All-In-1 Investment Bond and Guaranteed Capital Bond Cautious Fund

Product Level Report (For the year ended 31 December 2025)

The purpose of this Report

This Report aims to support our members, customers, advisers and other stakeholders with a greater understanding of the greenhouse gas emissions associated with this fund and the potential climate-related risk factors. The Report has been developed to comply with the requirements of the Task Force on Climate-related Financial Disclosures (TCFD).

At LV=, sustainability is a key priority. We are focused on continuing to build an inclusive, sustainable, forward-looking business to look after the current and future generations of members.

This Report can be read on its own. However, further information on our approach and our activities to tackle environmental, social and governance issues can be found in our latest Sustainability Report. Our risk management, governance and strategic consideration for this fund is consistent with our company-wide approach. Our ambition is to transform our business to be net zero[1], in line with the UK government's commitment to net zero by 2050 and in support of the Paris Agreement's[2] objective to limit global temperature increases.

The information in this Report applies to the Cautious version of the All-in 1 Investment Bond and Guaranteed Capital Bond.

Investments metrics

Our funds typically invest, either directly or indirectly, in a diversified portfolio of assets such as fixed interest securities, equities, property, cash and other related instruments[3]. We recognise that these investments contribute towards global greenhouse gas emissions and the performance of these assets may be impacted by the risks and opportunities associated with climate change.

The Greenhouse Gas Protocol, a globally recognised standard for the reporting of greenhouse gas emissions, provides a framework for the disclosure of emissions from different investments. As there are various greenhouse gases which each have a different global warming potential, these are converted into a carbon dioxide equivalent (tCO2e) to facilitate comparison across metrics.

The metrics presented in the table below are calculated in line with the protocol and enable the measurement and monitoring of the emissions within your investment portfolio.

In general, the carbon footprint of our equity and corporate bond portfolios have reduced. A variety of factors may contribute to changes in portfolio emissions, such as investee companies reducing or increasing emissions, data coverage or trading activity. The change over the year may also be impacted by an increase or decrease in the size of the fund, a change in asset allocation or a change in the revenue of the companies invested.

For 2025, we changed how we calculated our data coverage metric, with coverage now based only on equity and corporate bond holdings. The 2024 data coverage metric includes all asset classes within the fund.

Carbon metric definitions

Carbon emissions – are the total annual greenhouse gas emissions, measured in tonnes of carbon dioxide equivalent emissions (tCO2e). To attribute our share of investee companies' emissions, we use our market value divided by Enterprise Value Including Cash (EVIC) of the investee company. This metric can therefore be influenced by changes in market values, total assets under management and data coverage over the period.

Carbon footprint – is the total carbon emissions for the fund normalised by the market value of the fund, expressed in tonnes of carbon dioxide equivalent emissions per million dollars invested (tCO2e/$m). This can be used to compare across different funds.

Weighted average carbon intensity (WACI) – is the tonnes of carbon dioxide equivalent emissions per million US dollars of revenue (tCO2e/$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. This can be used to compare across different funds.

Data coverage – represents the percentage of assets for which equity and corporate bond data is available (either reported or estimated).

Sovereign production emissions intensity – is the tonnes of carbon dioxide equivalent emissions weighted by million US dollars of nominal Gross Domestic Product (GDP). (tCO2e/$m GDP nominal).

Sovereign consumption emissions intensity – is the tonnes of carbon dioxide equivalent emissions per capita. (tCO2e/Capita).

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.

Metrics	2025	2024
Carbon Emission Scope 1 and 2	31	35
Carbon Emission Scope 3	154	n/a
Carbon Footprint Scope 1 and 2	62	66
Carbon Footprint Scope 3	334	n/a
WACI Scope 1 and 2	142	133
WACI Scope 3	729	n/a
Data Coverage	87%	55%
Sovereign Production Emissions Intensity	201	220
Sovereign Consumption Emissions Intensity	12	13
ITR	2.5	n/a

Source: BlackRock

The data provided is for regulatory use only.

[1] 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.

[2] 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.

[3] Fixed interest securities can include government bonds and corporate bonds. Equities refers to shares in companies. Other related instruments refers to different types of investments, often used for the purposes of efficient portfolio management, not covered in the previous definitions.

Scenario analysis

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 business exposure to various plausible outcomes. The scale of global physical warming will depend significantly on the actions taken to protect the environment and the timing and impact of these actions. Similarly, the implications of these interventions on the economy are also uncertain.

Our scenarios are based on three potential future pathways, aligned to those developed by the Network for Greening the Financial System. This covers both short and long-term climate changes through 2050 (physical risks), as well as transition risks like policy, market, technology and demand shifts over the same period.

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).

Asset transition risks can arise from the process of adjustment towards a low-carbon economy. 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.

The table below explains how our investments may be impacted by transition and physical risks, across three different scenarios.

Our funds typically invest in a globally diversified portfolio of assets and therefore do not have concentrated exposure to carbon intensive sectors.

Climate scenario analysis is becoming more advanced and widely understood, but there are still limitations in the models used for this analysis. For example, factors such as sea level rises or forced migration are not currently incorporated and the modelled events may not happen as smoothly as predicted. Although the scenarios provide valuable insights into potential impacts, they are not intended as definitive forecasts and are not presently incorporated into our investment decision-making processes.

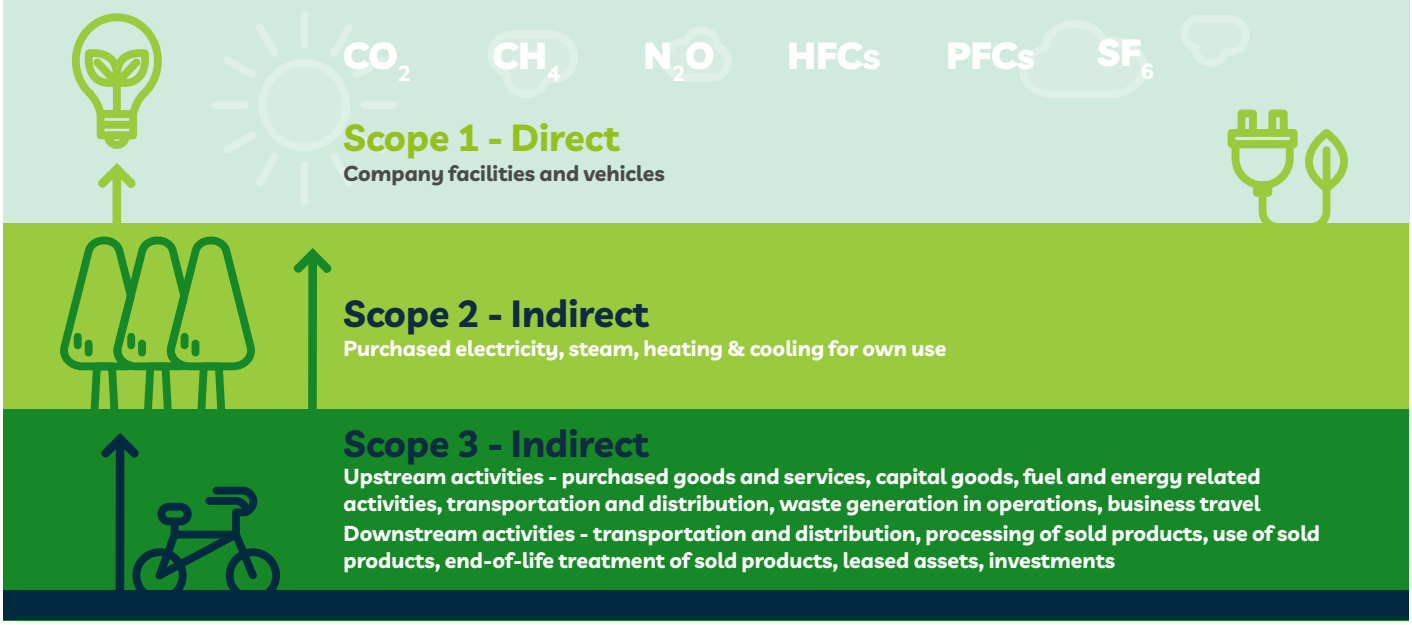
When possible, we expect to further enhance our climate scenario analysis as industry best practice and data improves. This will enable greater understanding and the continued management of potential risks and opportunities.

Scenario considered	Description	Potential impact
Hothouse world	Hothouse world scenarios assume that some climate policies are implemented in some jurisdictions, but global efforts are insufficient to halt significant global warming. Critical temperature thresholds are exceeded, leading to severe physical risks and irreversible impacts. It is assumed there would be a 3°C temperature rise in this scenario.	With limited changes to regulation and policy, it is expected that the physical risks associated with climate change will increase, for example, through increased frequency and severity of extreme weather events. The geographical location of the investee companies' assets and supply chains will be a key factor in determining overall risk and performance.
Orderly transition	Orderly transition scenarios assume climate policies are introduced early and become gradually more stringent, reaching global net zero CO2 emissions around 2050 and limiting global warming to below 2°C on pre-industrial averages. It is assumed there would be a 1.5°C temperature rise in this scenario.	There are greater regulatory and transition risks for companies in carbon-intensive sectors such as energy, materials and utilities. Risks emerge where companies fail to transition and opportunities arise where companies can provide the solutions and services required in a low carbon economy. Physical risks are expected to be relatively lower as global temperature rises are limited to 1.5°C.
Disorderly transition	Disorderly transition scenarios assume climate policies are delayed or divergent, requiring sharper emission reductions achieved at a higher cost and with increased physical risks to limit the global temperature rise. It is assumed that there would be a 2°C temperature rise in this scenario.	There are increased regulatory and transition risks for those companies in carbon-intensive sectors as strong policies are needed to reduce emissions after initial delays. Physical risks are expected to be more pronounced and the geographical location of the investee companies' assets will be a key factor in determining overall risk and performance.

Appendix: Supplementary Information

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 for meeting regulatory purposes only and should not be relied upon for investment decisions.

The diagram below provides an overview of the emission categories and scopes as defined by the Greenhouse Gas Protocol. Scope 1 and 2 emissions, such as gas and electric usage, are typically easier to measure and control. This is in comparison to Scope 3 upstream or downstream activities, where there is reliance on estimation and external data provision, for example from suppliers of goods and services.



Carbon data coverage depends on several factors. Scope 1 or 2 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, Scope 1, 2 and 3 emissions can be estimated. Typically, this will rely on assumptions regarding the company's specific geography and sector.

As at the end of 2025, we reported Scope 1, 2 and 3 emissions for listed equity, corporate bond and sovereign holdings within the portfolio. In the absence of self-reported data, emissions can be estimated. Our Scope 1 and 2 data typically utilises a high proportion of reported data. Currently, our Scope 3 emissions data is estimated because methodologies are evolving and companies reporting Scope 3 data are limited. The carbon emissions data from other asset types, such as property, are not currently included. Data for these asset types are typically less available and harder to quantify. However, carbon emissions data from cash (such as certificates of deposit) are included. We intend to increase data coverage in the future as access to data and industry best practice develops.

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.

This information does not constitute investment advice and we recommend that you speak to a suitably qualified financial adviser before making any investment decisions. Further information on investment performance can be found at LV.com/investments

If you'd like us to send you this document or any future correspondence in another format, such as Braille or large print, please just let us know.

Liverpool Victoria Financial Services Limited: County Gates, Bournemouth BH1 2NF.

LV= and Liverpool Victoria are registered trademarks of Liverpool Victoria Financial Services Limited and LV= and LV= Liverpool Victoria are trading styles of the Liverpool Victoria group of companies. Liverpool Victoria Financial Services Limited, registered in England with registration number 12383237 is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, register number 110035. Registered address: County Gates, Bournemouth, BH1 2NF.

49536-2026 06/26