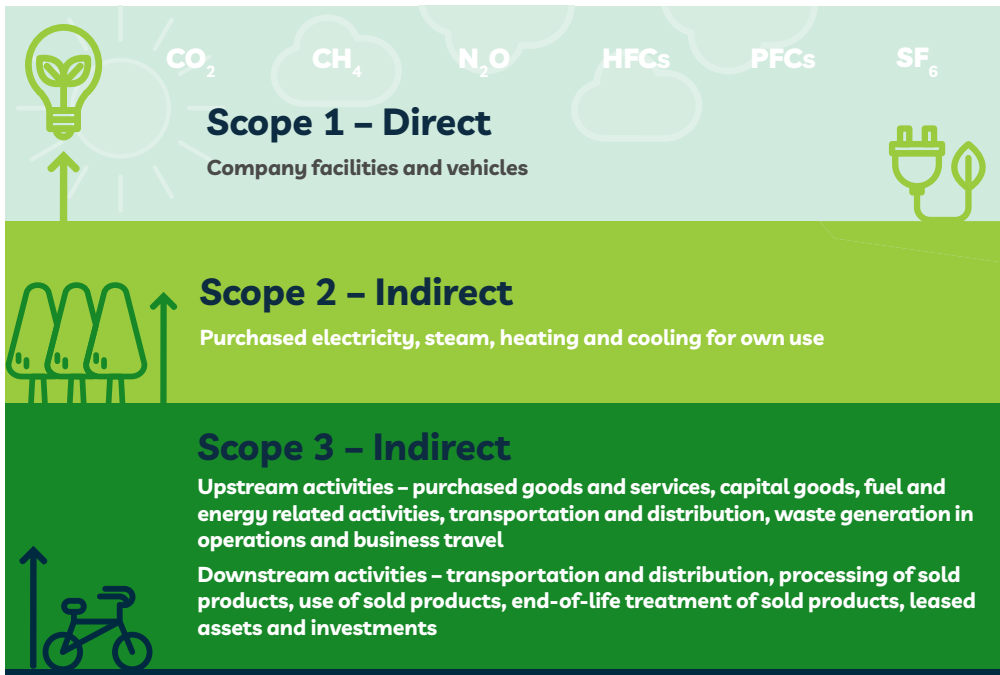
Zhangye Improved Grassland Management Project

The project is coordinated by Zhangye Academy of Forestry Sciences. Its aim is to restore the local degraded grassland ecosystem by seeding grass and building fences on the degraded grassland, increasing carbon sequestration and contributing to local development by introducing sustainable grazing and management of grassland. The project will sustainably manage 261,059.80 hectares of degraded grassland by fence building and reseeded of local high-quality forage.

Metrics and Targets

Our metrics are split between operations and investments. The following diagram provides an overview of the emission categories and scopes as defined by the Green House Gas Protocol. Scope 1 and 2 emissions, such as gas and electric usage, are typically easier to measure and control in comparison to Scope 3 (upstream or downstream activities), where there is a reliance on estimation and external data provision, for example, from suppliers of goods and services.

Our ambition is to transform our business to become net zero in line with the UK government's commitment to net zero by 2050 and in support of the Paris Agreement's objective to limit global temperature increases. In support of this ambition, we have developed interim objectives for the decarbonisation of our investments portfolio.



Operations

Our operational emissions include direct emissions from heating and cooling our offices, consuming electricity and estimates for homeworking and business travel. We continue to maintain our operational carbon negative status. As we further develop our climate transition plans we may consider developing interim objectives. For 2025, our Scope 1 and 2 energy consumption totaled 1,747,350 kWh (2024: 1,730,350 kWh), while our greenhouse gas emissions totaled 180 tCO₂e (2024: 100 tCO₂e). This usage has generated reported intensity ratios for the year of:

Annual kWh per No. of FTE Employees 1471 (2024: 1500)

Annual tCO₂e per No. of FTE Employees 0.15 (2024: 0.09)

We monitor annual tCO₂e per No. of FTE Employees for Scope 1 and 2 emissions as one of our key indicators of operational impact. Increases above our appetite are escalated to our Board Risk Committee. Emissions have increased compared to 2024 due to the exit of a tenant in our Bournemouth office with Scope 3 (downstream emissions) becoming Scope 1 emissions. Over the year our supply chain emissions have fallen relative to our restated 2024 position. We are engaged with our supply chain and have benchmarked 2024 emissions as a means to drive improvements in our supply chain emissions. Suppliers will continue to be engaged throughout 2026 to verify their 2025 data and assess their progress towards planned reductions. Further details relating to the sources of our energy consumption and greenhouse gas emissions are detailed below.

Definitions

kWh: Kilowatt hour

We report our energy consumption using kWh – a standard measure of energy.

tCO₂e: Tonnes carbon dioxide equivalent

We report our greenhouse gas emissions using tCO₂e – a standard measure of greenhouse gas emissions.

In addition to energy and emissions, we also monitor waste across our offices. As a UK life and pensions mutual insurer, the amount of waste we produce is small in comparison to many other more resource intensive sectors. However, our aim is to further minimise our impact on the environment and we have a target to recycle 60% of our waste. Continued employee engagement and effective waste segregation has resulted in our recycling rate increasing to an annual average of 70% during 2025.

All our waste is either recycled, incinerated to produce electricity, used to produce gas via anaerobic digestion or reused as compost. We have sent zero waste to landfill since 2021.

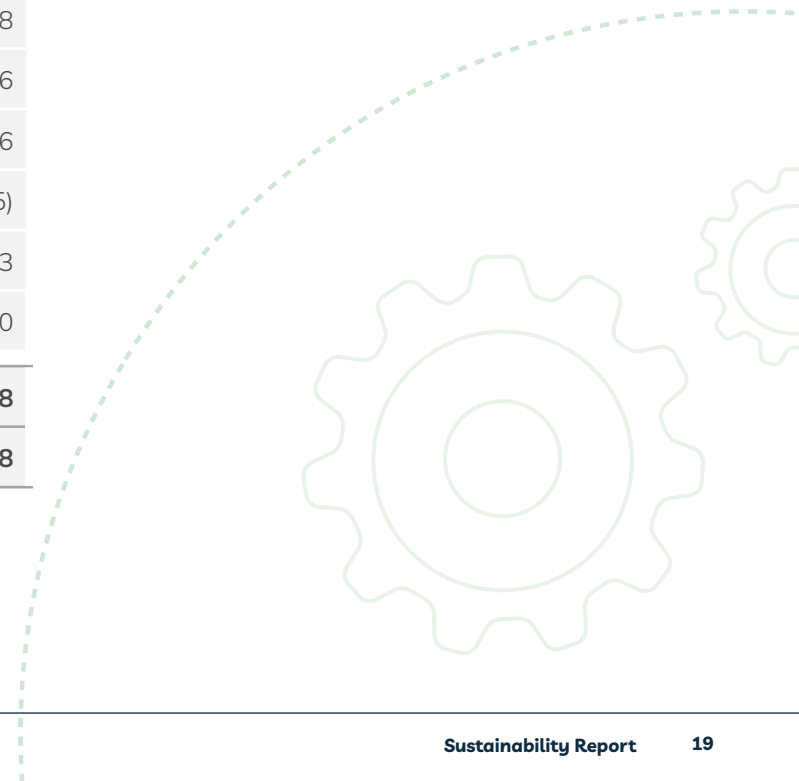
Source of energy and emissions (tCO ₂ e) ⁶	2025	2024
Combustion of natural gas	179	100
Combustion of other fuels	1.4	0.3
Scope 1 total (tCO₂e)	180	100
Generation of purchased electricity	136	243
Renewable electricity	(136)	(243)
Scope 2 total	0	0
Scope 1 and 2 total	180	100
Intensity per no. full-time equivalent employee	0.15	0.09
Carbon offsets purchased	(1,046)	(1,145)
Purchased goods and services ⁷	16,210	16,305
Fuel and energy related activities	113	128
Waste generated in operations	0.6	0.6
Downstream leased assets	208	376
Renewable electricity (from leased assets)	(166)	(265)
Business travel	119	123
Employee commuting and homeworking	482	460
Scope 3 total (Excluding Investments)	16,967	17,128
Total Scope 1, 2 & 3 (Excluding Investments and Offsets)	17,147	17,228

6 We have used the UK government greenhouse gas conversion factors for company reporting within our methodologies.

7 a. The 2024 purchased goods and services emissions total has been revised from 9,233 tCO₂e to 16,305 tCO₂e because of a change in calculation methodology during 2025. We improved data collection to include our supplier's Scope 3 data and actual supplier data where available (removing discrepancies from estimated reporting), which resulted in the total scope 3 emissions being higher than originally calculated.

b. Using spend methodology, we identified eight suppliers who represent approximately 80% of our Scope 3 emissions. To obtain our total scope 3 carbon emissions (tCO₂e), we used a hybrid method meaning 77% of our emissions data was calculated from actual supplier data and for the remaining 23%, industry carbon factors were applied.

c. As our suppliers have not published their 2025 emissions data, our initial emissions calculation for 2025 is based on 2024 actual supplier data applied to our 2025 spend with those suppliers. All new suppliers in 2025 had their emissions calculated on carbon factors creating an estimated total. Where possible, actual data will be sought throughout 2026 to create a more accurate view of our scope 3 emissions in 2025.



The establishment of a broad and consistent set of emissions metrics is an important component of monitoring progress and identifying actions as we work towards our net zero ambition.

Investments

Our investments emissions form part of our Scope 3 emissions reporting. As detailed in the responsible investment section on page 14, we have set interim objectives for carbon reduction, to support our ambition to reach net zero by 2050.

The metrics shown on the right include all listed equity, corporate bond and sovereign bond holdings. It does not cover the funds invested via the Self Invested Personal Pension wrapper⁸. Within the mandates that we set, this asset coverage has increased to approximately 80%.

Commentary

We are pleased to report that we have continued to enhance the data coverage of our emissions reporting, with a number of fund switches increasing coverage of equity holdings to 99% (2024: 94%). Over 2025, we observed an increase in total financed emissions and decreases across carbon footprint and the majority of other intensity-based metrics. Over the short-term, carbon metrics can be volatile and are influenced by factors such as updated company disclosures, data coverage, trading activity and changes in the market value of investments. We continue to monitor our investments closely as we work towards our longer term net zero ambition.

Additional metrics

We have added Implied Temperature Rise (ITR) and scope 3 listed equity and corporate bond metrics to our reporting as we seek to quantify the impact of our investment portfolios both now and into the future. The establishment of a broad and consistent set of emissions metrics is an important component of monitoring progress and identifying actions as we work towards our net zero ambition.

ITR aims to provide an indication of the global warming potential of the companies held within an investment portfolio by estimating the implied temperature rise by 2100 if the global economy were to follow the same trajectory as the companies within the portfolio. Commonly, this metric is compared to the goals of the Paris Agreement to limit global temperature increases to well below 2°C.

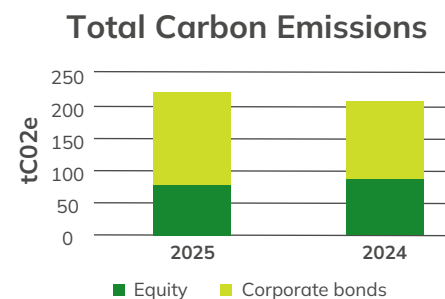
Scope 3 emissions reflect all other indirect emissions that occur in the value chain for an investee company. Currently, our scope 3 emissions data is estimated because methodologies are evolving and companies reporting scope 3 data are limited. However, over time we expect data quality and coverage to improve as consistency across companies' methodologies develops, which in turn should result in an increase in reported scope 3 emissions data.

Whilst we monitor these new metrics, we are cautious not to place over reliance given the inherent uncertainty and limitations at this time. ITR and scope 3 emissions are not currently used in investment decision making.

		2025	2024
Listed equity	Carbon Footprint Scope 1 and 2	38	40
	Carbon Footprint scope 3	320	n/a
	WACI Scope 1 and 2	83	99
	WACI Scope 3	668	n/a
	ITR	2.4	n/a
	Data Coverage	99%	94%
Corporate bonds	Carbon Footprint Scope 1 and 2	43	51
	Carbon Footprint scope 3	273	n/a
	WACI Scope 1 and 2	123	118
	WACI Scope 3	727	n/a
	ITR	2.3	n/a
	Data Coverage	86%	85%
Sovereign bonds	Production Emissions Intensity	129	143
	Consumption Emissions Intensity	8	9
	Data Coverage	100%	100%

Source: BlackRock

Data provided for regulatory use only



⁸ As we do not make investment decisions for, or recommend, external funds, we suggest that our members and advisers refer to the Task Force on Climate-related Financial Disclosures product reports of the relevant fund manager. These can be found on our website [LV.com](https://www.lv.com)

Sustainable Mutual



Our purpose since 1843 is to help people **live financially confident** lives. Underpinning this purpose is our commitment to supporting communities where we live and work, making a positive and lasting impact. It is important that we are part of a society that works for everyone and our priority is to ensure that we, and the communities that we serve, are here for our members over many more years to come.

Across our four colleague charity challenges since 2022, we have fundraised and donated over £120,000.

LV= Together

In 2025, we launched a new approach to our social impact work, LV= Together. This programme continues to include our community and charity work such as partnerships, colleague fundraising and volunteering, and corporate donations.

Our passion for helping communities both local to our offices and further afield remains. LV= Together combines our collaborations, partnerships and activity – creating a lasting legacy.

The foundations of LV= Together are backed by direct feedback from our Member Community. Members told us they are in favour of companies striving to have a positive social impact, with 88% agreeing that we should play our part too.

Through colleague fundraising and corporate giving we made charity donations of over

£89,000

Social impact through social mobility

Increasing opportunities for all young people, regardless of background, is an important part of our purpose – helping people to live financially confident lives. We want people to flourish from all walks of life.

“ We are at the start of our journey to increase social mobility in our workplace and our communities so that talent can thrive from every background. Through LV= Together, we can play our part to build an LV= that works for everyone. ”

David Hynam, Chief Executive

We are committed to increasing social mobility at work and, during the year, we formed new partnerships to drive more understanding of the challenges that young people face and provide practical ways for them to embark on a career in financial services.

Partnerships and sponsorships

Social Mobility Foundation

Together with the Social Mobility Foundation, we published research into barriers to education and work that young people face. We co-hosted a panel discussion at the 2025 Labour Party Conference to explore this research and how young people can be supported to access education and career opportunities.

The King's Trust

Our colleagues can volunteer for The King's Trust, providing practical support for young people in our local communities through mentoring and job support. In November 2025, we hosted a World at Work Tour and welcomed young people into our Bournemouth office to showcase some of the roles and careers available within financial services to help to inspire their future ambitions. The day included an office tour, a presentation about our business, interactive activities and a meet and greet with our Chief Executive, David Hynam.

Progress Together

We proudly became a member of Progress Together – a membership body that supports socio-economic diversity at senior levels in the finance industry and improves social mobility in the workplace.

Trussell

We extended our partnership with Trussell for a second year. We are contributing to the charity's 'Help through hardship helpline' and our local food banks. The helpline, run in partnership with Citizens Advice, supports people with access to free, phone-based advice.

LV= KidZone

For the 2025 summer season, we sponsored LV= KidZone – a beach safety scheme operating in the Bournemouth, Christchurch and Poole area, local to our Westbourne office. The Kidzone initiative seeks to protect and reunite lost children and vulnerable adults with their families.

Corporate giving, fundraising and charity initiatives

Through corporate giving and colleague fundraising, we donated over £89,000 to charity in 2025. This included both office-led events, such as bake sales and raffles, and our colleagues' own personal challenges, like marathons, where we support their fundraising via our corporate giving programme.

For a fourth year, our colleagues came together and took part in a charity challenge. The 2025 event supported Julia's House helping to raise important funds for our local children's hospice. We sponsored their Great Tail Trail - an outdoor exhibition across Bournemouth, Christchurch and Poole - with colleagues visiting as many tails as they could in a day, raising over £20,000. Across our four colleague charity challenges since 2022, we have fundraised and donated over £120,000.

We are proud to hold a Platinum Award in recognition of the high number of our colleagues that participate in our Pennies for Charity initiative – a nationwide scheme administered by Microhive. Across 2025, 79% of our colleagues donated the odd pennies in their net salary each month and we donated nearly £6,000 to our nominated charity, Trussell, to support its network of food banks across the UK.



LV= Together

We are dedicated to supporting society and adding value to charities and communities

We continue to donate items to support people locally via our office collection points. During the year, we held two dedicated food drives to help stock our local food banks during the school summer holidays and for the festive period in support of families whose children usually receive free school meals. Our colleagues also donated new toys in support of The Salvation Army's Christmas Present Appeal.

Volunteering

Our colleagues are encouraged to volunteer by using our 'Time off to Volunteer' policy. They can take up to two days each year to volunteer for causes close to their hearts. During 2025, teams across LV= spent time volunteering and supporting initiatives and events, which totalled over 6,000 hours. Keep up to date with LV= Together on [LV.com](https://www.lv.com)



Colleagues and Culture

We believe in a business that is diverse and inclusive.

We embrace and celebrate our differences – diversity is our strength. We are committed to creating an inclusive culture and supportive working environment where all colleagues feel welcomed, respected and valued.

A key focus of our diversity, equity, inclusion and wellbeing (DEI&W) strategy is to ensure that everyone understands their role, responsibilities and the part they play in creating an inclusive culture. Not only do we want our colleagues to have an understanding and awareness of what DEI&W is, we want them to see how they can have an impact personally, act as allies in the workplace and support the integration of our strategy, continuously living our LV= values.

“ I believe that you get the best out of people when you allow them to bring their whole selves to work. DEI&W is close to my heart and I have championed equality in the workplace throughout my career. As a leader, my job is to create an environment where people can thrive, give their very best and enjoy what they do every day – and that's how we make a positive difference for our members and customers. ”

David Hynam, Chief Executive

Our strategy is underpinned by our commitment pillars which are fundamental in ensuring DEI&W is here for the long-term.

Commitment pillar	Theme	2025 actions
Transparency	<ul style="list-style-type: none"> Share our DEI&W strategy and openly report data and progress internally and externally. Enable and encourage our colleagues to share their diversity data. 	<p>We continue to encourage our colleagues to confidentially share their diversity data so that we can understand who we are as an organisation. 86%⁹ of our colleagues have given us their diversity data. In 2025, we extended our data to include socio-economic data. We set ourselves a target of 40% completion for the year and so far, 57% of our colleagues have shared their data. This data provides us with insight that will help create a more inclusive environment for everyone by identifying and removing barriers in our business.</p>
Accountability	<ul style="list-style-type: none"> Ensure everyone has an equal chance. Reflect the world we live in at every level of our organisation. Zero-tolerance approach to discrimination of any kind. 	<p>We offer behavioural, diversity and wellbeing training for line managers and colleagues across a number of areas. Colleagues have received 'active bystander' training to encourage them to call out any examples of unacceptable behaviour. We have partnered with Diversity Jobs Group to help us connect and attract diverse talent, and with The Kings Trust to advance our socio-economic equity and inclusion.</p>
Engagement	<ul style="list-style-type: none"> Educate ourselves on the world around us and learn from each other – we will listen and take action. We are all different. Understand and remove any barriers, so everyone is confident that they have the same opportunity for success. 	<p>We are proud to see our colleague-led DEI&W networks continue to grow. These networks play a vital role in shaping policies and processes, driving action on key priorities, celebrating important events and sharing stories throughout the year. Through these efforts, we are able to deepen understanding, inspire learning and create a culture where everyone feels empowered to bring their authentic and whole selves to work.</p> <p>In 2025, our networks worked more closely together to recognise intersectionality: moving beyond a single identity focus and collaborating when they organised events.</p> <p>A group of our senior leaders also participated in a reciprocal mentoring programme, learning from others' lived experiences.</p>

⁹This includes colleagues that responded 'prefer not to say'

Creating a diverse and inclusive culture

Our five diversity, equity, inclusion and wellbeing networks are sponsored by members of our Executive team. Each colleague-led network harnesses a diverse range of thoughts, ideas and perspectives and they are responsible for driving initiatives and activities. You can find out more about these networks and what they achieved on [LV.com](https://www.lv.com)

Network	Sponsor
Pride (LGBTQIA+)	Samantha Preece Chief Brand and Communications Officer
Balance (Gender)	Emma Woodford Chief People Officer
Diversability (Disability)	Anita Fernqvist Chief Transformation and Technology Officer
Respect (Multi-cultural)	Nikesh Mistry Chief Audit Officer
Wellbeing	Jean-Marc Robert Chief Risk Officer

During 2025, the networks drove a series of collaborations and initiatives.

- The Pride network sponsored and joined the Bourne Free 2025 Pride parade and raised money to support vulnerable young LGBTQ+ people facing homelessness or unsafe living situations.
- The Balance network drove significant enhancements to our maternity, paternity and adoption leave and pay policies to better support working parents. It also introduced Parenting Pals, a support network for parents at every stage of their parental journey.
- The Diversability network introduced a reasonable adjustments guide for line managers to aid understanding and support for seen and unseen disabilities and launched a new support group for neurodivergent colleagues, to share experiences, discuss challenges and share strategies.
- The Respect network supported our drive for socio-economic equity and inclusion. It ran a series of events and fundraisers with The King's Trust and continues to lead the collection of our socio-economic personal data, which will help us identify and remove barriers in our business. See page 22 for more details on our partnership with The King's Trust.
- The Wellbeing network ran mental health face-to-face training for all line managers and created Crisis Support Guidance for colleagues handling calls from customers in crisis.

During the year, we held two DEI&W in Focus Weeks to highlight why this topic is important to LV= and how we can drive change. We recognise and celebrate the important work of our colleague networks and are proud of the positive difference they are making for our colleagues.

Gender pay gap

We are confident that pay and reward at LV= is fair and unbiased. We believe that our gender pay gap is primarily driven by the structure of our workforce, with a greater representation of men in senior and specialist roles along with a higher representation of women in more junior roles. We are pleased that our latest 2024/25 data shows that our median gender pay gaps have continued to reduce.

	2024-2025	2023-2024	= / -
Mean Gender Pay Gap	27.5%	28.4%	-0.9%
Median Gender Pay Gap	22.3%	28.4%	-6.1%

We are committed to improving gender balance across LV= and will continue to ensure that all colleagues have access to the same opportunities.

More information on the gender pay gap can be found on [LV.com](https://www.lv.com)

Women in Finance

Since 2016, we have been a signatory of the Women in Finance Charter – another way we are supporting gender diversity. Board-endorsed and supported by our Executive team, our aim continues to focus on increasing the proportion of women in senior positions.

Our pledge under the Women in Finance Charter was to reach an ambitious target of 43% for female representation in senior roles by the end of 2025. We are pleased to have achieved that target and believe that this demonstrates our commitment to producing a diverse pool of leaders and senior managers.

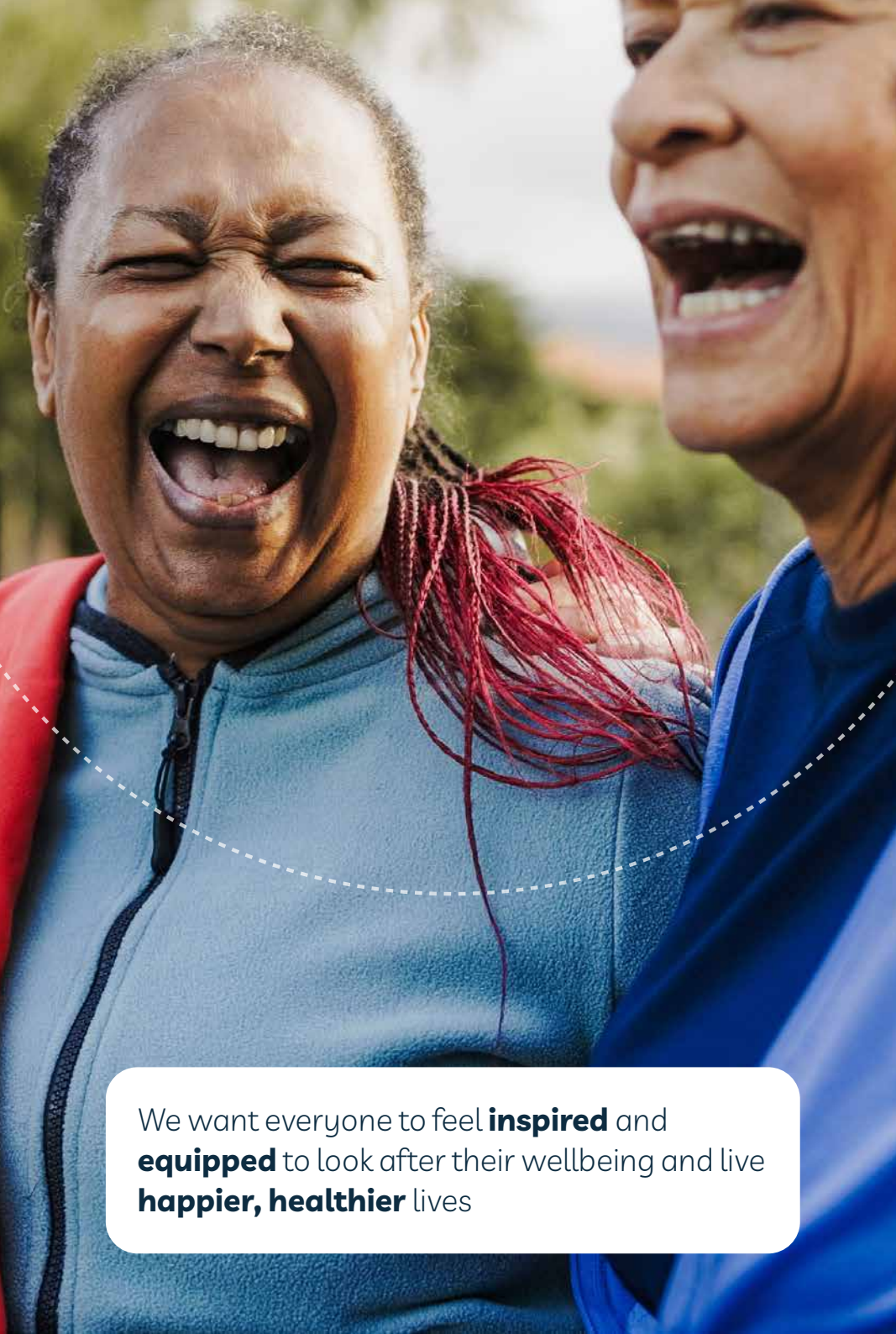
Disability Confident Leader

In 2025, we achieved Disability Confident Leader status (Level 3) demonstrating that we meet the UK government's highest standards for inclusive employers. This is a significant milestone that reflects our ongoing commitment to inclusion, accessibility and equity for all.

Becoming a Disability Confident Leader means we are now recognised not only for our inclusive practices, but also for our role in influencing and supporting other organisations to improve their own disability confidence. It is a powerful endorsement of our culture and a call to continue leading by example. This accolade puts us in the top 4% of companies that have joined the scheme.

43%

female representation in senior roles



We want everyone to feel **inspired** and **equipped** to look after their wellbeing and live **happier, healthier** lives



Race at Work Charter

In 2024, we became a signatory of the Business in the Community Race at Work Charter, reinforcing our public commitment to advancing ethnic equality in the workplace. We have already taken significant steps to embed the Charter's seven calls to action, including appointing an executive sponsor for race and collecting ethnicity data from our colleagues. As of the end of 2025, 83% of our colleagues have shared their ethnicity data and, of those, 12.5% have shared that they are ethnically diverse. When compared to the 2021 England and Wales census, our data shows a lower proportion of colleagues from ethnic minority backgrounds than the national average. However, when we look at the regions where our offices are located, our representation more closely aligns with local demographics.

We are committed to improving this further and have introduced appropriate actions, such as mandatory inclusive recruitment training for all line managers and partnering with Diversity Jobs Group to attract diverse talent through its Jobs4Ethnicity platform. Our focus remains on driving meaningful change and ensuring ethnic minority representation at every level of our organisation.

Wellbeing initiatives

We want everyone to feel inspired and equipped to take care of their wellbeing and lead happier, healthier lives. We understand that wellbeing looks different for everyone. For some, it might mean focusing on finances or health and fitness, while for others it could be achieving better work-life balance or even building better relationships at work or in the community. Our intranet hosts a dedicated wellbeing hub filled with tips, tools and resources.

To support our wellbeing agenda, we delivered a mix of interventions throughout 2025. All colleagues have access to our Employee Assistance Programme (EAP) and LV= Doctors Services, and we have made flu vaccinations available to everyone. All our office locations have wellbeing and prayer rooms which can be used as a safe space to relax and rejuvenate. We also launched communities of interest – groups which aim to bring colleagues together to enjoy meaningful moments that benefit both body and mind. For financial wellbeing, colleagues can access webinars and health checks, and we regularly share ways to save through our MyDiscounts scheme.

Mental health and wellbeing

Support for our colleagues' mental health, wellbeing and resilience will always be important.

Throughout 2025, we ran face-to-face training on mental health for all line managers. This enables our leaders to recognise signs of mental health issues, foster a supportive work environment and gives them guidance on how to start productive and worthwhile mental health conversations with their team.

We held several wellbeing promotions including sharing powerful personal colleague stories to mark Suicide Prevention Day and to promote our EAP. For one of our webinars we were joined by top UK motivational speaker, Jamie McAnsh, who shared his incredible story and mental health lessons. One of our colleagues also hosts a virtual meditation session every Friday, which any of our colleagues can attend.

We recognise that men often face unique challenges with their mental health and are statistically less likely to seek support and more likely to suffer in silence. To help change that, and on International Men's Day, we launched a men's support group – a safe, confidential space for our male colleagues to talk, listen and support one another.

Mental Health First Aiders (MHFA) continue to be a core component of our wellbeing support. MHFAs volunteer their time to provide a point of contact and reassurance for colleagues who may be experiencing emotional distress or mental ill health and can signpost appropriate support and information.

Further information

You can find further information on equal opportunities, our DEI&W strategy and Board Diversity policy on [LV.com](https://www.lv.com)



Colleague engagement

Listening to our colleagues is something we care deeply about. Through our engagement platform, BeMe at LV=, we regularly check in to see how things are going. The interactive features make it easy for colleagues to share what is important to them and allows our leaders to directly respond and acknowledge comments and feedback. This open exchange helps us to truly understand the feedback and strengthens genuine two-way dialogue across our business.

Through BeMe at LV=, we monitor colleague engagement as a key non-financial metric within our balanced scorecard. Across 2025, our average total engagement score - measured using the employee net promoter score methodology - was +54¹⁰. This score reflects responses to four core questions focused on engagement, loyalty, belief and satisfaction. We have seen good improvements with each survey during the year and we are delighted that our average total engagement score is 16 points higher than in 2024. Additionally, on average, 90% of our colleagues shared their views and gave us feedback on each survey.

90%

of our colleagues shared their views and gave us feedback

In terms of survey themes, we have received positive feedback in the areas of colleague and management support, and taking the right action to improve the environment. Our Executive and Senior Leadership teams use survey feedback to develop local action plans that focus on the areas that will have the greatest positive impact for their teams.

Each year, we ask our colleagues whether LV= is taking the right actions to reduce our environmental impact, contribute positively to society and operate more sustainably. In 2025, we received an excellent response, with over 750 comments and suggestions. Colleagues shared positive feedback recognising the efforts being made to improve our sustainability, as well as our charitable initiatives and support for our vulnerable customers. Key opportunities for improvement included reducing our paper usage and making our environmental initiatives even more visible and transparent. This has already shaped how we communicate internally. Further details can be found in the operations section on page 16 and the LV= Together section on page 22.

¹⁰ Our survey provider allows us to focus on employee net promoter score as a measure of colleague engagement, which is an industry standard.



As a business specialising in retirement solutions, **we are proud** to offer a **competitive pension** for our colleagues

Achievements

Across 2025, a continuing area of focus for us was to build pride in our culture and our DEI&W activities. We achieved success in this area with a range of external awards. Some of our 2025 highlights include:

- Winner of the Employee Experience Award at the Personnel Today Awards and shortlisted for the Equality, Diversity and Inclusion Award (Small Employer) and the Workplace Culture Award (Large Employer).
- Winner of Best Organisational Culture at the Engage Awards and shortlisted for Best Employee Wellbeing Strategy.
- Finalists at the CIPD People Management Awards for the Best Employee Experience Initiative.
- Finalists at the Rainbow Honours Awards for Large Brand or Organisation of the Year.
- Shortlisted for Most Inclusive Company in the Metro Pride Awards.
- Finalists for the Culture and Inclusion Award at the Collaboration Network Awards.

In addition, our Chief Executive David Hynam was publicly recognised for his efforts to make LV= more inclusive. His recognition includes being named as the Financial Times Adviser Diversity Champion of the Year. He was also named in all four of Involve's The Inclusion People's lists: Outstanding Executives, Heroes Advocates, Empower Advocates and Enable Advocates. As the only senior leader to appear across all four lists, this demonstrates the breadth and impact of his long-standing contribution to inclusion.

We were also ranked in the Financial Times top 25 UK Best Employers 2025. This recognition is based on an independent survey of over 20,000 employees across the UK, looking at elements such as working conditions, pay, development opportunities and company image. In addition, we were named as one of the Financial Times' European Diversity Leaders.

Supporting Colleagues

Reward and recognition

To ensure our pay is competitive, salary levels are regularly benchmarked and assessed against reputable market data, whilst taking into account wider economic factors and pay trends. We also ensure remuneration is appropriate for the scope and responsibility of each role. Colleagues are eligible to receive a bonus, based on group and individual performance, enabling them to share in the success of LV=.

We also recognise the growing importance of a comprehensive benefits offering. Our package is designed to support the physical, mental and financial wellbeing of all our colleagues, helping them thrive both in and outside of work. Core benefits available to all colleagues include life assurance, a virtual GP service, an Employee Assistance Programme and a competitive holiday entitlement. Colleagues can also select flexible benefits to suit their individual needs, with options such as buying and selling holiday, private medical insurance, health assessments, dental cover, critical illness, personal accident insurance, and our cycle to work scheme. A wide range of retail discounts are also available.

As a business specialising in retirement solutions, we are proud to offer a competitive pension for our colleagues. Subject to National Minimum wage requirements, we double-match employee contributions up to a maximum of 14% of their salary (with a minimum employee contribution of 3%). Colleagues also have a range of tools and resources to help track their savings and plan confidently for the future.



We know that recognition for great work drives motivation and makes people feel truly appreciated and proud of what they achieve.

Considering this, we also have a platform that allows colleagues to recognise each other for going above and beyond or for living our values.

Learning and development

In 2025, we continued to roll out meaningful learning programmes that supported growth, strengthened connections, and drove success across our organisation. Here are some highlights:

	2025 highlights
Management Development Programme	We launched new courses in Positive and Confident Communication, Effective One to Ones for Managers and Managing Effective Meetings. This year we delivered 2,037 training hours, which is double the amount of training delivered in 2024 and demonstrates our commitment to developing leadership skills. In addition, we provided support for managers with Neurodiversity Awareness and Mental Health Awareness courses.
Mentoring Scheme	Our mentoring programme was expanded to include a reciprocal mentoring cohort where senior leaders were paired with colleagues of different backgrounds and lived experiences. Feedback showed a deeper appreciation of the challenges faced by colleagues, leading to improved empathy and more considered decision making.
Learning at Work Week	Our 2025 Learning at Work Week showcased the breadth of development opportunities available to colleagues, from workshops on career growth to sessions with external partners. The events delivered over 200 hours' worth of training over the week encompassing topics such as good customer outcomes, practical use of artificial intelligence, resilience and apprenticeships.
Apprenticeship Investment	We continue to actively promote apprenticeship opportunities and continue to see a steady rise in the number of colleagues owning their development via this route.
Embracing Digital Learning	We created a user group of colleague advocates for our digital learning platform – MindTools. With the help of this group, we have seen a 60% increase in usage, year-on-year.

Trusted and Thoughtful Provider



Supporting Members and Customers

The way we deliver our business is of equal importance to the products, services and advice that we offer. Through our values, we foster a culture that delivers positive outcomes for our members, customers and wider stakeholders. Our Board Risk Committee also provides oversight to ensure we protect their interests.

Customer satisfaction

Our colleagues across every office are committed to delivering great outcomes for all our members and customers. We want everyone to be satisfied with the interactions that they have with us and the service they receive. However, we realise we do not always get things right. So it is important that we fix any issues that arise and learn from them. In 2025, the Financial Ombudsman Service agreed with over 86% of the decisions we made on complaints referred to them. Any dissatisfaction we are made aware of is addressed as quickly as possible. Over 61% of complaints we received during the year were resolved within three working days.

We also offer additional support to vulnerable members and customers. On an individual basis, and where appropriate, we will tailor our services and signpost to our member benefits, external charities and organisations that may be able to help. In 2025, we assisted 378 members through our member support programme. This ranged from individually tailored financial support to support services for their specific situation.

You can view our full complaints summary for 2025 on [LV.com](https://www.lv.com)

378

LV= members assisted via our member support programme

Our commitment to strong governance and a values-led culture that goes above and beyond what is required is at the core of our work as a trusted and thoughtful provider. Our members and customers rely on us to ensure they are protected from the unexpected.

We believe it is important to look after our members and customers at all stages in their journey with us. This means we focus on providing great experiences in all the interactions we have, both directly and indirectly.

Our customer and adviser ambitions

As we continue to develop our customer and adviser experience (CAEXP), we make sure that we focus on the areas that mean the most to them.

Customer satisfaction is **73%** more likely when the entire journey works well instead of when only the individual touchpoints do.

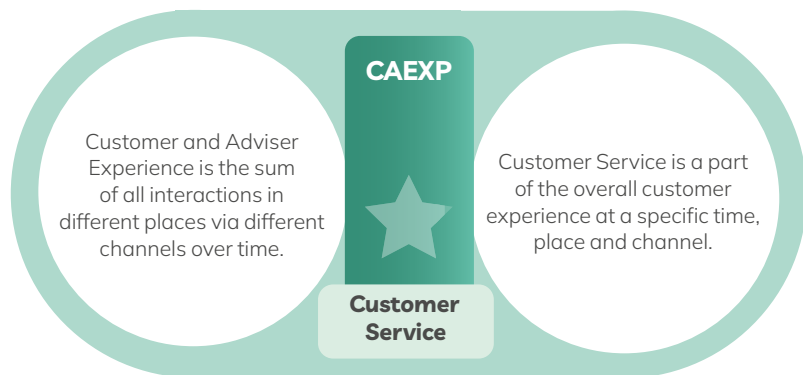
We are committed to ensuring that the interactions customers have with us directly, or indirectly through their adviser, are those which would be expected from a trusted and thoughtful provider. Our customer and adviser ambitions support this.

Our Customer Ambition

To treat our customers fairly, consistently meeting their expectations and shining at the times it matters most.

Our Adviser Ambition

Build trust and confidence with advisers, provide a reliable experience and work in partnership with them to deliver good customer outcomes.



Customer and adviser net promoter score (NPS) key performance indicators (KPI)

One of our five KPIs is 'Best Loved'. This means we assess our success on our ability to deliver excellent customer experiences while consistently treating customers fairly.

We measure this KPI through our customer and adviser NPS, which separates our members, customers and advisers into a proportion of 'promoters' and 'detractors'.

Our promoters are defined as those that give us a score of at least 9 out of 10.

Through our customer insights, we know that easily obtaining accurate information matters as does their experience when interacting with our colleagues. That is why our customer experience ambitions target the service we give and the feedback from our customers and advisers.

Customer feedback

“ We are so pleased and relieved to receive this news, and because of it, we can now breathe a little more easily. From the very first day of my initial instruction to LV=, all the people that I have spoken to have been so very polite and helpful to us, giving straight answers and good information, for which we are so grateful.

Since our very first point of contact, you have proved to be very honest, enthusiastic and very professional. It is very clear to us both that during this whole process, you have always had our best interest at heart, and we thank you for that.

There is no doubt that we chose the right company to look after our money in retirement. ”



Engaging with our members

As a mutual, we are run for the benefit of our members today and for generations to come. Our member-first philosophy drives everything we do. Over one million members trust us to look after their futures, families and finances and we do this through our range of products, services and advice. It is important to us that we provide our members with a variety of ways and opportunities to have a say, engage with us and stay informed, and we are dedicated to seeing this continue.

Annual General Meeting

Our members are invited to have their say each year on how their mutual is run and vote on our Resolutions, including the re-appointment of directors to the LV= Board. Members do this through our Annual General Meeting (AGM) where they can also hear directly from the Board. In 2025, based on feedback from our Member Community, two of our senior leaders presented additional sessions at the AGM. Our Chief Investment Officer talked about investments and fund performance, and our Director of Customer and Adviser Experience shared how we support our members and customers.

LV= Member Community

Mutuality is about shared ownership and being part of something meaningful. Our LV= Member Community is a vibrant online space where members can share their thoughts, opinions and feedback via regular research, surveys and discussions. Our members have a vital role to play in helping to drive positive changes across LV=. During 2025, we celebrated two years of the Community.

2025 Community highlights

Through surveys and discussions, members helped shape a variety of communications and campaigns. This included our AGM information and events, and autumn brand campaign. Our Protection business was keen to understand members' views on the application process to inform our future communications with financial advisers. We also asked financial advisers similar questions – this enabled us to get views from both sides. We asked for our members' thoughts about social impact and what they expect from us and other companies. Thanks to their feedback, we reshaped our community and charity approach and launched LV= Together – you can read more about this on pages 22 and 23. Towards the end of the year, we also started senior leader events where members can ask questions. Our first event focused on the Autumn Budget and what this means for our members. Our Advice & Consumer Channel Director answered members' questions on this topic.

We want our members to help shape the running and future direction of LV=. Through the AGM and our Community, members can do just that and keep up to date with the business at the same time.

News and insights

Our member emails offer a regular round up of news so members can stay informed about LV= during the year. Now in its fifth year, our Wealth and Wellbeing Research Programme continues to survey the nation about financial matters and gauge consumer sentiment on a range of topical issues. Members can read the latest results from our research on our [online hub](#) and access useful resources and guides that could help them increase their financial awareness and plan for a secure future – helping them to live financially confident lives.



Risk management **is key** to the success of LV=.



Risk Management

Risk management is key to the success of LV=. We operate an integrated risk management framework (LV=RMF) which brings together key processes and activities across the business to ensure that our members' and customers' security is at the forefront of our decision making.

The LV=RMF seeks to manage the potential risks arising from climate change and to avoid wider business sustainability issues – this is embedded throughout our financial and operational decisions, investment strategies and the activities to support our communities, members, customers and colleagues.

Integrating sustainability into the LV=RM framework

The LV=RMF is owned by our Chief Risk Officer on behalf of the Board. It provides a systemic set of processes, tools and behaviours, which allow senior management to respond effectively to potentially significant internal or external events that could impact the delivery of the business strategy. The LV=RMF also enables us to enhance our risk-based strategic decisions, while ensuring that we remain compliant with regulatory and legislative requirements, as well as with our internal policies.

Climate change and wider sustainability risk considerations have been incorporated within the existing LV=RMF, as set out in the table on the next page. It is categorised as a driver of other risks. For example, as a driver of market risk through the fluctuation of market values from the transition to a low-carbon economy.

LV=RMF element	Description	Relevance for climate change and sustainability
Risk universe	The risk universe is a standard set of key risk categories where we have, or are likely to have, material risk exposures. These are used for identifying, reporting and modelling our risk exposures.	Climate change risk has been classified as a driver of other potential risks, rather than a standalone risk – this reflects its wide-reaching potential impact. Climate change, and sustainability in general, may impact and evolve other risks within the risk universe. For example, the financial markets risk will change depending on the chosen investment strategy, which is influenced by our sustainability strategy.
Risk appetite	These are a set of statements and supporting measures which clearly state the level of risk that the Board is willing to accept to achieve our business objectives.	The risks from climate change and sustainability are reflected within the risk appetite framework. Appetites relate to both financial and non-financial risks. Additional climate-specific risk indicators were introduced in 2023 to provide oversight over the level of risk.
Risk policies and standards	These set out how the Board expects the key risks within the risk universe to be identified, categorised, assessed, controlled, monitored and reported.	While climate change has been classified as a driver of risk, it has been explicitly flagged within the relevant risk policies and standards to ensure that any potential future impacts are given due consideration and reflect the long-term nature of the associated exposure.
Own Risk and Solvency Assessment (ORSA)	The ORSA processes facilitate the timely and effective identification, assessment, monitoring and control of our risk, capital and liquidity positions on a current and forward-looking basis.	Risks to the business are assessed on an ongoing basis through the ORSA-related processes. These include assessing the potential impact of ESG-related factors on the risks and identifying any further emerging risks and opportunities. The scenario analyses, performed to support the ORSA and other business processes throughout the year, explicitly consider climate-related exposures and the potential implications within the scenarios.
Management information and reporting	The provision of complete, accurate and timely management information to senior management and the Board allows them to discharge their risk management responsibilities and to facilitate effective risk-based decision making.	Insights into the sustainability of our investments are provided to the Investment Committee on a regular basis and included in any new investment proposals. Where appropriate, sustainability factors are also included within reporting to the Board or Board committees to ensure there is appropriate consideration within key decision making.

Risk governance

We operate a three lines of defence model as part of our day-to-day risk management. This is set out within a Board-approved risk mandate. The Board delegates certain oversight of risk matters to the Risk Committee, which together with the Executive Risk Committee, the Chief Risk Officer and the Risk Management team ensure that the business is operating in line with the requirements of the LV=RMF.

The roles and responsibilities across the three lines of defence model are included within the LV=RMF and are allocated as follows.

- **First line of defence:** led by the Chief Executive, who is supported by the Executive and Senior Leadership team. The Executive team is accountable for the management of risk, including identifying, assessing, managing and reporting on the risk profile on a current and forward-looking basis. The Sustainability Committee, with representation across the business, supports the delivery of the sustainability strategy and the consideration of sustainability-related risks and opportunities.
- **Second line of defence:** led by the Chief Risk Officer (CRO), who is supported by the wider Risk Management team (including Compliance and the Chief Actuary functions), as well as other risk management colleagues and the Board Risk Committee. The Risk Management team develops and directs the implementation of the LV=RMF, including monitoring and reviewing compliance with the framework across the business. Any material breaches are escalated to the Board.
- **Third line of defence:** led by the Chief Audit Officer, who is supported by the Internal Audit team and the Audit Committee. The Internal Audit team provides independent and objective assurance to the Audit Committee and Executive team on the effectiveness of the systems of risk management and internal controls across the business.

Identification and assessment of sustainability-related risks

We are adopting a coordinated approach to the integration of sustainability risks, including those from climate change, into existing risk management processes, across the identification, assessment and management of risk to LV=.

We identify any developments in climate-related risks through both the periodic review of our risk radar relating to sustainability-related risks and through our emerging risk process. The updating of the risk radar included holding a workshop with attendees including the CRO, Chief Investment Officer and Chief Actuary to discuss the potential risks and opportunities from climate change and the wider sustainability risks, and how these had developed since the previous review. The workshop output was subsequently discussed at the Sustainability Committee.

Stress and scenario testing is a key tool in assessing the potential materiality of risks. Following the review of any developments in sustainability-related risks, stress and scenario testing was undertaken to review our exposure to the most significant risks. Consideration is also given to the potential exposure should more than one of the climate-related stresses occur simultaneously. Information on the scenario analysis can be found in the climate scenario analysis section on page 13. The outputs of the stress and scenario testing are used to determine the relative significance of risks and assist with decisions on whether additional risk mitigation actions should be considered.

Climate change risk also involves considering wider or secondary impacts which are not readily modelled within our quantitative assessments. For example, we consider the potential indirect implications for the business arising through counterparty/supplier exposures or the reputational risk posed through inaction. We seek to enhance our understanding of these risks through regular discussion with business representatives at our Sustainability Committee.

A key related risk arises through developments in regulatory requirements, such as the Prudential Regulatory Authority's review of the supervisory statement relating to climate change. We have a dedicated Compliance team within the second line of defence, which monitors regulatory requirements and ensures appropriate action is taken to respond to requirements, including in relation to climate change. The Sustainability Committee also monitors progress against regulatory requirements and seeks to drive forward the embedding of our sustainability strategy across our operations.

When considering potential actions to manage the impacts of climate change, factors such as the expected impact on the sustainability risk exposures are considered alongside the expected economic impacts to ensure the most appropriate actions for our members and customers are pursued.

We have continued to monitor the two climate risk indicators, introduced in 2023, to support our understanding of climate-related risk exposures. These indicators provide a view on the exposures to transition risk across the investment portfolio, as well as the operational emissions of the business. The monitoring of these indicators helps to identify possible shifts in exposure and enables timely escalation if required.



Governance

The Board, with support from the Investment, Risk, Audit and Remuneration and Nomination Committees, has mandated and monitored progress towards our sustainability strategy and net zero ambition throughout 2025 and continues to ensure appropriate oversight is maintained and enhanced over time. The Board is committed to assessing and addressing the financial risks associated with climate change and the framework to support this continues to be embedded and enhanced within our governance and risk management processes. Our governance structures have been designed to achieve integration of the sustainability strategy into what we do across the business and leverages existing Board meetings and other Board committees to oversee this.

Management's role

Our Chief Executive (CEO), David Hynam, has assumed overall responsibility for sustainability as Chief Sustainability Officer (CSO). He is responsible for the development and delivery of our strategic plans, which also include climate change. As a member of the Board, David is well-positioned to raise opportunities and any issues to the Board when required.

Our Chief Risk Officer continues to be responsible for climate risk, in line with requirements set out in the Prudential Regulation Authority's Supervisory Statement 'Enhancing Banks' and Insurers' approaches to managing the financial risks from climate change'. The CRO is responsible for integrating the management of financial risks arising from climate change into the LV=RMF, advising the Board on our financial exposure to climate risk and challenging the business to identify, measure and mitigate climate-related risks. See the risk management section on pages 32 to 34 for further information.

The Board receives regular reports from both the CEO and CRO, which provide updated perspectives on key risks and opportunities across the business, including sustainability where appropriate.

Committee	Sustainability discussion	2024 committee activity
Investment	4/4	The Investment Committee regularly considered the progress made in relation to our strategic aims including monitoring progress towards our net zero ambitions. Continued advancement of our Responsible Investing Framework was a key focus and the committee supported a formal exclusion of holdings deriving significant revenue from thermal coal and oil sands.
Risk	2/4	The Risk Committee continued to oversee sustainability risk, receiving updates on our sustainability-related risk radar and enhanced regulatory expectations in relation to climate-related financial risks. In addition, the committee met in June 2025 to review the Own Risk and Solvency Assessment Report, which includes meaningful consideration of developments in the financial risks associated with climate change.
Audit	3/5	The Audit Committee supported our Sustainability Report development and ultimately approved it, with a focus on Task Force on Climate-related Financial Disclosures (TCFD) and Companies Act regulatory requirements. In addition, the committee continued to receive internal audit reports in 2025, including a review of the reporting of sustainability measures.
Remuneration and Nomination	5/5	The Remuneration and Nomination Committee has oversight of the diversity, equity and inclusion (DEI) targets set in support of our DEI and wellbeing strategies and our wider sustainability strategy. The committee meets at least five times a year and receives reports at each meeting from our Chief People Officer on the initiatives in place across the business and our performance against our DEI targets. The committee also receives regular updates on the work undertaken by our five DEI&W networks, our involvement in community and charity projects with our chosen partners and the results of our regular employee surveys.



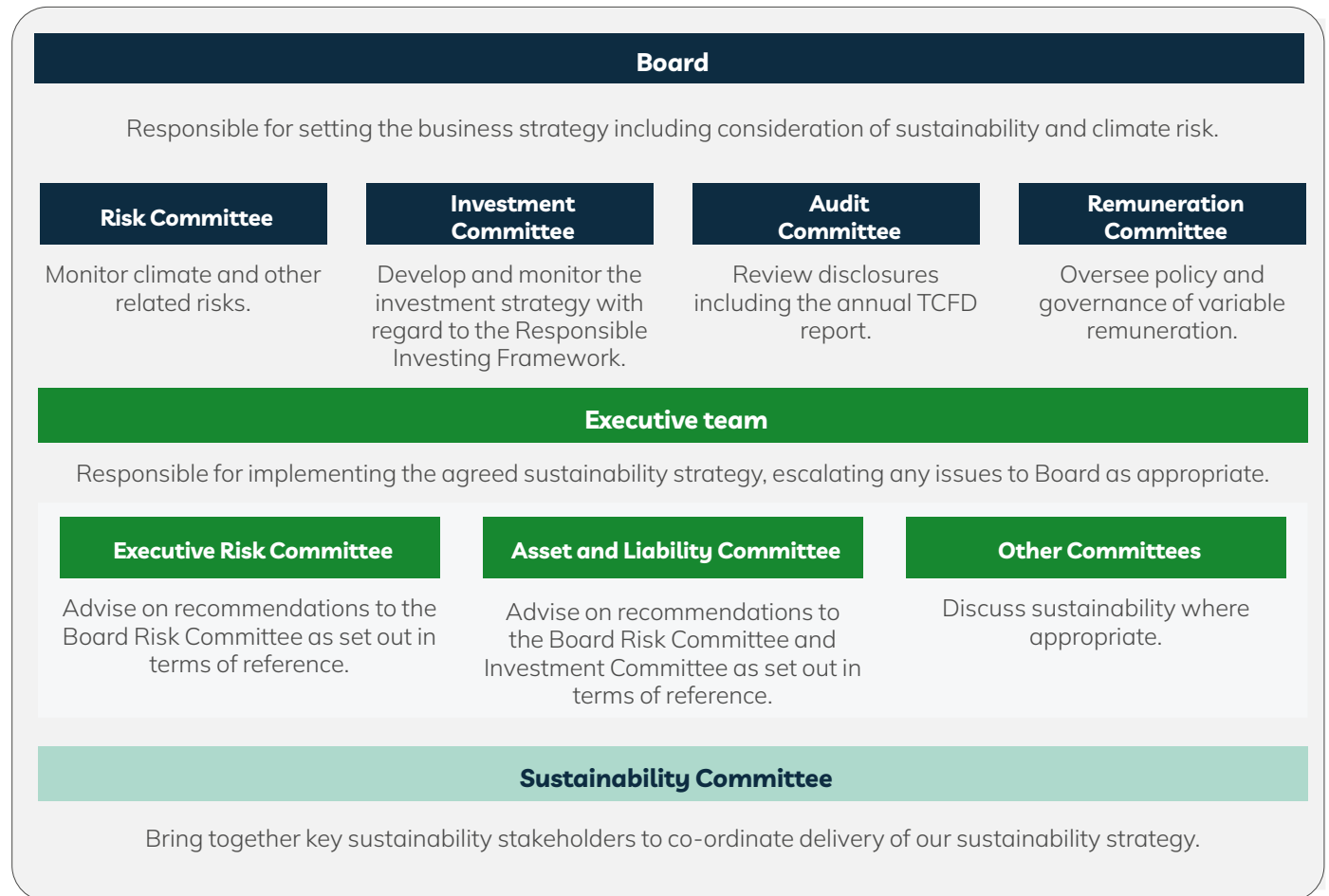
Sustainability Committee

The Sustainability Committee, chaired by our Chief Executive, brings together key stakeholders from across the business to drive change and deliver and evolve our sustainability strategy.

The membership includes the Chief Risk Officer, Chief People Officer, Chief Commercial Officer, Chief Investment Officer, Operational Resilience Director and Head of Third-Party Management. The seniority of the membership demonstrates our commitment to sustainability and supports the Chief Executive in implementing the sustainability strategy across the business. Issues raised at the Sustainability Committee can be escalated, where required, to the wider Executive team.

Over 2025, the committee met four times with key activity including:

- supporting delivery of our second TCFD entity and product-level reports, articulating what we do to help our members, colleagues, community and environment,
- monitoring the key risks and opportunities for the business including changes to the regulatory environment and assessing resilience to potential climate-driven events,
- reviewing our plans to achieve our net zero ambition, including the ongoing reduction of our operational emissions.



Training

Ensuring we develop awareness of sustainability and climate change issues with our colleagues is essential to strong governance. We launched a sustainability hub on our intranet to embed and raise awareness of our sustainability strategy across the organisation. In response to newly-released regulation, we developed mandatory anti-greenwashing training for relevant roles to ensure we continue to maintain our high standards for public disclosure.

Remuneration

The key performance indicators in our 2025 balanced scorecard are currently split between financial (60%) and non-financial (40%) measures. In 2025, the Remuneration and Nomination Committee assessed our performance against four key areas - financial, customer, risk and colleagues - with overall performance broadly in line with plan. This reflects delivery against our cost and operating capital generation targets, alongside strong progress in improving outcomes for our members, customers and colleagues. The committee considers the most effective measures to drive future performance on an ongoing basis, including the incorporation of environmental metrics.

Financial crime

The robust systems and controls that we have in place via our Financial Crime policy continue to operate effectively to prevent financial crime and losses across LV=. Over 2025, we successfully prevented financial losses of £13.3m through protecting our members, customers and the wider business from potential financial crime. We continue to do this by, for example:

- carrying out verification checks to ensure we are dealing with the appropriate individual and we know where funds are transferring from and to.
- carrying out enhanced due diligence on higher risk customers.
- investigating suspicious policy applications and insurance claims.
- reviewing pension transfers to protect our members from potential pension scams.

Data vishing is another form of financial crime, where an individual may use a false identity to gain personal data. More information about data vishing and how we deal with it can be found on [LV.com](#)

The Failure to Prevent Fraud offence came into force in September 2025 as part of the Economic Crime and Corporate Transparency Act 2023. In preparation for the changes, we carried out a gap analysis to ensure that we are compliant with the requirements.

Bribery and fraud

Our Financial Crime policy includes a framework for mitigating crime that may arise from bribery and corruption, fraud, money laundering, terrorism proliferation financing, facilitation of tax evasion, failure to prevent fraud and financial and market abuse. Our Financial Crime team monitors adherence to this policy across the business.

To help detect and prevent bribery and fraud, our colleagues can report any suspicious activity or wrong doings via our Speak Up service.

Human rights and modern slavery

We understand the importance of human rights and, as a responsible business, we have fair and transparent employment and supply chain practices in place. We have no tolerance of slavery and human trafficking and have continued to consider ways to minimise the risk of modern slavery in our business and our supply chain. To support us in meeting our modern slavery responsibilities, we developed a third-party code of conduct for our suppliers and ensure colleagues are appropriately trained, and supported via our Employee Assistance Programme and Speak Up service.

You can read our full Modern Slavery Statement on our website at [LV.com](#)



Collaboration for change

During 2025, we continued to engage with industry forums and participate in sustainability-related surveys. Our motivation is to encourage collaboration and share best practice between companies, which we believe is required to tackle the climate crisis. Greater transparency and collaboration will enable firms to learn from each other helping drive forward the green transition.

We have an active voice in the business and mutual sector. During the year, we were invited to the Financial Services Growth and Competitiveness Strategy Round Table event and our Chief Executive attended the Future Workforce Summit, hosted by the Princess of Wales and The Royal Foundation Centre for Early Childhood Business Taskforce, which focused on shaping the future workforce. As members of the Association of Financial Mutuals (AFM) and the International Cooperative and Mutual Insurance Federation (ICMIF), we continue to champion the voice of the mutual sector in the UK and globally. Through these memberships, we work collaboratively with other mutual organisations to promote mutuality, share best practice and contribute to a broad range of working forums.

In 2025, we attended the AFM Annual Conference where we shared our digital transformation journey with fellow mutuals. We joined the ICMIF Resilience and Sustainability Summit, sharing our sustainability approach and how it is a strategic differentiator for mutual insurers. In addition, our Chief Executive and Chief Brand and Communications Officer took part in discussions hosted by ICMIF and the Swedish Ambassador at the Swedish Embassy, exchanging insights with leaders from the Länsförsäkringar Alliance and across the UK mutual sector. Furthering our contribution, our Chair authored a blog reflecting on the continued relevance and potential of the mutual model and we shared our member engagement journey through an ICMIF webinar.

As an equity release provider, we are a member of the Equity Release Council. The Council is focused on the key themes of representative lobbying, leading and setting high standards for consumers, and awareness through thought leadership of how housing wealth can help alleviate many financial challenges. We are also a member of the Funders Forum, which brings together a group of equity release providers to discuss the challenges facing the industry, including climate change and how equity release loans can be used to improve the energy efficiency of a home (for example 'retrofit' products with incentives such as lower interest rates).

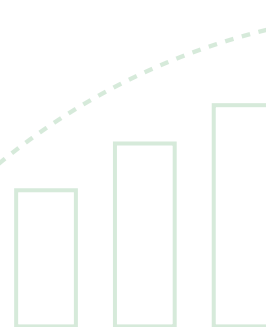
Appendix A: Data and scenario analysis

The metrics within this Report are based on information from third-party sources which have not been independently verified by LV= and LV= therefore does not warrant that any information from third-party sources is accurate or complete. All information presented is intended to meet regulatory purposes only and should not be relied upon for investment decisions. The investments metrics provided are in line with the Greenhouse Gas Protocol, a globally-recognised standard for the reporting of greenhouse gas emissions.

Forward-looking metrics, such as climate value-at-risk measure estimated losses from climate change. Given the current limitations, as mentioned in the climate scenario analysis section, we report qualitatively rather than quantitatively at this time.

Emissions data is widely available for developed market large-cap companies, but more gaps exist in small cap, emerging markets and private companies. In the absence of self-reported data, emissions can be estimated. Our Scope 1 and 2 investments metrics include approximately 7% of estimated data and our Scope 3 investments metrics include approximately 92% of estimated data.

The asset classes not currently included are property investments, privately-held equities, commercial mortgage loans and equity release mortgages. The carbon emissions data for these asset types are less available and more challenging to quantify in comparison to publicly-listed corporate bonds and equity. Estate cash is excluded as it may introduce volatility in reported carbon metrics from routine operations such as member bonus payments. Cash deployed into investments with identifiable underlying economic activity, such as certificates of deposit, is included. We expect to increase data coverage in the future as access to data and industry best practice develops.



Appendix B: Glossary

Term	Explanation
Carbon emissions	Carbon emissions are the annual greenhouse gas emissions, measured in tonnes of carbon dioxide equivalent emissions (tCO ₂ e). To attribute our share of investee companies' emissions, we use our market value divided by Enterprise Value Including Cash of the investee company. The metric can therefore be influenced by changes in market values, total assets under management and data coverage over the period.
Carbon footprint	Carbon footprint is the total carbon emissions for the portfolio normalised by the market value of the portfolio, expressed in tonnes of carbon dioxide equivalent emissions per million US dollars invested (tCO ₂ e/\$m). This is our primary metric for monitoring progress against our decarbonisation reference objective.
Weighted Average Carbon Intensity	Weighted Average Carbon Intensity (WACI) is the tonnes of carbon dioxide equivalent emissions per million US dollars of revenue (tCO ₂ e/\$m). This is a company's carbon emissions relative to the size of the business adjusted for the weighting in a portfolio or benchmark. This is an alternative metric to measure emissions and can be influenced by revenue volatility.
Data coverage	Data coverage represents the percentage of assets for which data is available (either reported or estimated).
Sovereign production emissions intensity	Sovereign production emissions intensity is the tonnes of carbon dioxide equivalent emissions weighted by million US dollars of nominal Gross Domestic Product (GDP). (tCO ₂ e/\$m GDP nominal). Six greenhouse gases are considered consistent with the Kyoto Protocol.
Sovereign consumption emissions intensity	Sovereign consumption emissions intensity is the tonnes of carbon dioxide equivalent emissions per capita. (tCO ₂ e/Capita). Six greenhouse gases are considered consistent with the Kyoto Protocol.
Implied Temperature Rise	Implied Temperature Rise (ITR) is a forward-looking climate impact metric which estimates the global implied temperature rise if the whole economy had the same carbon budget overshoot or undershoot as the company (or portfolio) in question. It is measured in degrees Celsius.

Appendix C: TCFD Index

This Report brings together sustainability disclosure information in accordance with the Task Force on Climate-Related Financial Disclosure entity reporting requirements. The table below outlines the 11 recommendations for inclusion in climate reporting and the reference where information can be found within this Report.

TCFD pillars	Recommended disclosures	Reference
Governance Disclose the organisation's governance around climate-related issues and opportunities.	a. Describe the Board's oversight of climate-related risks and opportunities. b. Describe management's role in assessing and managing climate-related risks and opportunities.	Trusted and Thoughtful Provider: Governance
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning where such information is material.	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long-term. b. Describe the impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning. c. Describe the resilience of the organisation's strategy taking into consideration different climate-related scenarios including a 2°C or lower scenario.	Safeguarding our Environment: Strategy
Risk management Disclose how the organisation identifies, assesses and manages climate-related risks.	a. Describe the organisation's processes for identifying and assessing climate-related risks. b. Describe the organisation's processes for managing climate-related risks. c. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	Safeguarding our Environment: Risk Management
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions and the related risks. c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Safeguarding our Environment: Metrics and Targets

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