

Due diligence guide

For LV= Savings, Retirement and Investments

For UK financial advisers only. Not to be shared with customers.

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Key business numbers for LV=

as at 31 December 2025

£63m
Profit before tax and member bonuses

14%
Main With-Profits Fund return

£48m
Operating capital generation

9.7%
Smoothed Managed Fund range return on the Balanced Fund

£100m
Member bonuses shared with 250,000 eligible member policies

£370m
Solvency II capital surplus

£1,232m
Sales on a Present Value of New Business Premiums basis

202%
Capital Coverage Ratio



Section 1 – About LV=

1.1 – Who we are

At LV=, our members come first. As a leading UK life and pensions mutual insurer with a proud history dating back to 1843, we exist to help people live financially confident lives - protecting their income while they work and maximising it when they stop.

Today, over one million members and customers trust us to look after their futures, families and finances. We put them at the heart of everything we do. As specialists in investment, protection, retirement and in-house advice, we offer a range of award-winning products and services designed to help our members and customers plan for a secure financial future.

Mergers and acquisitions over the years

1885 – Liverpool Crown & Anchor Friendly Society
1903 – Liverpool Protective Assurance & Burial Society
1904 – New Era
1908 – General Friendly Collecting Society
1933 – Most Friendly Burial Collecting Society
1935 – City Mutual (Guernsey) Collecting Society
1935 – City Mutual (Jersey) Collecting Society
1944 – Hibernian Mutual Assurance Collecting Society
1952 – General Federation of Trade Unions Friendly & Collecting Society (GFTU)
1953 – Independent Burial Society
1954 – Withington Friendly Burial Collecting Society
1957 – Ardwick Union Burial Society
1963 – Keighley Samaritan Brief
1965 – Druids Burial Society
1996 – Frizzell
1997 – Landmark
2001 – Royal National Pension Fund for Nurses (RNPFN)
2001 – Permanent
2002 – Bishopscourt
2005 – UIA Life Businesses
2006 – ABC
2007 – Tomorrow
2007 – Britannia Rescue
2008 – Highway Insurance
2016 – Teachers Assurance

We serve over
1m
members and customers

1.2 – Financial strength

Our financial strength is measured for LVFS Limited and includes the Savings and Retirement, Protection and Heritage businesses together with the Inherited Estate.

We don't have any separate financial strength ratings for our Savings and Retirement business.

In September 2025, LV= was rated B+ Outlook: Very Strong by AKG Financial Analytics.

Capital Coverage Ratio

To ensure the sustainability of the LV= Group, we monitor our Solvency II Capital Coverage Ratio. This measures the ratio of surplus capital that we hold above the capital requirement. At 31 December 2025, the LV= Group had a Solvency II Capital Coverage Ratio of 202% and available capital of £370m.

Invested assets

Premiums and deposits from customers are invested in various investment assets such as equities, gilts, corporate bonds and property. At 31 December 2025, the LV= Group held over £10bn of investment assets and cash.

1.3 – Annual Report

Visit LV.com/annual-report to view our latest Annual Report.

1.4 – Location

We have three offices across the UK in Bournemouth, Exeter and Hitchin.

Most of the administration and support for our Savings and Retirement business is based in our Hitchin office. Bournemouth is our head office.

1.5 – Distribution strategy

We offer a range of products aimed at the 'at and post retirement' market which are distributed through financial advisers.

We have a clearly defined target market and strive to ensure our products remain current and relevant for our customers and their advisers.

Our range of tools and support, as well as online access to valuations and services, are all designed to make it easy for customers to understand and for advisers to transact.

As a savings and retirement specialist, we offer flexible investment and income planning options for clients approaching, and in, retirement. Our flagship Smoothed Managed Fund range offers customers a low volatility investment solution.

Our offering includes an off platform Pension, ISA, Bond and Trustee Investment Plan, as well as on platform Pension, ISA and GIA* through LV= Platform Services.

*Smoothed Managed Funds are not accessible through the LV= Platform Services GIA.



Section 2 – Regulation and governance

2.1 – Directors

Our Board is comprised of an independent Non-Executive Chair, two Executive Directors (the Chief Executive and Chief Financial Officer) and three independent Non-Executive Directors.



Simon Moore

Chair

Date of appointment: 17 June 2022

Simon has over 30 years' experience in financial services. He began his career as a credit analyst, specialising in insurance at Lloyds Banking Group and went on to join the global insurance team at Chase Manhattan Bank in London and New York in 1994. In 2004, he was appointed regional director for the corporate banking business at Barclays Bank (South-West of England and Wales). He spent three years as the international director of the Confederation of British Industry (CBI) and as a member of its management board. In 2022, Simon completed a ten-year term as a director and chair of Cambridge and Counties Bank and, in 2024, stepped down from his appointments as chair of RCI Bank UK (the UK arm of the French bank RCI Banque Groupe) and PCF Bank Group. He has also been a governor at the University of the West of England, a non-executive board member of the Government Office of the South-West and chair of Pennant International Group PLC. He stepped down as chair of WH Ireland Group plc in 2026. As well as LV= Chair, Simon is also the chair of Principality Building Society.



David Hynam

Chief Executive Officer (CEO)

Date of appointment: 26 September 2022

Date of appointment to the Board: 24 October 2022

David has over 30 years' experience in the financial services and insurance sector. He began his career at Barclays working in a variety of roles before becoming chief operating officer at Barclays' offshore business. He joined AXA UK in 2001 in a senior operations role, ultimately overseeing operations for the UK and Ireland. When Resolution acquired the majority of the UK life business from AXA, merging the business with Friends Provident to create Friends Life, David joined Friends Life as group chief operating officer, leaving as UK chief executive officer in 2013. He joined Bupa UK in 2014 and led the transformation agenda for the UK business as well as running the health clinics division. His most recent role was as chief executive officer of Bupa's UK and Global markets, which included all the UK businesses and international health insurance. As well as LV= Chief Executive, David is chair of HomeServe Membership Limited.



Stephen Percival,

Chief Financial Officer (CFO)

Date of appointment: 15 May 2023

Date of appointment to the Board: 22 June 2023

Stephen has enjoyed a successful career in financial services and has extensive life insurance experience from 25 years in the industry. He has held a wide range of senior finance roles including CFO of Standard Life's insurance business and CFO of the life businesses within the Phoenix Group. He also has international experience gained from working in China, India and Canada.
As well as LV= Chief Financial Officer, Stephen is also a director of The Aquila Foundation.

Non-Executive Directors

David Rogers, Senior Independent Director

Colin Ledlie, Non-Executive Director

Susan McInnes, Non-Executive Director

The information above is correct as at 27 March 2026. Details of all biographies can be found in the Annual Report or at **LV.com/board-members.**

2.2 – Complaints

As an authorised and regulated group of companies we comply with all relevant FCA rules relating to complaints.

You can view our complaints data at LV.com/contact-us/complaints/complaints-data.

2.3 – Financial crime

A group-wide policy sets out the financial crime legislative and regulatory requirements. This covers bribery and corruption, fraud, financial sanctions, money laundering, terrorist and proliferation financing, corporate facilitation of tax evasion, failure to prevent fraud and insider dealing and market abuse.

We are committed to complying with the policy through application of a risk-based approach to deter, detect, prevent and report financial crime.

To support compliance we utilise industry guidance, such as, but not limited to, the JMLSG (Joint Money Laundering Steering Group) in relation to the prevention of money laundering and terrorist financing and PSIG (Pension Scams Industry Group) Code of Good Practice in relation to protecting customers from pension scams in addition to the Financial Crime Guide produced by the Financial Conduct Authority (FCA).

2.4 – Risk management

We operate a risk management framework we call the LV=RMF. This framework brings together the key processes and activities undertaken throughout the business to ensure that member, customer and adviser security is at the forefront of our decision making. Structuring engagement, risk management and our values around this framework enables senior management to demonstrate that the right things are being done to manage risks within the business.

We operate a three lines of defence model as part of our day-to-day risk management operations, as prescribed within the Board-approved risk mandate. The Board delegates much of its oversight of risk matters to the Risk Committee, which together with the Executive Risk Committee, the Chief Risk Officer and the Risk Management teams, ensures that the business is operating in line with the requirements of the LV=RMF.

We conduct an annual risk maturity assessment to gauge the effectiveness of the embedding of the LV=RMF. The outputs from this assessment are used to determine areas for further development under our programme of continuous improvement.

See more information on risk management on pages 20-23 of the Annual Report.

2.5 – Compliance

As mentioned previously, we operate a three lines of defence model. Each business unit is responsible for managing first line regulatory risks with oversight, assurance, advice and policy provided by second line Compliance. They also provide assurance and testing of controls. Group Internal Audit sits in the third line providing independent assurance to the Board that the Group has appropriate controls in place to manage all of its risks (including regulatory).

2.6 – Business Continuity policy

Our Business Continuity policy is guided by ISO 22301: 2019 and the Business Continuity Institute's Good Practice Guidelines 2018. The policy is underpinned by our Business Continuity Management Minimum Standards. Our Business Recovery Plans (BRP) are held on a third party, independent system to ensure accessibility, and are reviewed every 12-18 months depending on their criticality. Our BRPs include key information such as: resource needs, application requirements and recovery procedures.

2.7 – Governance

Business continuity (BC) is the responsibility of the Business Resilience team, which is accountable to the Director of Operational Resilience, reporting directly to the Chief Operating Officer. The members of the team are qualified BC practitioners and affiliated with the Business Continuity Institute.

Each business area has a Business Recovery Plan (BRP) with Business Continuity Representatives (BCRs), who are the plan owners. BCRs are responsible for updating their plans and tailoring them to provide the necessary information that may be needed in the event of an invocation.

Our Operational Resilience and Business Continuity frameworks work in conjunction with our risk management system, ensuring that appropriate controls are in place across the business and tested on a quarterly basis. Additionally, this allows open actions from audits, assurance activities, incidents and exercises to be managed and tracked.

2.8 – Recovery capabilities

Our Incident Management (IM) framework supports a gold, silver and bronze response to any unplanned disruption. We have IT IM teams, Business IM teams, a Crisis Management team and key Strategic Support Units, such as Communications. We utilise an emergency notification system to keep our key stakeholders and colleagues informed.

With three main office locations and a hybrid working system, we can utilise work from home and alternative offices should an incident occur resulting in a loss of premises.

We have a prioritised IT disaster recovery timetable which covers our critical systems, including those managed by our technology partner, Hexaware.

Awareness of BC practices, including colleagues' roles in an incident, is conducted on a regular basis and all colleagues must complete a mandatory BC module annually.

We have eight important business services identified in line with Operational Resilience regulations and have set impact tolerance thresholds we can adhere to in severe circumstances. This ensures we can continue to provide our critical services in line with our stated timelines.

2.9 – Testing and exercising

We conduct severe resilience exercises four times a year, targeting important business services across the business and at different levels of management. Any lessons learned from exercises are tracked through the monthly Business Resilience Forum.

We use an emergency notification system to conduct annual call tree tests and it is available for use during incidents.

2.10 – Supplier resilience

All supplier services procured by LV= are assessed for both materiality and inherent risk.

Where a service is deemed material, namely those supporting critical processes, an exit plan is created to ensure we are able to recover the services being provided in the event of a major supplier service outage.

Ongoing assurance is conducted on all material suppliers to ensure they adhere to the conditions in their contract. We have a dedicated Supply Chain Risk and Operations function to support the Supplier Managers and ensure resilience issues are prioritised in collaboration with our internal Operational Resilience function.

2.11 – FSCS protection

We're covered by the Financial Services Compensation Scheme (FSCS). The amount of compensation payable varies and depends on the type of product in line with the Financial Services Compensation Scheme limits.

Section 3 – Sales and administration

3.1 – Sales team structure

Our Sales Division is structured to support financial advisers across the UK. We have 2 specialist savings and investments sales teams; one for our off-platform packaged solutions, and one for LV= Platform Services.

We also have a specialist a specialist Equity Release Sales team, in addition to sales support functions in Hitchin.

We are structured this way to provide full product and technical support to financial advisers across our product and investment range.

3.2 – Service level agreements

Pre-sale

- We aim to issue pre-sale quotations within 24 hours of receipt.
- Some quotations are available for financial advisers to self-serve 24/7 by using our online portal at **LV Adviser Login**. If you require additional help using the portal we can arrange a demonstration and provide support in the process.
- Any additional quotes not available on our portal can be requested by emailing **LVquotes@lv.com**.

New business

We aim to:

- process a new application within two working days
- process Pipeline Management initially within two working days and then according to individual circumstances
- process the setting up of the plan (pay TFC, fees) within seven working days, or sooner where possible.

Servicing

We aim to:

- process Drawdown payments within 10 working days (once all outstanding requirements are met and funds received)
- process fund switches, internal/external sales and purchases within two working days (subject to them being a permitted investment)
- process all general servicing queries within 10 working days
- process transfer out requests within 10 working days (once all outstanding requirements are met and funds received).

3.3 – Quality assurance

All critical items will be checked by a second person.

This includes:

- new applications once they have been inputted onto our system
- all investments placed
- all payments out of the plans which are also authorised by a payment signatory in the business
- all claims processes
- telephone calls which are recorded, and quality assurance checks are completed on a regular basis with feedback given.

3.4 – Plain English

We adopt a plain English approach to all our communications and our literature undergoes a stringent internal sign off process. All our formal documentation is written by our experienced Technical team who have been trained in plain language techniques. This team also undertakes a rigorous review of all promotional material that support our products to ensure they meet our TCF criteria.

Post suitability research is carried out on a regular basis with our customers to ensure that literature is clear, product information is easy to understand and that our products meet customer expectations.

Communication

The Savings and Retirement business favours webchat communication via our adviser portal. When asked to, we can work directly with the customer once a plan is set up.

Throughout the new business process, the adviser will receive update emails from us advising what outstanding information is required, when funds are received and when PCLS (if applicable) and income (if applicable) is paid out.

3.5 – Online servicing

We offer a unique and differentiated multi-menu approach combining off-platform and platform propositions to offer choice and optionality to advisers and their clients.

Advisers can access our proposition, including our Smoothed Managed Funds in a way most suited to their business and the needs of their clients.

Our newly upgraded Savings and Retirement Adviser Portal enables advisers to manage all their business with us in one place with a single view of client holdings. Through the portal advisers can choose from

- Packaged Solutions for simple low-cost solutions and guaranteed products.
- LV= Platform Services for an extensive fund universe and a wide range of model portfolios.

Client access is provided via our customer portal, My LV=, where clients can view and manage all their LV= accounts in one place, view and download valuations and access copies of their documents via their personal document library.



Section 4 – Our reports

4.1 – Annual Report

You can find more information about our latest financial results and audited accounts in our Annual Report at **LV.com/annual-report**.



4.2 – Sustainability Report

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

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
- Sustainable Mutual
- Trusted and Thoughtful Provider

Read our latest Sustainability Report at **LV.com/lvcares**.

Contact us

Our Business Development Managers will be happy to talk through any of our products. Speak to your usual LV= contact, or

0800 032 8298

advisersupportteam@lv.com

LVadviser.com/smoothed-investments

Lines are open 9am – 5pm Monday to Friday. Calls will be monitored and/or recorded for training and audit purposes
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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.

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