Asset Owner Entities

TCFD Report 2025

Phoenix Life Limited, ReAssure Limited, ReAssure Life Limited, and Phoenix Life CA Limited

Standard Life
For the life we live

Asset Owner entities in this report

This report sets out the entity-level climate-related financial disclosures for 31 December 2025, in line with the recommendations and recommended disclosures of the Task Force on Climate-related Financial Disclosures ('TCFD') and the Financial Conduct Authority's ('FCA') Environmental, Social and Governance ('ESG') Sourcebook for assets under administration ('AUA') by the following legal entities:

- Phoenix Life Limited ('**PLL**')
- ReAssure Limited ('**RAL**')
- ReAssure Life Limited ('**RLL**')
- Phoenix Life CA Limited ('**PLCL**')

Each of these legal entities is a member of Standard Life plc (the 'Group'), with climate-related net zero ambitions and targets for each of these entities being set at Group-level.

On 24 February 2026 Phoenix Group Holdings plc changed name to Standard Life plc. This change brings the Standard Life brand to the forefront of the Group's businesses, further supporting the Group's stated vision to become the UK's leading retirement savings and income business and championing the belief that everyone's journey to and through retirement can be better.

The entity-level reporting for each of these legal entities forms part of the Group's wider commitment to support the regulatory agenda for more efficient, improved non-financial disclosures and transparent reporting.

The entity-level disclosures in this report are designed to be read in conjunction with relevant Group TCFD disclosures within the Group Annual Report and Accounts ('Group ARA'), which are cross-referenced throughout to meet the requirements of the ESG Sourcebook. Together, these disclosures provide an overview of progress towards net zero by 2050 and how climate-related risks and opportunities are being managed for each entity.

Key terms:

A glossary of key terms used within this report is on pages **30** to **31**.

Compliance statement

Phoenix Life Limited, ReAssure Limited, ReAssure Life Limited and Phoenix Life CA Limited

This compliance statement confirms that the disclosures in this report have been prepared in accordance with the TCFD recommendations and are compliant with the disclosure requirements documented in the FCA ESG Sourcebook and FCA Policy Statement 21/24.

Nic Nicandrou
Director
June 2026

Links to referenced reports:

Group reports to 31 December 2025 are available via the links below:

Standard Life Group Annual Report and Accounts 2025

ESG Data Appendix 2025

Standard Life Sustainability Report 2025

Standard Life Net Zero Transition Plan

Standard Life Stewardship Report 2025

Entity-level compliance with the TCFD Framework

This report presents the TCFD climate-related financial disclosures for each of the four Life Companies (together the 'Life Companies') under the FCA's ESG Sourcebook section 2.1.5 R for entities with AUA exceeding £5bn on a three-year rolling average.

As each entity operates under the Strategy, Governance and Risk management frameworks of the Group, there is alignment over how climate-related risks and opportunities are managed and embedded into processes.

Each entity therefore places reliance on the Group TCFD climate-related disclosures when producing its TCFD entity report, where they apply to the entity and cover the assets the firm administers as part of its in-scope business. Nature-related financial disclosures integrated within the Group's TCFD disclosures are excluded from the scope of entity-level cross referencing.

The table below includes references to the location of the disclosures for the Life Companies where reliance is placed on the Group TCFD disclosures located within the 'Sustainability review' section of the Group ARA, supplemented by TCFD entity-level disclosures where appropriate.

<table>
<tr><th>Disclosure Pillars</th><th>Recommended disclosure</th><th>Cross-reference Standard Life Group ARA</th><th>PLL</th><th>RAL</th><th>RLL</th><th>PLCL</th></tr>
<tr><td rowspan="2">Governance
Disclose the organisation's governance around climate-related risks and opportunities.</td><td>Board's oversight of climate-related risks and opportunities.</td><td>Governance section: pages 54 – 55</td><td colspan="4">Governance section: pages 4 – 5</td></tr>
<tr><td>Management's role in assessing and managing climate-related risks and opportunities.</td><td>Governance section: pages 54 – 55</td><td colspan="4">Governance section: pages 4 – 5</td></tr>
<tr><td rowspan="3">Strategy
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.</td><td>Climate-related risks and opportunities the organisation has identified over the short, medium, and long term.</td><td>Strategy section: pages 56 – 62</td><td colspan="4">Strategy section: pages 6</td></tr>
<tr><td>The impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.</td><td>Strategy section: pages 56 – 62</td><td colspan="4">Strategy section: pages 6</td></tr>
<tr><td>The resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</td><td>Scenario analysis: pages 58 – 62</td><td colspan="4">Scenario analysis section: pages 7 – 8</td></tr>
<tr><td rowspan="3">Risk Management
Disclose how the organisation identifies, assesses and manages climate-related risks.</td><td>Processes for identifying and assessing climate-related risks.</td><td>Risk management section: pages 63 – 64</td><td colspan="4">Risk management section: page 9</td></tr>
<tr><td>Processes for managing climate-related risks.</td><td>Risk management section: pages 63 – 64</td><td colspan="4">Risk management section: page 9</td></tr>
<tr><td>How processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.</td><td>Risk management section: pages 63 – 64</td><td colspan="4">Risk management section: page 9</td></tr>
<tr><td rowspan="3">Metrics and Targets
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</td><td>Metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.</td><td>Metrics and targets section: pages 65 – 75</td><td rowspan="3">Metrics and targets section: pages 10 and 27
PLL metrics: pages 11 – 14</td><td rowspan="3">Metrics and targets section: pages 10 and 27
RAL metrics: pages 15 – 18</td><td rowspan="3">Metrics and targets section: pages 10 and 27
RLL metrics: pages 19 – 22</td><td rowspan="3">Metrics and targets section: pages 10 and 27
PLCL metrics: pages 23 – 26</td></tr>
<tr><td>Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ('GHG') emissions, and the related risks.</td><td>Metrics and targets section: pages 65 – 75</td></tr>
<tr><td>The targets used by the organisation to manage climate-related risks and opportunities and performance against targets.</td><td>Metrics and targets section: pages 65 – 75</td></tr>
</table>

Governance

Overview of entities within this report

The Life Companies all operate under the Strategy, Governance and Risk management frameworks of the Group. As a result of this consistent approach a single report has been prepared in respect of the management and oversight of climate-related risks and opportunities for these entities.

Under a family of brands, the product offerings aligned to each of the Life Companies differ. Accordingly, the historical asset profile held by each entity varies and, as a result, the underlying metrics reported differ. Therefore, this report includes separate sections detailing each entity's climate-related metrics.

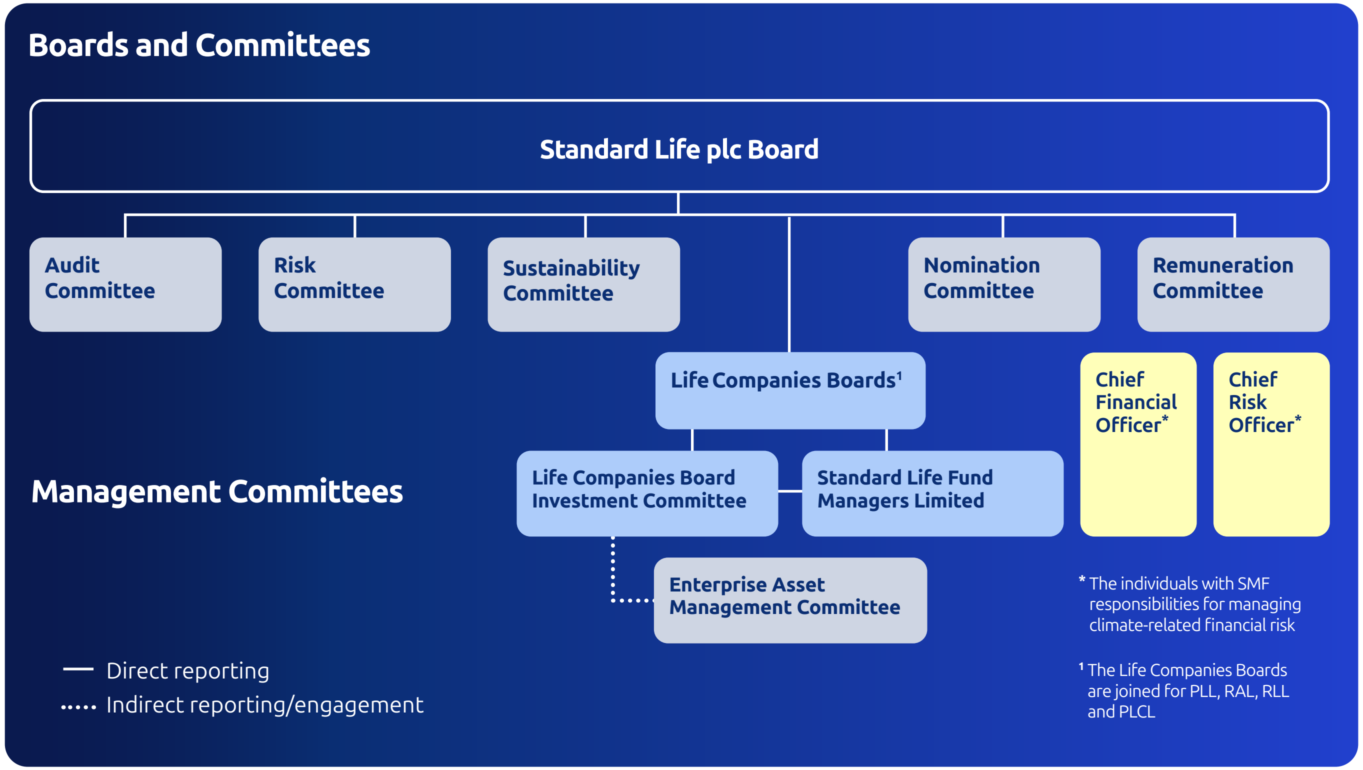
PLL provides a wide range of life and pensions products that include personal and stakeholder pensions.

RAL and RLL are both consolidators of closed-book life and pensions products. RAL administers a wide range of life and pensions policies that includes personal and stakeholder pensions and insurance-based investment products. RLL is closed to new business and administers life and pensions policies that includes personal and stakeholder pensions and insurance-based investment products that are in run-off.

PLCL is closed to new business and provides a range of policies that includes with-profits and unit-linked life funds.

Group and Life Board oversight of climate-related risks and opportunities

The Group and Life Companies Boards provide strong challenge to management through a robust governance framework, ensuring action and accountability on climate-related risks and opportunities can be addressed across the business with clear oversight from the top-down. Mitigating the impact of climate-related risks on the business is a strategic priority. As such, the consideration of climate change is embedded within the governance framework and processes through delegations within approved terms of reference.



The Group Board has overall oversight of the Group's strategic approach to climate change including the Net Zero Transition Plan ('NZTP') and directing the overall Group's risk appetite. In addition to the Group Board, the Group Board Risk Committee also has oversight of climate-related risks and opportunities, and the Group Board Sustainability Committee monitors performance against the Group's sustainability strategy.

The Group Audit, Risk and Sustainability Committees held joint bi-annual meetings in 2025 to ensure a more harmonised and collaborative approach in relation to sustainability reporting across the Group and Life Companies.

A subsection of the Standard Life plc Boards and Committees structure from the 'Governance' section on page **54** of the Group ARA is presented above. This diagram distinguishes and differentiates the Governance structure for the Life Companies for reporting in the year ended 31 December 2025.

Climate governance framework

Together PLL, RAL, RLL and PLCL are governed under joint Boards of Directors ('the Life Companies Boards'), Audit Committees and Risk Committees, which operate under the Group's frameworks whilst having responsibility delegated to them for oversight of policies and activities that only impact the Life Companies. From August 2025, where activities and areas of concern impact both the Life Companies and the Group, these are considered jointly by the Life Companies Boards and the Group Board under a joint meeting model.

Governance continued

The Life Companies Boards approve and monitor the overall Life Companies long-term strategy, including the investment and asset and liability management strategies for all Life Company assets, and seeks to include ESG considerations such as climate change where applicable.

The Life Companies Board Investment Committee oversees the investment and asset and liability strategies on behalf of the Life Companies, including overseeing and recommending Group investment management arrangements, within the Group.

Climate-related governance responsibilities

Roles and responsibilities of the Group and Life Companies Boards and each Group Board Committee are set out per 'Governance' section on page **54** of the Group ARA, with the roles and areas of focus for these committees located on page **95** and details on the training provided on climate change located on page **133** in the Group ARA.

The appropriate identification, assessment, management and reporting of climate-related financial risks and opportunities that could impact the Group sits with Senior Managers responsible for climate-related financial risk under the UK Prudential Regulation Authority's and FCA's Senior Managers and Certification Regime. Policy and management of climate-related issues are set at the Group-level via the Group's Sustainability Committee. At entity-level, the climate-related roles and responsibilities follow the priorities laid out by the Group.

Management-level forums with climate-related responsibilities

Executive management is assisted in making day-to-day decisions and/ or reporting to the Life Companies and Group Boards on climate-related matters, by management-level governance forums that do not have decision-making authority within the business.

The Enterprise Asset Management Committee provides direction and oversight of the Group's investment strategy (including the strategic asset allocation framework and the asset and liability management strategy) and asset management activities undertaken for policyholder and shareholder funds, ensuring alignment with sustainability strategies and relevant risk appetites.

The Committee provides a forum to support senior management decisions by reviewing and providing input to papers going to the Life Companies Board Investment Committee, including those relating to sustainable investment and stewardship.

Further details of key individuals and committees at management-level supporting the Boards with decisions relating to assessing and managing climate-related risks and opportunities are set out in the 'Governance' section on page **55** of the Group ARA.

Strategy

Risk horizons

The strategy for each of the Life Companies is set at the Group-level. The Group has undertaken quantitative and qualitative analysis to identify and assess the climate-related risks and opportunities, which could materially impact different areas of the business, strategy, and financial planning over short-, medium-, and long-term time horizons. These timeframes are defined on page **56** in the 'Strategy' section of the Group ARA. The Group NZTP outlines the approach to manage climate risk and to achieve the net zero targets.

Identifying climate-related risks and opportunities

The Life Companies operate within the Group's Risk Management Framework ('RMF') and have a system of governance that embeds clear ownership of risks (including climate) within approved risk appetites.

The fiduciary duty to customers, to identify and manage potential climate-related risks and opportunities that may impact each business and its customers over time, is recognised in the climate strategy.

Embedded within the RMF is the identification of climate-related risks from both top-down and bottom-up perspectives. The materiality of climate-related risks is assessed on an ongoing basis and differs between business areas. Individual areas ensure their strategies suitably consider climate risk, proportionately to the materiality of other risks faced.

Overview of material climate-related risks and opportunities and impact on the business model, value chain, strategy and financial planning

A summary of the material climate-related risks and opportunities faced by the Group over the short-, medium- and long-term are:

- climate risk exposure in the investment portfolios;
- changing demand for products, funds, and solutions;
- emerging government policy, regulatory and legal change;
- reputational damage if climate risks are not appropriately managed; and
- disruptions to business operations and supplier base.

Further details on the potential impact of the risks and opportunities arising from each of these on the business, strategy and value chain are set out on page **57** in the 'Strategy' section of the Group ARA.

The management actions being taken to ensure the Group remains resilient to the impacts of the identified material climate-related risks and opportunities are also outlined on page **64** of the Group ARA. The actions available to each of the Life Companies to manage these risks follow the three pillars of the Group Climate Action Model: Invest, Engage and Lead, as set out on page **56** of the Group ARA. The climate-related risks and opportunities and mitigating actions taken differ for each entity as actions align to their asset portfolio mix and product offerings.

Strategic approach to managing climate-related risks and opportunities

The management of material climate-related risks and opportunities has been embedded into the Group's strategy and financial planning process, recognising that this is an important process in delivering the Group's strategic ambition and purpose of helping people secure a life of possibilities.

The Group's medium- to long-term strategic planning incorporates the consideration of the financial impacts of climate-related risks and opportunities. This includes: the increased operational costs associated with regulatory compliance; the impact of physical and transition risk on assets; and shifts in consumer behaviours driven by changing preferences. The Group climate strategy applies to all entities but progress in implementing the strategy and managing risks/opportunities will differ between entities due to their differing products, customer base and asset portfolio mix.

The Group's Sustainability Report discloses the Group's progress towards the key decarbonisation goals as set out in the Group's NZTP. This plan along with other initiatives helps to track and manage the Group's risks and opportunities which subsequently pass to each of the Life Companies' risks and opportunities and support the delivery of the Group's climate strategy.

Scenario Analysis

Scenario analysis is a key tool used to stress test strategy and assess the resilience of the Life Companies to climate-related risks. It helps inform how climate-related risks and opportunities could develop under different pathways, so exposures can be understood and the management actions that might be available over time can be identified. A combination of quantitative outputs and qualitative interpretation is used to support different business needs across the Group, including the Life Companies.

The Group continues to build on its approach to climate scenario analysis, with a focus on producing decision-useful outputs, while recognising that the Group-wide approach remains at an early stage and will continue to develop in alignment with best practice as market guidance evolves. For further information on the scenario analysis used across the Group, see the 'Scenario analysis' section on page **58** in the Group ARA.

Scenarios selected and their key characteristics

In line with the scenario analysis performed at Group-level, three scenarios from the Network for Greening the Financial System ('NGFS') Phase V have been selected to represent a range of possible climate outcomes with different assumptions on the pace and nature of the global transition to a low carbon economy. These include:

- **Net Zero 2050** – transition starts immediately and unfolds in a more orderly way, consistent with limiting warming to below 1.5°C by 2050.
- **Delayed Transition** – policy action is delayed and then becomes more abrupt, leading to higher transition risk impacts later.
- **Hot House World (Current Policies)** – globally misaligned ambitions lead to higher emissions and worsening physical risks; in this scenario it is assumed no further transition, with impacts driven through the physical risk channel.

Scope of the analysis and how to read the heatmaps

The region and sector heatmaps shown in this report are the Life Companies combined listed equity and credit portfolio exposures. The heatmaps show results across the selected scenarios and time horizons (2030, 2040 and 2050) and, consistent with the overall Group approach, these are presented using low, medium or high-risk labels.

The region and sector heatmaps provide directional insights and illustrate that impacts of climate change can differ between regions, sectors and individual counterparties.

Method and use of judgement

The analysis combines modelled quantitative outputs with qualitative interpretation. The modelling provides a structured bottom-up assessment of how counterparties and portfolios may respond to changes in climate-related variables across different climate pathways. However, raw model outputs can appear spuriously precise, and some important factors (including potential tipping points) are not adequately captured.

Therefore, the model results are interpreted using expert judgement, including comparison to baskets of counterparties that are understood to carry relatively low, moderate or higher climate-related risk characteristics. This supports calibration of the risk labelling and helps ensure the results are interpreted in a way that is useful for decision-making.

Regional deep dive

The regional heatmap illustrates how climate-related impacts may vary by geography across the three scenarios. The results indicate that the greatest impacts in some regions emerge under pathways where physical risks become more pronounced over time. Impacts are shown as greatest in Asia Pacific under the Hot House World (Current Policies) scenario, reflecting higher physical risk exposure in a world with slower decarbonisation and higher warming and, therefore, a greater need for adaptation actions to maintain resilience.

Regional deep dive

Scenario	Net Zero 2050			Delayed Transition			Hot House World (Current Policies)		
Asset value impact by region	**2030**	**2040**	**2050**	**2030**	**2040**	**2050**	**2030**	**2040**	**2050**
UK & Europe	Low	Low	Low	Low	Low	Low	Low	Low	Low
North America	Low	Low	Low	Low	Low	Low	Low	Low	Med
Asia Pacific	Low	Low	Low	Low	Low	Low	Low	Med	High
South America	Low	Med	Med	Med	Med	Med	Low	Med	Med
Africa	Low	Med	Med	Med	Med	Med	Low	Med	High

Scale			
	Low	Med	High

In the Delayed Transition scenario, results may appear more benign prior to 2050 because some transition impacts are not fully captured until later in the projection period. This can create a counterintuitive comparison in earlier years (for example, making Net Zero 2050 appear higher risk in some cases). However, where transition action is delayed, impacts are expected to be more severe when they emerge, because more rapid action is required and may be compounded by higher physical risk due to greater warming. This reinforces the value of aligning to a net zero pathway to proactively manage transition risks.

Given the known limitations of scenario modelling, the results should be interpreted with judgement and used directionally rather than as precise point estimates.

Sectoral deep dive

The sector heatmap illustrates how climate-related impacts may vary across a sample of key sectors within the Life Companies' listed asset portfolio. The results indicate that some sectors are more exposed to transition risk under faster transition scenarios, with energy and materials showing the most negative impacts under those pathways. Conversely, utilities are shown as more positively impacted over the longer term in the modelled outputs.

Under the Hot House World (Current Policies) scenario, the energy sector is shown as less severely impacted on the transition dimension (consistent with the assumption of no further transition), while sectors such as materials, consumer staples and real estate begin to show impacts from physical risks.

This highlights the need for mitigating actions to consider exposures across different sectors under different pathways, and for engagement activities to incorporate physical risk considerations where relevant.

As with the regional results, the Delayed Transition scenario may understate impacts prior to 2050 because some effects are not fully captured until later; impacts are expected to be more severe when they emerge, particularly for higher emitting sectors, due to rapidly shifting policy, consumer demand, and carbon pricing pressures arriving later and more abruptly than in an orderly transition pathway.

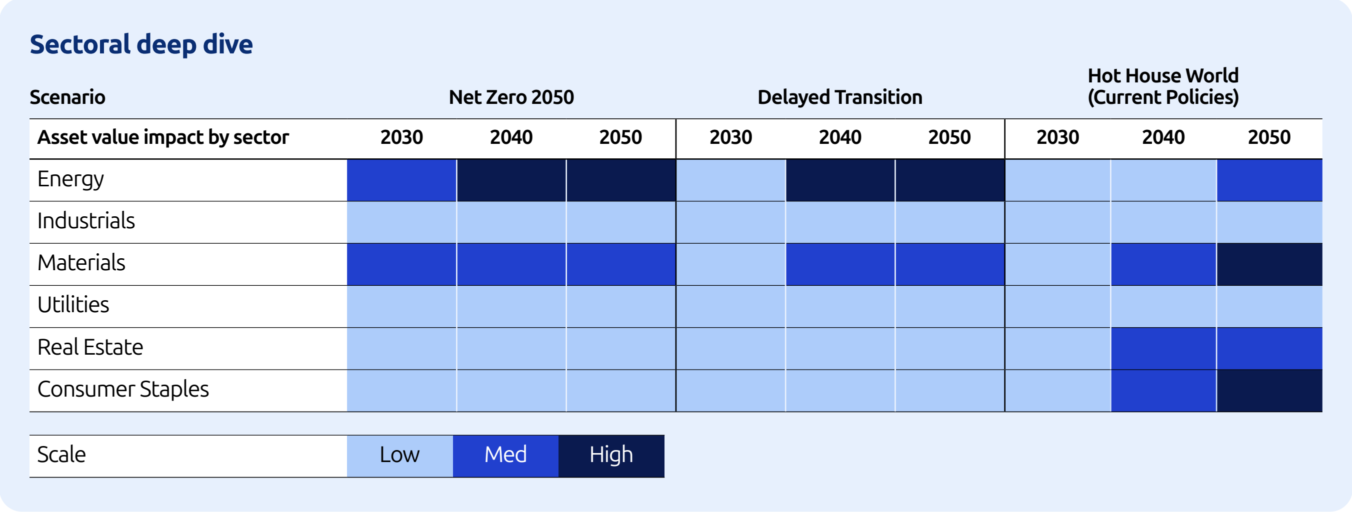
Scenario impacts and conclusion

Overall, the results highlight that climate change has the potential to reduce investment returns and increase volatility for customers and shareholders if action is not taken to manage and mitigate these risks.

The heatmaps also show that impacts can differ significantly by region, sector and counterparty, meaning that risk is not evenly distributed across the portfolio.

Mitigating actions therefore need to consider concentrations in regions and sectors that are more exposed under different scenarios, alongside the broader approach to managing climate-related risk.

The analysis does not suggest that the Life Companies' strategic objectives are significantly threatened under the scenarios assessed. However, it reinforces the importance of continuing to manage climate-related risk through actions such as portfolio decarbonisation, stewardship and engagement, and investment in climate solutions. The Life Companies will continue to assess the impact of possible climate pathways and use this to inform the pace and focus of climate risk management actions over time, including consideration of how external developments could influence transition progress.



Scenario Analysis continued

Risk Management

Strategic approach to managing climate risk

The Life Companies each apply the Group's RMF. The RMF sets out the processes that identify, assess, monitor, manage, and report on the risks to which each area of the business is, or could be, exposed. Adopting the Group RMF ensures that a consistent approach is taken to managing climate-related risks.

The Group, and in turn each of the Life Companies, continue to enhance the risk management approach to reflect both a deepened understanding of climate risks, and evolving regulatory expectations, stakeholder priorities and scientific understanding. Full details of how climate-related risk has been integrated into the RMF are disclosed in the 'Risk management' section on pages **63** to **64** of the Group ARA.

Evolving the approach to managing climate-related risks

The Group's identification of climate-related risks continues to evolve as new risks emerge. The processes identifying, assessing and managing climate-related risks have been integrated into the RMF.

Climate risk is defined as the risk of financial failure, poor customer outcomes, reputational damage, loss of earnings and/or value arising from a failure to manage the impacts on customers, financial results, and strategy.

Risk identification, assessment, management and reporting

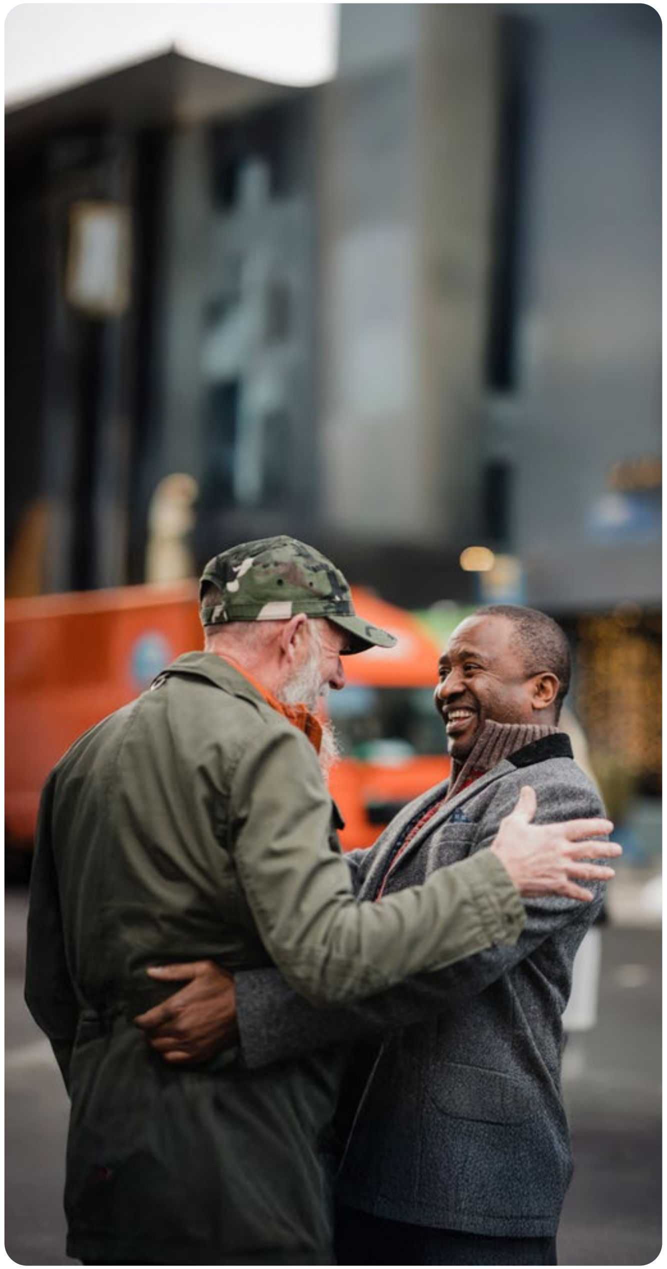
The identification of climate-related risks has been embedded into the components of the RMF which support the identification of risks both quantitatively and qualitatively, and from a top-down and bottom-up perspective on an ongoing basis. Individual business areas ensure their strategies suitably allow for climate risk proportionately to the materiality of other risks faced. This will inform how and when to make climate risk-driven decisions over time.

The following risk management tools are used to understand and assess climate risk exposures:

- annual stress and scenario testing programme;
- carbon footprinting exercises for assets and operations;
- horizon scanning; and
- monitoring and reporting progress against climate risk metrics and targets.

Examples of how key components of the NZTP and wider business processes are considering and taking mitigating actions to material climate risk are noted on page **64** of the Group ARA.

The regulatory landscape on climate risk measurement is evolving, and the Group continues to evaluate and consider the changing regulatory requirements to reflect the evolution of market best practice and how this will impact ongoing climate risk assessment and reporting against external targets. See page **64** of the Group ARA for further details.



Metrics and Targets

Strategic approach to climate risk

Each of the Life Companies contributes to the comprehensive suite of metrics used across the Group investment portfolio, operations, and supplier base to help measure and manage exposure to climate risk. At a Group-level these metrics are reported in the 'Metrics and targets' section on pages **65** to **75** of the Group ARA. Full details of the Group's pathway to net zero 2050 can be found in the Group's NZTP referenced in the Group ARA on page **52**.

At entity-level, the historical asset profile and different product offerings available from each of the Life Companies varies from that of the Group overall. As a direct consequence the results from the investment portfolio metrics reported differ for each entity as these naturally reflect the inherently different risks, opportunities, and actions available across each Life Company's investment portfolio. Accordingly, each Life Company therefore produces separate entity-level metrics disclosures. These can be seen in each of the specific entity metrics sections on pages **11** to **26** of this report.

Entity-level performance against the metrics and indicators set out in the following pages should be read alongside the Group-level actions and initiatives described in the 'Metrics and targets' section of the Group ARA on pages **65** to **75** and the Group's NZTP, which underpin and contribute to the outcomes observed at entity-level.

Target setting approach

The climate-related NZTP and targets are set and managed at Group-level only.

Although no entity-level targets have been set, each of the Life Companies contribute towards the Group pathway to net zero 2050.

Near-term interim targets have been set by Group to navigate the path towards achieving net zero 2050 in support of good long-term customer outcomes. See full details of the Group targets set out in the 'Metrics and targets' section on pages **65** to **75** of the Group ARA.

Investment metrics framework

In producing metrics measuring the Scope 3 Category 15 financed emissions as outlined by the Greenhouse Gas ('GHG') Protocol, each of the Life Companies leverages the Group approach and adopts the financed emissions methodologies developed by the Partnership for Carbon Accounting Financials ('PCAF') insofar as possible to calculate metrics. PCAF is a partnership of financial institutions that work together to develop and implement a harmonised approach to assess and disclose GHG emissions associated with their loans and investments.

The primary metrics utilised across the Group to analyse investment portfolio emissions are absolute financed emissions and economic emissions intensity. Economic emissions intensity is used as the basis for external-facing investment portfolio targets at Group-level. To support the interpretation of these metrics, data quality scores and data coverage at an asset class level are also disclosed.

In addition, there is a suite of investment metrics measured which help to better understand underlying exposure to transition risk, and to determine how aligned each of the Life Companies' investment portfolios are to net zero 2050.

The primary source of counterparty carbon emissions data is Institutional Shareholder Services ('ISS'), an established sustainability data vendor.

The analysis captures the Scope 1 and Scope 2 emissions of underlying investee companies.

Separate analysis has also been conducted to consider the Scope 3 emissions of investee companies.

Analysis of Scope 3 emissions of investee companies

Extending analysis to consider the Scope 3 emissions of investee companies enables a more complete view of the carbon profile of each of the Life Companies' investment portfolios.

The financed emissions reported under Scope 3 far exceed the financed emissions reported under Scope 1 and 2. This is because Scope 3 emissions capture the upstream and downstream activities of the company.

Whilst methodologies continue to improve, it is recognised that there are still significant limitations to Scope 3 emissions data, which is dependent on high-quality and transparent reporting by investee companies. Further detail on the Group's approach to Scope 3, including key limitations, is set out in the Group ARA "Metrics and targets'" section on page **67**.

Investment portfolio metrics

The 2025 entity-level metrics presented for each of the Life Companies reflects the asset values of each entity's investment portfolio at year-end ('YE') 2025, and carbon emissions largely from calendar year 2024, which is the latest year for which emissions data is readily available.

Sovereign debt methodology

During the current year, the approach to calculating sovereign debt emissions was enhanced using reported and verified emissions data sourced from the United Nations Framework Convention on Climate Change ('UNFCCC'), replacing previously used reported but unverified data. This enhancement applies across all Life Companies' sovereign debt metrics and supports improved transparency and comparability over time.

PLL's investment portfolio

PLL falls within the scope of the FCA's ESG Sourcebook in its capacity as an asset owner through the provision of its in-scope business as a life insurer and provider of pension products backed by the asset classes disclosed.

PLL writes a wide range of life and pensions business predominantly on individual risks within its retail business, where the relationship is either directly with the customer or their financial adviser, and through its workplace business, where pensions and savings products are provided to employees through employer propositions.

Metrics have been disclosed for YE2025 and comparatives for YE2024 in the following pages. The supporting narrative on the year-on-year comparison provides informed insight and the ability to track the application of the Group's strategy on PLL's actions to mitigate climate-related risk.

Asset portfolio and metrics approach

The approach and methodology used for the calculation of PLL's investment portfolio metrics is consistent with that applied in the 'Metrics and targets' section of the Group ARA. Further details of this approach are outlined in the ESG data appendix 2025 for each of the respective metrics disclosed.

A comparison of PLL's AUA from the prior year to the current year, with percentage change in total and per asset class basis is given in the table to the right.

This supports the illustration of how changes in PLL's investment portfolio positions are reflected in the financed emissions and movements in the year.

PLL's AUA increased year-on-year, reflecting movements in the assets administered over the period, arising from a combination of both inflows and transfers from open business as well as market movements from underlying portfolio holdings.

In line with the wider Group, the analysis of PLL's assets has also extended in the current year reporting to include Alternatives as a new asset class for YE2025. This reflects the Group's continuing efforts to expand its carbon footprint baseline as the quality and coverage of data improves and the best practice framework evolves. Please see page **66** of the Group ARA for further details on the expanded carbon footprint baseline.

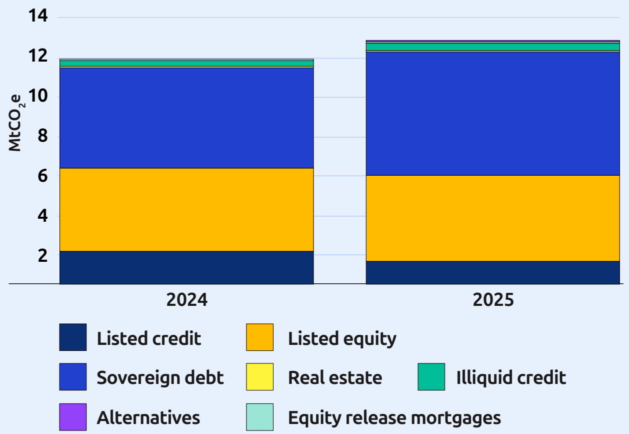
Assets under Administration	2025 £bn	2024 £bn	% Movement
TOTAL AUA (£bn)	**223**	**207**	**8%**
In-scope assets			
Listed credit	32	32	-2%
Listed equity	108	95	13%
Sovereign debt	36	30	20%
Real estate	3	3	-3%
Illiquid credit	8	6	20%
Equity release mortgages	6	6	4%
	193	**172**	**12%**
New asset classes added to baseline in the year			
Alternatives	3		
Total in-scope assets	**196**	**172**	**13%**

AUA in the table above are shown rounded to the nearest billion.

Analysing PLL's investment portfolio emissions

Analysis of Scope 1 and 2 absolute emissions of investee companies

Absolute emissions of PLL's baselined investment portfolio



PLL's financed Scope 1 and 2 absolute emissions increased by 0.9 $MtCO_2e$ from 11.7 $MtCO_2e$ in YE2024 to 12.6 $MtCO_2e$ in YE2025 which represents an increase of c.7%. Absolute emissions increased across sovereign debt by c.23% and listed equity by c.3%, offset by a decrease in listed credit of c.29%. This increase was primarily driven by year-on-year growth in AUA, and portfolio composition over the period. Further detail is provided in the metric-specific sections below.

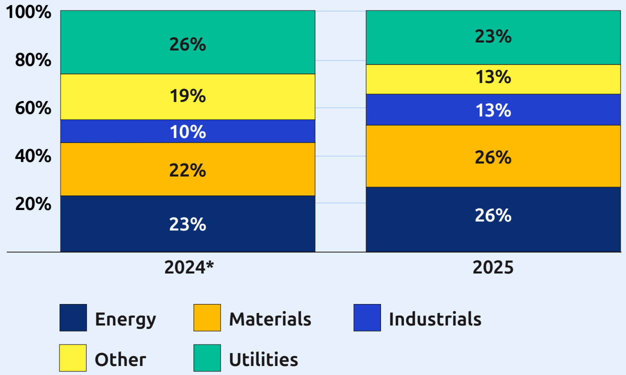
The largest proportion, c.51% of PLL's absolute emissions is generated by the investments in sovereign debt, reporting absolute emissions of 6.5 $MtCO_2e$ in YE2025, versus 5.3 $MtCO_2e$ in YE2024. Listed equity contributed c.36% and listed credit contributed c.10%. The residual c.3% of PLL's absolute emissions are attributable to the other asset classes.

In line with the Group expanding its carbon footprint, PLL extended the in-scope asset classes to include Alternatives for YE2025.

PLL's investment portfolio continued

PLL's exposure to high transition risk sectors

Sector exposure as a % of PLL's listed absolute emissions (Scope 1 & 2)



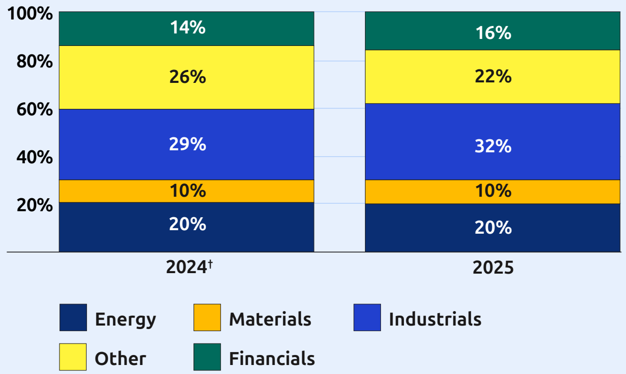
There are four industry sectors the Group has identified as being particularly vulnerable or susceptible to transition risks due to policy, technology or market changes – energy, utilities, materials and industrials. c.23% of PLL's listed asset portfolio AUA (listed credit and listed equity) is invested in these high transition risk sectors, and collectively they account for c.87% of PLL's listed asset Scope 1 and 2 absolute emissions.

PLL's proportion of Scope 1 and 2 absolute emissions from high transition risk sectors is broadly in line with the Group and has increased from c.81%* in YE2024. The exposure remains elevated in terms of AUA, remaining flat at c.23%* in YE2024. High transition risk sectors identified by the Group continue to be responsible for a significant proportion of PLL's portfolio emissions.

In addition to the analysis of high transition risk sectors, PLL's exposure to the fossil fuel industry is assessed by identifying investee companies' that generate more than 20% of their revenues from the fossil fuel value chain, including production, exploration, distribution and services. The proportion of PLL's listed asset portfolio exposed to the fossil fuel industry has improved over the year from c.9% in YE2024 to c.8% in YE2025.

Analysis of Scope 3 absolute emissions of investee companies

Scope 3 absolute emissions of investee companies in PLL's listed asset portfolio split by sector



PLL's financed Scope 3 absolute emissions of all investee companies in its listed asset portfolio are 88 $MtCO_2e$ as at YE2025, based on reported numbers (where available) and estimated data.

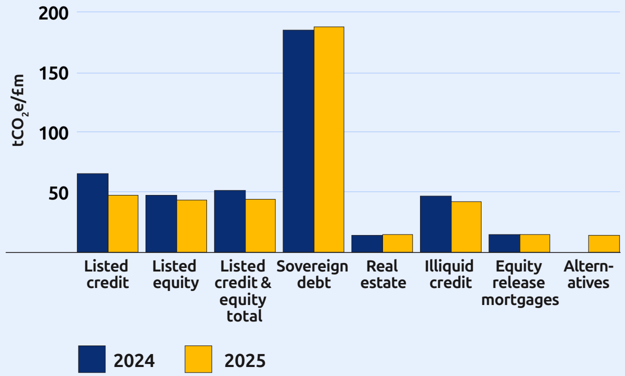
c.78% of these emissions are from investee companies in four sectors: industrials, energy, financials and materials. This indicates that investee companies within these sectors have a relatively greater impact on emissions and are therefore more exposed to key drivers of transition risk.

*The prior year sector exposure to emissions and the proportional AUA have been restated to reflect an update in the methodology applied within entity reporting for high-risk transition sectors allocation.

†The YE2024 sector analysis comparative has been restated to align to the Group sector analysis approach.

Emissions intensity

Economic emissions intensity (EVIC) of PLL's baselined investment portfolio



PLL observed a reduction in the economic emissions intensity of its listed equity and listed credit portfolio of c.14% from 49 $tCO_2e/£m$ in YE2024 to 42 $tCO_2e/£m$ in YE2025 which consists of reductions in both asset classes. This overall decrease aligns to the directional movements seen across the Group for the listed portfolio in total.

The reduction is largely driven by an increase in the Enterprise Value Including Cash ('EVIC') component of the intensity calculation, which is a measure of a company's capital base. An increase in company value since YE2024 is in line with expectations given market performance over this period.

Over the entire reporting period since YE2022 the economic intensity has reduced by c.32%. This overall decrease aligns to the directional movements seen across the Group for the listed portfolio in total and supports the overall Group's interim target to reduce emissions intensity by 25% by 2025 from a 2019 baseline for the Group listed equity and credit asset portfolio (where the Group has control and influence). For further details see page **65** of the 'Metrics and targets' section in the Group ARA.

While the Group's decarbonisation baseline is set at 2019, PLL's reported intensity trend since 2022 reflects the consistent application of Group methodology and climate risk management actions which aligns to the progress reported for YE2025.

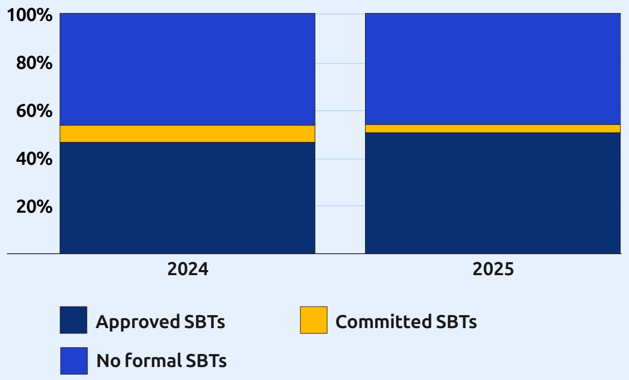
PLL's investment portfolio continued

The sovereign debt assets in YE2025 reported higher economic emissions intensity of 179 tCO_2e/£m versus the sovereign debt economic emissions intensity in YE2024 of 177 tCO_2e/£m. The movement was predominantly a result from an improvement in the methodology used which now uses reported and verified emissions data from the UNFCCC, rather than reported but unverified emissions data.

PLL observed no material movement in revenue emissions intensity for listed credit from YE2024 to YE2025, and a c.1% increase for listed equity over the same period. PLL's revenue emissions intensity is primarily driven by investments held in energy and materials sectors. Persistently high emissions intensities within these sectors reinforce the assessment that they represent a disproportionate share of PLL's portfolio emissions and remain associated with elevated transition risk.

Climate alignment

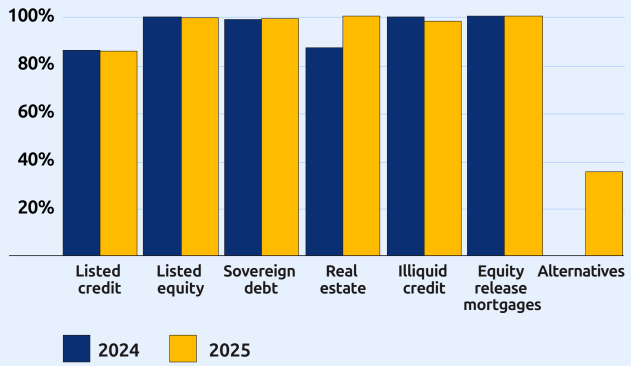
Split of PLL's listed asset portfolio by SBT status (based on AUA)



At YE2025, c.54% of the PLL listed portfolio was invested in counterparties with committed or approved science-based targets ('SBTs'), a modest increase versus c.53% at YE2024. The movement reflects a shift in the balance between committed and approved SBTi targets, with higher approved targets offsetting lower committed targets.

Breakdown of data coverage

Data Coverage by Asset Class (Year-on-Year)



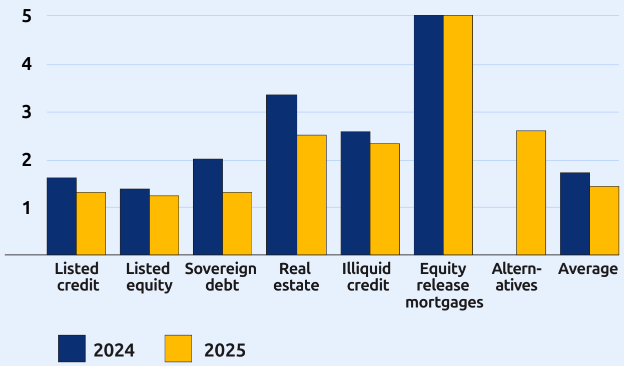
Data coverage for PLL's listed equity, listed credit and sovereign debt is broadly comparable with YE2024 at c.99%, c.85% and c.99% respectively at YE2025. Real estate has seen a significant coverage increase from c.87% in YE2024 to c.100% in YE2025 whereas illiquid credit has seen a reduction of c.2% from c.100% in YE2024 to c.98% in YE2025.

Alternative investments which have been included for the first time in YE2025, have a c.35% data coverage due to complexity in sourcing the data for climate reporting.

This metric reflects the proportion of PLL's investments held for which financed emissions have been successfully calculated. The implication being that an increase in coverage provides a more complete view of the emissions PLL is financing.

Analysis of data quality

Data Quality Score



PCAF data quality hierarchy is used to assess the quality of emissions data of individual companies (Scope 1 and 2 emissions only), where a score of 1 represents the highest quality (reported/ verified) and a score of 5 indicates the lowest quality (estimated).

PLL's total portfolio score in the year has improved to 1.4 versus 1.7 at YE2024. The entity has experienced small improvements in data quality for listed equity, listed credit, and real estate with ERM data quality remaining constant.

The Sovereign debt data quality score has moved from 2 to 1.3 at YE25. This is largely driven by an improvement in the methodology which now uses reported and verified emissions data for sovereign counterparties.

The continuous use of high-quality data allows the comparison year-on-year of reliable climate metrics which produce informed insights.

PLL's investment portfolio continued

Investment metrics summary

PLL's YE2025 results reflect continued growth in the investment portfolio AUA alongside progress in managing emissions intensity.

Absolute emissions increased year-on-year, primarily driven by higher AUA across most asset classes.

The economic emissions intensity from PLL's investment portfolio has reduced in YE2025, largely reflecting increases in the EVIC component of intensity calculation for listed equity and listed credit assets. The significant reduction of c.32% economic emissions intensity since the first year of PLL entity reporting for the listed equity and credit combined emphasises the significant impact PLL has supported the Group in reaching its 2025 interim decarbonisation target.

PLL's portfolio emissions continues to have elevated exposure to changes in high transition risk sectors identified by the Group. Whilst data coverage and quality remain broadly stable year-on-year or improving, this supports the comparability of results and consistent tracking of progress across metrics.

PLL remains a significant contributor to the Group's in-scope AUA and associated emissions metrics reported in the 'Metrics and targets' section of the Group ARA.

PLL's investment portfolio metrics demonstrate alignment to the Group's overall decarbonisation strategy and reflect application of the Group-wide methodologies and portfolio actions within its expanded portfolio base.

RAL's investment portfolio continued

RAL's investment portfolio

RAL falls within the scope of the FCA's ESG Sourcebook in its capacity as an asset owner through the provision of its in-scope business as a consolidator of closed-book life and pensions products backed by the asset classes disclosed.

RAL administers a wide range of life and pensions policies that includes personal and stakeholder pensions and insurance-based investment products until they reach maturity, are surrendered, or an insured event occurs.

Metrics have been disclosed for YE2025 and comparatives for YE2024 in the following pages. The supporting narrative on the year-on-year comparison provides informed insights and the ability to track the application of the Group strategy on RAL's actions to mitigate climate risk.

Asset portfolio and metrics approach

The approach and methodology used for the calculation of RAL's investment portfolio metrics is consistent with that applied in the 'Metrics and targets' section of the Group ARA. Further details of this approach are outlined in the ESG data appendix 2025 for each of the respective metrics disclosed.

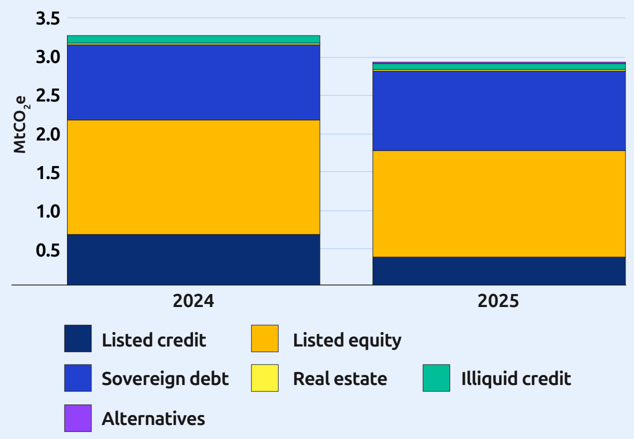
A comparison of RAL's AUA from the prior year to the current year with percentage change by asset class and in total is given in the table below. This supports the illustration of how changes in RAL's investment portfolio positions are reflected in the financed emissions and movements in the year.

Assets under Administration	2025 £bn	2024 £bn	% Movement
TOTAL AUA (£bn)	**51**	**49**	**2%**
In-scope assets			
Listed credit	9	11	-13%
Listed equity	26	24	8%
Sovereign debt	6	5	9%
Real estate	2	2	8%
Illiquid credit	2	2	1%
	45	**44**	**2%**
New asset classes added to baseline in the year			
Alternatives	0.4		
Total in-scope assets	**45.4**	**44**	**4%**

AUA in the table above are shown rounded to the nearest billion. AUA for Alternatives was presented above £0.4bn.rounded to the nearest 0.1 billion.

Analysis of Scope 1 and 2 absolute emissions of investee companies

Absolute emissions of RAL's baselined investment portfolio



RAL's financed Scope 1 and 2 absolute emissions decreased by 0.3 $MtCO_2e$ from 3.2 $MtCO_2e$ in YE2024 to 2.9 $MtCO_2e$ in YE2025 which represents a decrease of c.11%. This reduction occurred despite an increase in AUA. The drivers of the changes in emissions are discussed further in the relevant metrics sections below.

The largest proportion c.48% of RAL's absolute emissions is generated by the investments in listed equity, reporting absolute emissions of 1.4 $MtCO_2e$ in YE2025, versus 1.5 $MtCO_2e$ in YE2024. Sovereign debt contributed c.36% and listed credit contributed c.13%.

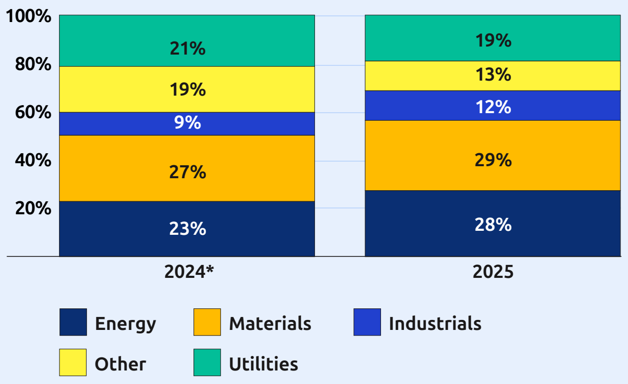
The residual c.3% of RAL's absolute emissions are attributable to the other asset classes.

In line with the Group expanding its carbon footprint, RAL extended the in-scope asset classes to include Alternatives for YE2025.

RAL's investment portfolio continued

RAL's exposure to high transition risk sectors

Sector exposure as a % of RAL's listed absolute emissions (Scope 1 & 2)



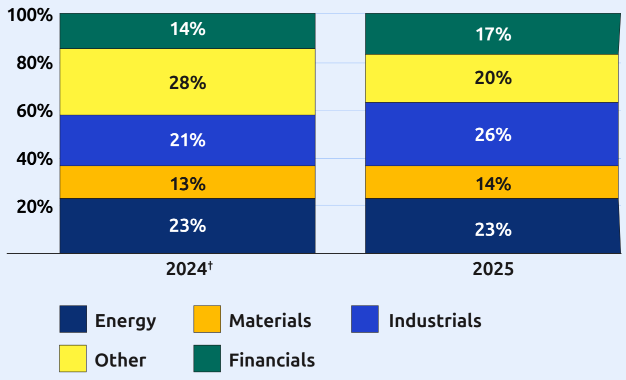
There are four industry sectors the Group has identified as being particularly vulnerable or susceptible to transition risks due to policy, technology or market changes – energy, utilities, materials and industrials. c.27% of RAL's listed asset portfolio AUA (listed credit and listed equity) is invested in these high transition risk sectors, and collectively they account for c.87% of RAL's listed asset Scope 1 and 2 absolute emissions.

RAL's proportion of Scope 1 and 2 absolute emissions from high transition risk sectors has increased from c.81%* at YE2024 and its exposure remains elevated in terms of AUA, increasing c.2% from c.25%* at YE2024. High transition risk sectors the Group has identified continue to be responsible for a significant proportion of RAL's portfolio emissions.

In addition to the analysis of high transition risk sectors, RAL's exposure to the fossil fuel industry is assessed by identifying investee companies' that generate greater than 20% of their revenues from the fossil fuel value chain, including production, exploration, distribution and services. The proportion of RAL's listed asset portfolio exposed to the fossil fuel industry has improved over the year from c.10% in YE2024 to c.9% in YE2025.

Analysis of Scope 3 absolute emissions of investee companies

Scope 3 absolute emissions of investee companies in RAL's listed asset portfolio split by sector



RAL's financed Scope 3 absolute emissions of all investee companies in its listed asset portfolio are 26 $MtCO_2e$ as at YE2025, based on reported numbers (where available) and estimated data.

c.80% of these emissions are from investee companies in four sectors: industrials, energy, financials and materials. On a consistent basis, this compares with c.72%† in YE2024. This indicates that investee companies within these sectors have a relatively greater impact on emission generation and therefore higher exposure to key drivers of transition risk.

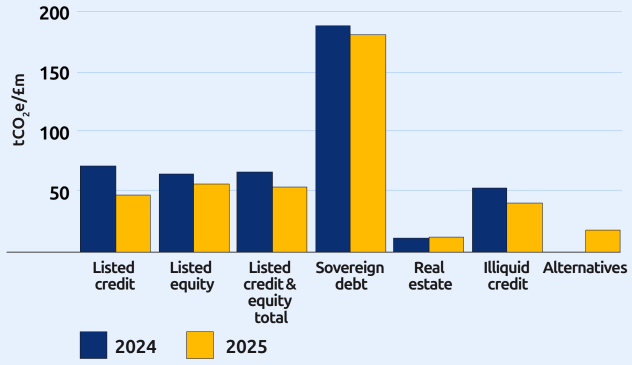
This concentration highlights that a small number of sectors drive the majority of financed Scope 3 emissions in RAL's portfolio.

*The prior year sector exposure to emissions and the proportional AUA have been restated to reflect an update in the sector classification methodology applied within entity reporting for high-risk transition sectors allocation, aligning to the Group approach.

†The YE2024 sector analysis comparative has been restated to align to the Group sector analysis approach.

Emissions intensity

Economic emissions intensity (EVIC) of RAL's baselined investment portfolio



RAL observed an overall reduction in the economic emissions intensity of its listed asset (listed equity and listed credit) portfolio of c.19% from 64 tCO_2e/£m in YE2024 to 52 tCO_2e/£m in YE2025. This consists of a c.34% decrease in listed credit and a c.13% decrease in listed equity. This overall decrease aligns to the directional movements seen across the Group for the listed equity and listed credit asset portfolio in total.

This is largely driven by an increase in the Enterprise Value Including Cash ('EVIC') component of the intensity calculation, which is a measure of a company's capital base. An increase in company value since YE2024 is in line with expectations given market performance over this period.

Over the entire reporting period since YE2022 the economic intensity has reduced by c.33%. This overall decrease aligns to the directional movements seen across the Group for the listed portfolio in total and supports the overall Group's interim target to reduce emissions intensity by 25% by 2025 from a 2019 baseline for the Group listed equity and listed credit asset portfolio (where the Group has control and influence). For further details see page **65** of the 'Metrics and targets' section in the Group ARA.

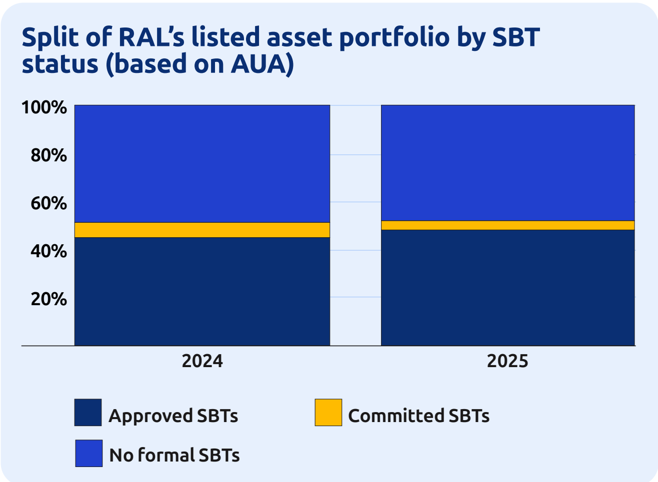
While the Group's decarbonisation baseline is set at 2019, RAL's reported intensity trend since 2022 reflects the consistent application of Group methodology and climate risk management actions and aligns to the progress reported for YE2025.

RAL's investment portfolio continued

The sovereign debt assets in YE2025 reported lower economic emissions intensity of 174 tCO_2e/£m, compared with 180 tCO_2e/£m in YE2024. The movement was predominantly driven by a reallocation of funds towards lower-intensity sovereign debt issuers, notably UK Sovereign debt. This offsets the increase in intensity arising from the methodology update, which now uses reported and verified emissions data from the UNFCCC, rather than reported but unverified emissions data.

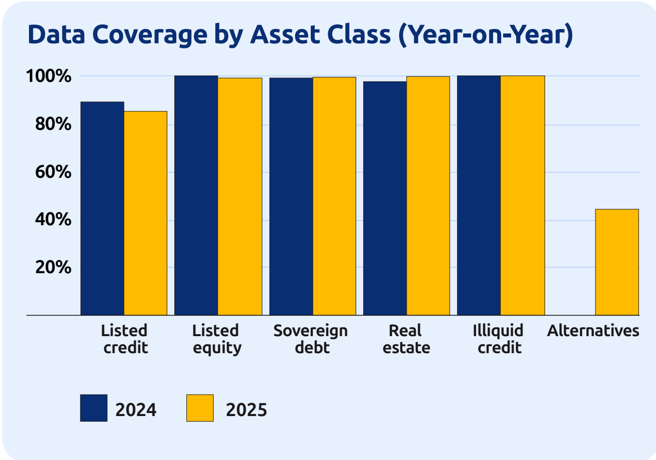
RAL observed no material movement in revenue emissions intensity for listed credit from YE2024 to YE2025, and a c.2% increase for listed equity over the same period. RAL's revenue emissions intensity is primarily driven by investments held in energy and materials sectors. Persistently high emissions intensities within these sectors reinforce the assessment that they represent a disproportionate share of RAL's portfolio emissions and remain associated with elevated transition risk.

Climate alignment



At YE2025 c.52% of the RAL listed portfolio was invested in counterparties with committed or approved science-based targets ('SBTs'), a modest increase versus c.51% at YE2024. The movement reflects a shift in the balance between committed and approved SBTi targets, with higher approved targets offsetting lower committed targets.

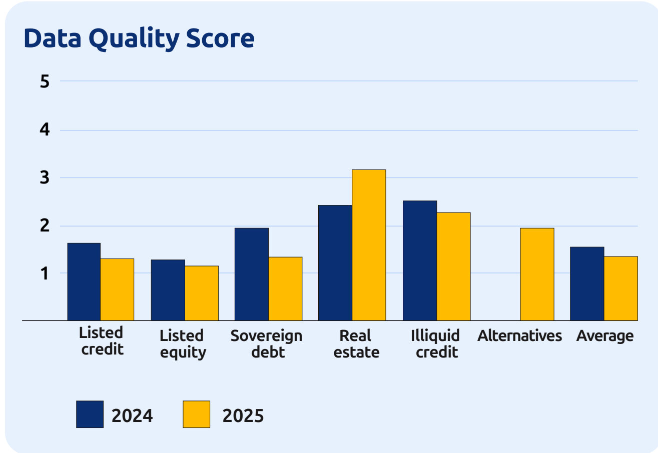
Breakdown in data coverage



Data coverage for RAL's listed equity, sovereign debt, and illiquid credit is broadly comparable with YE2024 at c.99%, c.99%, and c.100% respectively at YE2025. Real estate has seen a slight coverage increase from c.97% in YE2024 to c.100% in YE2025 whereas listed credit has seen a reduction of c.4% from c.89% in YE2024 to c.85% in YE2025. Alternative investments which have been included for the first time in YE2025, have a c.44% data coverage due to complexity in sourcing the data for climate reporting.

This metric reflects the proportion of RAL's investments held for which financed emissions have been successfully calculated. The implication being that an increase in coverage provides a more complete view of the emissions RAL is financing.

Analysis of data quality



PCAF data quality hierarchy is used to assess the quality of emissions data of individual companies (Scope 1 and 2 emissions only), where a score of 1 represents the highest quality (reported/ verified) and a score of 5 indicates the lowest quality (estimated).

RAL's total portfolio score in the year has improved to 1.4 versus 1.6 at YE2024. The entity has experienced small improvements in data quality for listed equity, listed credit, and illiquid credit with real estate offsetting the improvement by moving from 2.5 in YE2024 to 3.3 in YE2025.

The Sovereign debt data quality score has moved from 2 to 1.4 at YE25. This is largely driven by an improvement in the methodology which now uses reported and verified emissions data for sovereign counterparties.

The continuous use of high-quality data allows the comparison year on year of reliable climate metrics which produce informed insights.

RAL's investment portfolio continued

Investment metrics summary

RAL's investment portfolio recorded a slight increase in AUA of in-scope assets, primarily driven by investment gains during the year, despite operating as a closed book of business. Absolute emissions decreased over the period. This indicates that the impact of investment gains was more than offset by improvements in the emissions intensities of the underlying investee assets across most asset classes.

The economic emissions intensity from RAL's listed investment portfolio has reduced in YE2025, reflecting increases in the EVIC component of intensity calculation for listed equity and listed credit assets. The reduction of c.33% economic emissions intensity since the first year of RAL entity reporting for listed equity and credit combined emphasises the significant impact RAL has supported the Group in reaching its 2025 interim decarbonisation target.

RAL's exposure to high transition risk sectors identified by the Group remains elevated and accounts for a significant proportion of absolute emissions despite a modest reduction in the exposure by AUA. This reflects and reinforces the importance of Group-level engagement activities in managing transition risk across the Group-wide investment portfolio.

Data coverage and quality remain broadly stable, supporting year-on-year comparability of metrics.

Overall RAL's metrics demonstrate continued alignment with the Group-wide climate strategy, with emissions trends consistent with the planned run-off of the investment portfolio and the application of Group methodologies.

RLL's investment portfolio

RLL falls within the scope of the FCA's ESG Sourcebook in its capacity as an asset owner through the provision of its in-scope business as a consolidator of closed-book life and pensions products backed by the asset classes disclosed.

RLL administers a wide range of life and pensions policies that includes personal and stakeholder pensions and insurance-based investment products.

Metrics have been disclosed for YE2025 and comparatives for YE2024 in the following pages. The supporting narrative on the year-on-year comparison provides informed insights and the ability to track the application of the Group strategy on RLL's actions to mitigate climate risk.

Asset portfolio and metrics approach

The approach and methodology used for the calculation of RLL's investment portfolio metrics is consistent with that applied in the 'Metrics and targets' section of the Group ARA. Further details of this approach are outlined in the ESG data appendix 2025 for each of the respective metrics disclosed.

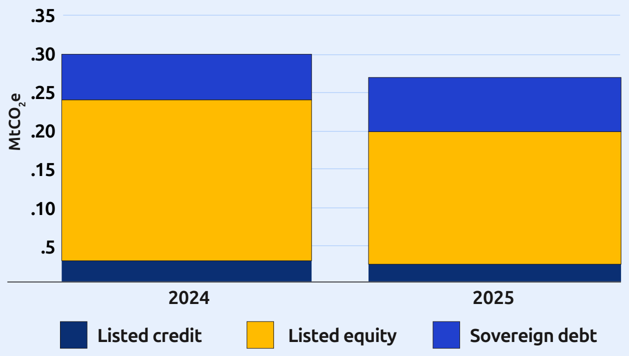
A comparison of RLL's AUA from the prior year to the current year with percentage change by asset class and in total is given in the table below. This supports the illustration of how changes in RLL's investment portfolio positions are reflected in the financed emissions and movements in the year.

Assets under Administration	2025 £bn	2024 £bn	% Movement
TOTAL AUA (£bn)	**5.6**	**5.6**	**0%**
In-scope assets			
Listed credit	0.5	0.5	4%
Listed equity	3.6	3.7	-2%
Sovereign debt	0.4	0.3	6%
Total in-scope assets	**4.5**	**4.5**	**-1%**

AUA in the table above are shown rounded to the 0.1 billion.

Analysis of Scope 1 and 2 absolute emissions of investee companies

Absolute emissions of RLL's baselined investment portfolio



RLL's financed Scope 1 and 2 absolute emissions decreased by 0.03 $MtCO_2e$ between YE2024 and YE2025 from 0.30 $MtCO_2e$ to 0.27 $MtCO_2e$ which represents a reduction of c.10%. Absolute emissions decreased across all in-scope asset classes, except for Sovereign Debt which rose marginally by 0.01 $MtCO_2e$ in YE2025. The drivers of the changes in emissions are discussed further in the relevant metrics sections below.

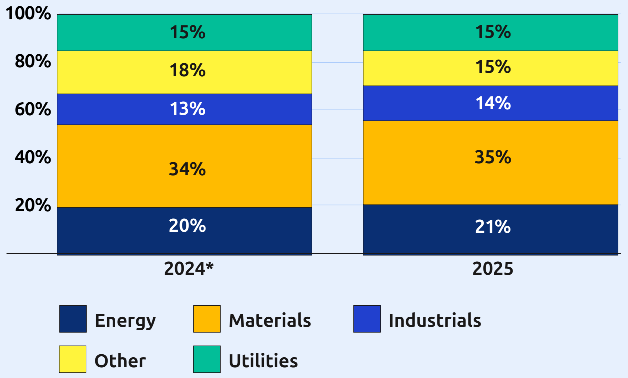
The largest proportion c.65% of RLL's absolute emissions are driven by listed equities, followed by sovereign debt c.27% with the residual allocation for listed credit.

RLL's absolute emissions in total make up a small proportion of the Group's absolute emissions for the equivalent asset classes and therefore constitutes a very small proportion of Group's total absolute emissions. As RLL is a closed book of business the proportion of the entity's emissions will continue to reduce as there is a runoff of policies situated within the entity.

RLL's investment portfolio continued

Exposure to high transition risk sectors

Sector exposure as a % of RLL's listed absolute emissions (Scope 1 & 2)



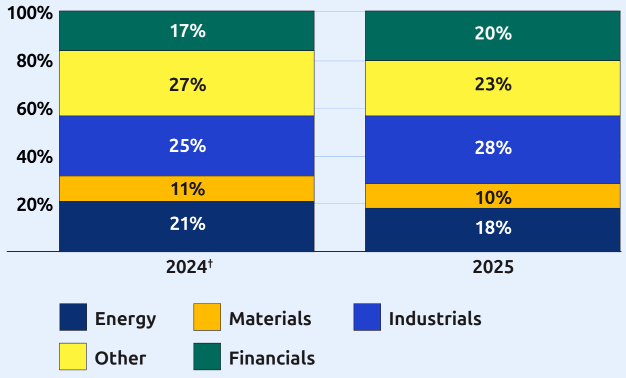
There are four industry sectors the Group has identified as being particularly vulnerable or susceptible to transition risks due to policy, technology or market changes – energy, utilities, materials and industrials. c.26% of RLL's listed asset portfolio AUA (listed credit and listed equity) is invested in these high transition risk sectors, and collectively they account for c.85% of RLL's listed asset Scope 1 and 2 absolute emissions.

RLL's proportion of Scope 1 and 2 absolute emissions from high transition risk sectors has slightly increased from c.82%* in YE2024, and its exposure remains elevated in terms of AUA, increasing by c.1% from c.25%* at YE2024. High transition risk sectors the Group has identified continue to be responsible for a significant proportion of RLL's portfolio emissions.

In addition to the analysis of high transition risk sectors, RLL's exposure to the fossil fuel industry is assessed by identifying investee companies' that generate greater than 20% of their revenues from the fossil fuel value chain, including production, exploration, distribution and services. The proportion of RLL's listed asset portfolio exposed to the fossil fuel industry has improved over the year from c.8% in YE2024 to c.7% in YE2025.

Analysis of Scope 3 absolute emissions of investee companies

Scope 3 absolute emissions of investee companies in RLL's listed asset portfolio split by sector



RLL's financed Scope 3 absolute emissions of all investee companies in its listed asset portfolio are 2.8 $MtCO_2e$ as at YE2025, based on reported numbers (where available) and estimated data.

c.77% of these emissions are from investee companies in four sectors: industrials, energy, financials and materials. On a consistent basis, this compares with c.73%† in YE2024. This indicates that investee companies within these sectors have a relatively greater impact on emission generation and are therefore more exposed to key drivers of transition risk.

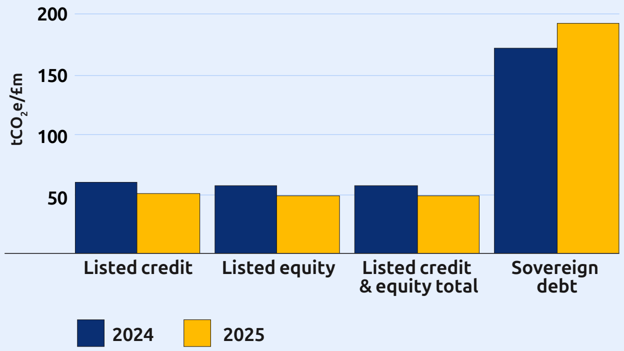
This concentration highlights that a small number of sectors drive the majority of financed Scope 3 emissions in RLL's portfolio.

*The prior year sector exposure to emissions and the proportional AUA have been restated to reflect an update in the sector classification methodology applied within entity reporting for high-risk transition sectors allocation, aligning to the Group approach.

†The YE2024 sector analysis comparative has been restated to align to the Group sector analysis approach.

Emissions intensity

Economic emissions intensity (EVIC) of RLL's baselined investment portfolio



RLL observed an overall reduction in the economic emissions intensity of its listed asset (listed equity and listed credit) portfolio of c.15% from 57 tCO_2e/£m in YE2024 to 49 tCO_2e/£m in YE2025. This consists of a c.16% decrease in listed credit and a c.15% decrease in listed equity. This overall decrease aligns to the directional movements seen across the Group for the listed portfolio in total.

This is largely driven by an increase in the Enterprise Value Including Cash ('EVIC') component of the intensity calculation, which is a measure of a company's capital base. An increase in company value since YE2024 is in line with expectations given market performance over this period.

Over the entire reporting period since YE2023 the economic intensity has reduced by c.26%. This overall decrease aligns to the directional movements seen across the Group for the listed portfolio in total and supports the overall Group's interim target to reduce emissions intensity by 25% by 2025 from a 2019 baseline for the Group's listed equity and listed credit asset portfolio (where the Group has control and influence). For further details see page **65** of the 'Metrics and targets' section in the Group ARA.

While the Group's decarbonisation baseline is set at 2019, RLL's reported intensity trend since 2023 reflects the consistent application of Group methodology and climate risk management actions and aligns to the progress reported for YE2025.

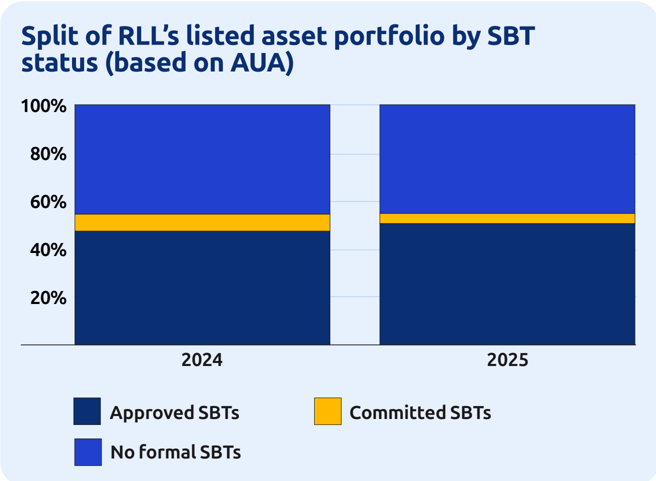
RLL's investment portfolio continued

The sovereign debt assets in YE2025 reported higher economic emissions intensity of 195 tCO_2e/£m versus the sovereign debt economic emissions intensity in YE2024 of 174 tCO_2e/£m. The movement was predominantly a result of a reallocation in funds towards higher intensity sovereign debt issuers away from UK sovereign debt and the methodology used which now uses reported and verified emissions data from the UNFCCC, rather than reported but unverified emissions data.

RLL observed a c.20% increase in revenue emissions intensity for listed credit from YE2024 to YE2025, and an increase of c.5% for listed equity over the same period. RLL's revenue emissions intensity is primarily driven by investments held in energy and materials sectors.

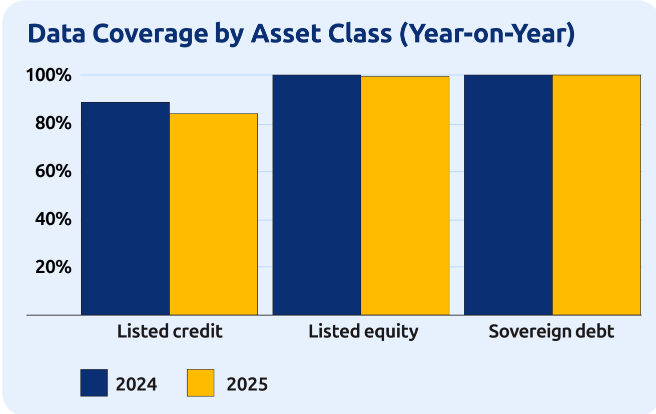
The increases in the intensities within these sectors further reinforce that these high transition risk sectors continue to be responsible for a greater concentration of RLL's portfolio emissions.

Climate alignment



At YE2025 c.55% of the RLL listed portfolio was invested in counterparties with committed or approved science-based targets ('SBTs'), consistent with YE2024. The position reflects an underlying shift in the balance between committed and approved SBTi targets, with a c.3% increase in approved targets offsetting a c.3% decrease in committed targets.

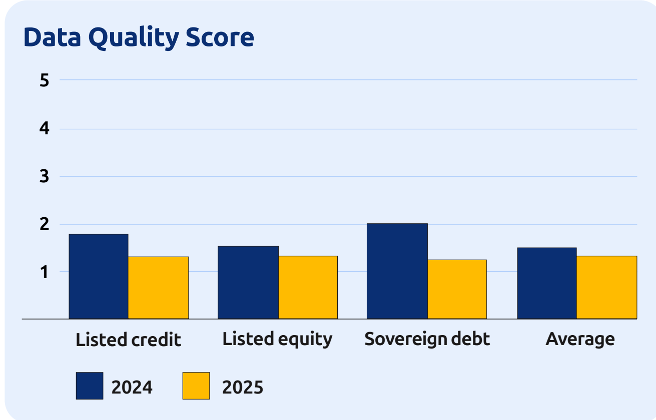
Breakdown of data coverage



Data coverage for RLL's listed equity and sovereign debt is broadly comparable with YE2024 at c.99%, and c.100% respectively at YE2025. Listed credit has seen a reduction of c.4% from c.88% in YE2024 to c.84% in YE2025.

This metric reflects the proportion of RLL's investments held for which financed emissions have been successfully calculated. High coverage provides a more complete view of the emissions RLL is financing.

Analysis of data quality



PCAF data quality hierarchy is used to assess the quality of emissions data of individual companies (Scope 1 and 2 emissions only), where a score of 1 represents the highest quality (reported/ verified) and a score of 5 indicates the lowest quality (estimated).

RLL's total portfolio score in the year has improved to 1.3 versus 1.5 at YE2024. The entity has experienced small improvements in data quality for listed equity, listed credit.

The Sovereign debt data quality score has moved from 2 to 1.2 at YE25. This is primarily driven by an improvement in the methodology which now uses reported and verified emissions data for sovereign counterparties.

The continuous use of high-quality data allows the comparison year on year of reliable climate metrics which produce informed insights.

RLL's investment portfolio continued

Investment metrics summary

RLL's investment portfolio recorded a slight reduction in AUA for in scope assets and a corresponding decrease in absolute emissions over the period. Absolute emissions declined at a faster rate than AUA, indicating improvements in the emissions intensities across a large proportion of the underlying investee assets.

The economic emissions intensity from RLL's investment portfolio has reduced in YE2025, largely driven by increases in the EVIC component of intensity calculation for listed assets (listed equity and listed credit). The significant reduction of c.26% economic emissions intensity since the first year of RLL entity reporting for the listed equity and credit combined emphasises the significant impact RLL has supported the Group in reaching its 2025 interim decarbonisation target.

RLL's exposure to high transition risk sectors identified by the Group remains elevated and accounts for a significant proportion of absolute emissions despite a modest reduction in the exposure by AUA. This reflects and reinforces the importance of Group-level engagement activities in managing transition risk across the Group-wide investment portfolio.

Data coverage and quality remain broadly stable, supporting year-on-year comparability of metrics.

Whilst RLL as a member of the Group, is proportionately small, its investment portfolio metrics demonstrate continued alignment with the Group governance, strategy and risk management frameworks and the consistent application of the Group methodologies across its portfolio base.

PLCL's investment portfolio

PLCL falls within the scope of the FCA's ESG Sourcebook in its capacity as an asset owner through the provision of its in-scope business as a closed-book provider of life and pensions products backed by the asset classes disclosed. PLCL provides a range of policies that includes with-profits and unit-linked life funds.

Metrics have been disclosed for YE2025 and comparatives for YE2024 in the following pages. The supporting narrative on the year-on-year comparison provides informed insights and the ability to track the application of the Group strategy on PLCL's actions to mitigate climate risk.

Asset portfolio and metrics approach

The approach and methodology used for the calculation of PLCL's investment portfolio metrics is consistent with that applied in the 'Metrics and targets' section of the Group ARA. Further details of this approach are outlined in the ESG data appendix 2025 for each of the respective metrics disclosed

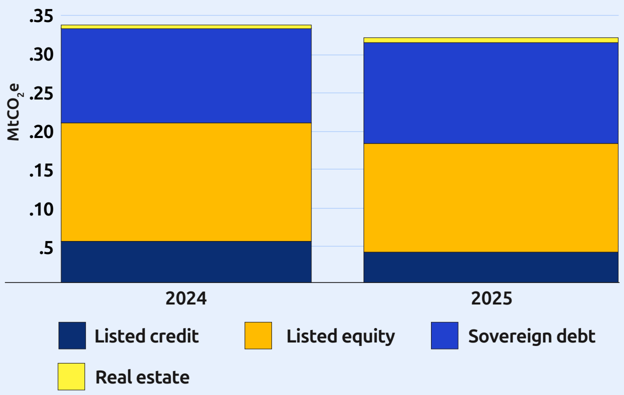
A comparison of PLCL's AUA from the prior year to the current year with percentage change by asset class and in total is given in the table below. This supports the illustration of how changes in PLCL's investment portfolio positions are reflected in the financed emissions and movements in the year.

Assets under Administration	2025 £bn	2024 £bn	% Movement
TOTAL AUA (£bn)	**6.9**	**7.0**	**-1%**
In-scope assets			
Listed credit	1.2	1.6	-23%
Listed equity	3.7	3.3	11%
Sovereign debt	0.9	0.9	2%
Real estate	0.2	0.3	-22%
Total in-scope assets	**6.0**	**6.1**	**-1%**

AUA in the table above are shown rounded to the nearest 0.1 billion.

Analysis of Scope 1 and 2 absolute emissions of investee companies

Absolute emissions of PLCL's baselined investment portfolio



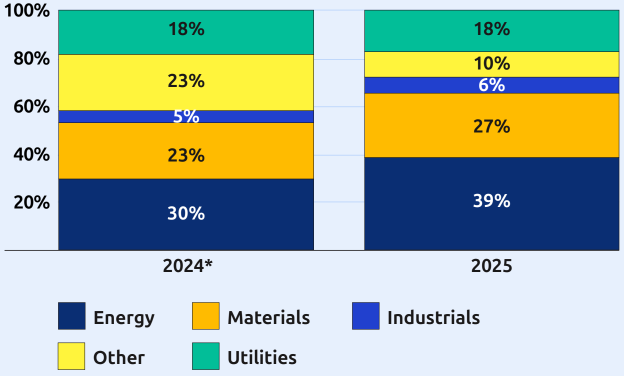
PLCL's financed Scope 1 and 2 absolute emissions decreased by 0.02 $MtCO_2e$ from 0.34 $MtCO_2e$ in YE2024 to 0.32 $MtCO_2e$ in YE2025 which represents a decrease of c.5%. Absolute emissions decreased across listed equity and listed credit asset classes and sovereign debt remaining static, whilst real estate rose marginally by 0.01 $MtCO_2e$ in YE2025. The drivers of the changes in emissions are discussed further in the relevant metrics sections below.

The largest proportion c.45% of PLCL's absolute emissions is generated by the investments in listed equity, reporting absolute emissions of 0.14 $MtCO_2e$ in YE2025, versus 0.16 $MtCO_2e$ in YE2024. Sovereign debt contributed c.41% and listed credit contributed c.12%. The residual c.2% of PLCL's absolute emissions are attributable to the real estate.

PLCL's investment portfolio continued

PLCL's exposure to high transition risk sectors

Sector exposure as a % of PLCL's listed absolute emissions (Scope 1 & 2)



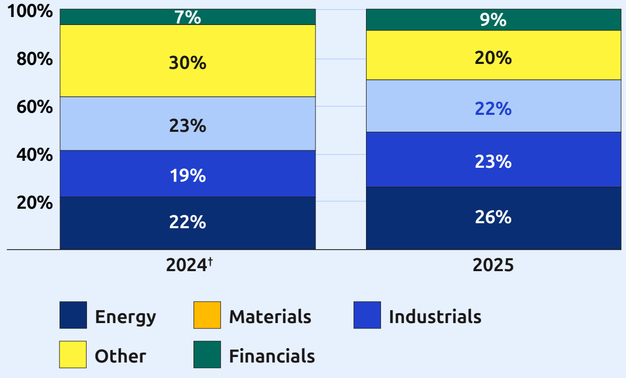
There are four industry sectors the Group has identified as being particularly vulnerable or susceptible to transition risks due to policy, technology or market changes – energy, utilities, materials and industrials. c.29% of PLCL's listed asset portfolio AUA (listed credit and listed equity) is invested in these high transition risk sectors, and collectively they account for c.90% of listed asset Scope 1 and 2 absolute emissions.

PLCL's proportion of asset Scope 1 and 2 absolute emissions from high transition risk sectors are higher than those in YE2024 at c.77%* and its exposure still remains elevated in terms of AUA, increasing by c.2% from c.27%* at YE2024. The high transition risk sectors the Group has identified continue to be responsible for a significant proportion of PLCL's portfolio emissions.

In addition to the analysis of high transition risk sectors, PLCL's exposure to the fossil fuel industry is assessed by identifying investee companies' that generate greater than 20% of their revenues from the fossil fuel value chain, including production, exploration, distribution and services. The proportion of PLCL's listed asset portfolio exposed to the fossil fuel industry has remained constant over the year at c.9% in YE2024 and YE2025.

Analysis of Scope 3 emissions of investee companies

Scope 3 absolute emissions of investee companies in PLCL's listed asset portfolio split by sector



PLCL's financed Scope 3 absolute emissions of all investee companies in its listed asset portfolio are 3.2 $MtCO_2e$ as at YE2025, based on reported numbers (where available) and estimated data.

c.80% of these emissions are from investee companies in four sectors: industrials, energy, financials and materials. On a consistent basis, this compares with c.70%† in YE2024. This indicates that investee companies within these sectors have a relatively greater impact on emission generation and therefore more exposed to key drivers of transition risk.

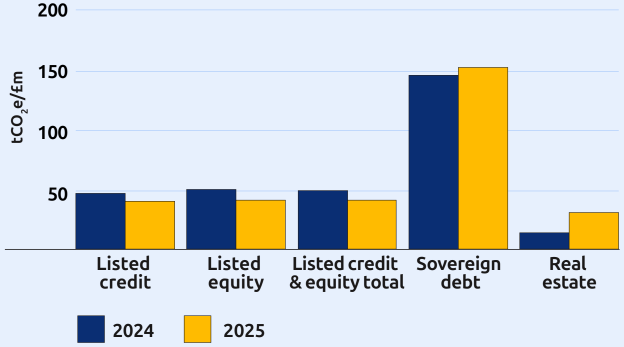
This concentration highlights that a small number of sectors drive the majority of financed Scope 3 emissions in PLCL's portfolio.

*The prior year sector exposure to emissions and the proportional AUA have been restated to reflect an update in the sector classification methodology applied within entity reporting for high-risk transition sectors allocation, aligning to the Group approach.

†The YE2024 sector analysis comparative has been restated to align to the Group sector analysis approach.

Emissions intensity

Economic emissions intensity (EVIC) of PLCL's baselined investment portfolio



PLCL observed an overall reduction in the economic emissions intensity of its listed asset portfolio (listed equity and listed credit) of c.17% from 50 tCO_2e/£m in YE2024 to 41 tCO_2e/£m in YE2025. This consists of a c.14% decrease in listed credit and a c.18% decrease in listed equity. This overall decrease aligns to the directional movements seen across the Group for the listed portfolio in total.

This is largely driven by an increase in the Enterprise Value Including Cash ('EVIC') component of the intensity calculation, which is a measure of a company's capital base. An increase in company value since YE2024 is in line with expectations given market performance over this period.

Over the entire reporting period since YE2023 the economic intensity has reduced by c.18%. This overall decrease aligns to the directional movements seen across the Group for the listed portfolio (listed equity and listed credit) in total and supports the overall Group's interim target to reduce emissions intensity by 25% by 2025 from a 2019 baseline for the Group listed equity and credit asset portfolio (where the Group has control and influence). For further details see page **65** of the 'Metrics and targets' section in the Group ARA.

PLCL's investment portfolio continued

While the Group's decarbonisation baseline is set at 2019, PLCL's reported intensity trend since acquisition reflects the impact of application of Group methodology and climate risk management actions and aligns to the progress reported at Group-level for YE2025.

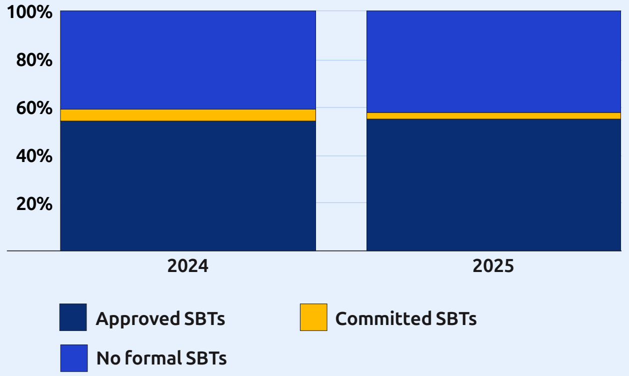
The sovereign debt assets in YE2025 reported higher economic emissions intensity of 154 tCO_2e/£m versus the sovereign debt economic emissions intensity in YE2024 of 147 tCO_2e/£m. The movement was predominantly a result of methodology used which now uses reported and verified emissions data from the UNFCCC, rather than reported but unverified emissions data.

PLCL observed a c.4% increase in revenue emissions intensity for listed credit from YE2024 to YE2025, and an increase of c.4% for listed equity over the same period. PLCL's revenue emissions intensity is primarily driven by investments held in energy and materials sectors.

The increases in the intensities within these sectors further reinforce that these high transition risk sectors continue to be responsible for a greater concentration of PLCL's portfolio emissions.

Climate alignment

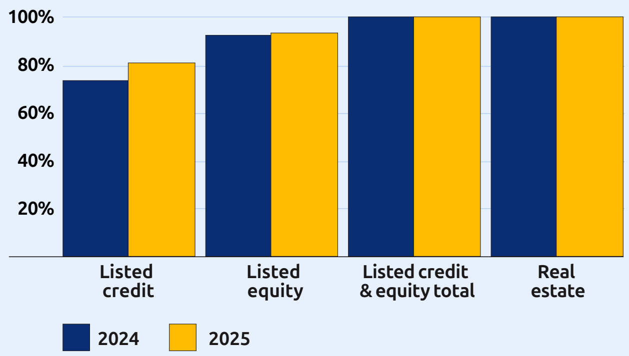
Split of PLCL's listed asset portfolio by SBT status (based on AUA)



At YE2025, c.58% of the PLCL listed portfolio was invested in counterparties with committed or approved science-based targets ('SBTs'), a modest reduction of c.1% since YE2024. The movement in the year is attributable to an increase in approved targets offsetting a decrease in committed targets.

Analysis of data coverage

Data Coverage by Asset Class (Year-on-Year)

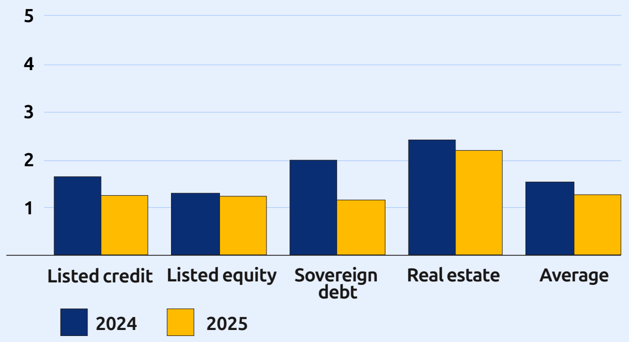


Data coverage for PLCL's sovereign debt and real estate is broadly comparable with YE2024 at and c.100% respectively at YE2025. Listed equity has seen a slight coverage increase from c.92% in YE2024 to c.93% in YE2025 and listed credit has seen a significant improvement in coverage of c.8% from c.73% in YE2024 to c.81% in YE2025.

This metric reflects the proportion of PLCL's investments held for which financed emissions have been successfully calculated. The implication being that an increase in coverage, particularly in listed credit provides a more complete view of the emissions PLCL is financing.

Analysis of data quality

Data Quality Score



PCAF data quality hierarchy is used to assess the quality of emissions data of individual companies (Scope 1 and 2 emissions only), where a score of 1 represents the highest quality (reported/ verified) and a score of 5 indicates the lowest quality (estimated).

PLCL's total portfolio score in the year has improved to 1.3 versus 1.5 at YE2024. The entity has experienced small improvements in data quality for listed equity, listed credit and real estate.

The Sovereign debt data quality score has moved from 2 to 1.2 at YE25. This is largely driven by an improvement in the methodology which now uses reported and verified emissions data for sovereign counterparties.

The continuous use of high-quality data allows the comparison year on year of reliable climate metrics which produce informed insights.

PLCL's investment portfolio continued

Investment metrics summary

PLCL's investment portfolio recorded a slight reduction in AUA for in scope assets and a corresponding decrease in absolute emissions over the period. Absolute emissions declined at a faster rate than AUA, indicating improvements in the emissions intensities across a large proportion of the underlying investee assets.

The economic emissions intensity from PLCL's investment portfolio has reduced in YE2025, reflecting increases in the EVIC component of intensity calculation for listed assets (listed equity and listed credit). The significant reduction of c.18% economic emissions intensity since the first year of PLCL entity reporting for the listed equity and credit combined emphasises the supporting contribution the reduction the PLCL portfolio has made to the Group in progressing its decarbonisation strategy.

PLCL's exposure to high transition risk sectors identified by the Group remains elevated and accounts for a significant proportion of absolute emissions despite a modest reduction in the exposure by AUA. This reflects and reinforces the importance of Group-level engagement activities in managing transition risk across the Group-wide investment portfolio.

Data coverage improved across liquid credit in YE2025, whilst overall data quality remained broadly stable, supporting year-on-year comparability of metrics.

Whilst PLCL as a member of the Group, PLCL is proportionately small, its investment portfolio metrics reflect consistent application of Group methodologies and continued alignment with Group governance and risk management frameworks and alignment with the Group's decarbonisation strategy.

Operations and supplier base

Group Operations

Services are controlled and operated at the Group-level and managed through service companies common across all entities, therefore operational metrics and targets evaluating exposure to climate risks and opportunities are also managed at the Group-level and no disaggregation or apportionment of these are directly made to the Life Companies.

Since 2019, the Group has reduced absolute market-based Scope 1 and 2 emissions by 81%, in line with its net zero trajectory. Residual operational emissions were offset through nature-based carbon removal credits, enabling the Group to achieve carbon neutral operations by YE2025. In line with best practice, the Group is now targeting a 90% absolute reduction in Scope 1 and 2 emissions by 2030 or earlier. Further detail on 2025 performance, metrics, and progress is set out in the Group ARA within the 'Our Operations' section on pages **72** to **73** and the Streamlined Energy and Carbon Reporting ('SECR') statement on page **72**.

Group supplier base

The Group's supplier base comprises material suppliers and non-material suppliers who deliver goods and services that help Standard Life Group to deliver its strategic objectives. The supplier base's emissions are calculated on an annual basis and are reported at the Group-level on page **75** in the Group ARA. The Group does not adopt any methods of apportioning the supplier base carbon emissions directly to the Life Companies.

The Group has set science-based emissions reduction targets aligned with a net zero by 2050 pathway and does not use carbon credits to meet supplier decarbonisation targets.

Since 2022, the Group has achieved a 36% reduction in Scope 3 Category 1 and 2 emissions intensity. While this reflects significant progress, some limitations remain in the availability and quality of underlying spend data. Only reliable spend data is included, meaning Scope 3 Category 1 and 2 emissions do not cover total Group spend. Work is ongoing to improve data coverage in future years. Further details are provided on page **75** of the 'Our supplier base' section of the Group ARA.

Limitations and future enhancements

Limitations

Under 1.1.5G of the ESG Sourcebook the specific limitations and future enhancements are disclosed below, including the implications and steps being taken to address the limitations.

Limitations	Implications
Data quality	The quality of underlying climate reporting data can vary which may impact the outputs of models and methodologies.
Data coverage	The availability of underlying climate reporting data can vary, which may impact the outputs of models and methodologies.
Sophistication of models for scenario analysis and modelled climate outputs	Models developed by a third party could be subject to adjustment which is beyond the Group's control.
Methodology differences between the different data sources and tools	Methodologies are in continual development and refinement and can be materially affected by the quality of the underlying data used.
Evolving regulatory landscape	Changing Regulations, new rules being introduced and existing rules being updated can materially impact the current and ongoing disclosures.

Future enhancements

As new regulatory requirements are introduced, disclosures will be reviewed and enhanced to improve alignment and ensure the continued provision of clear, consistent, and efficient reporting.

Cautionary statements

Basis of preparation

The reader should be aware that this report and the information contained within it, is prepared on the following basis:

The preparation of this report requires the application of several key judgements and requires assumptions and best estimates to be made at a given point in time. There is a risk that the judgement exercised, or the estimates or assumptions used, may subsequently turn out to be incorrect. These judgements and resulting data presented in this report are not a substitute for judgements and analysis made independently by the reader.

Climate disclosures in the 2025 entity-level TCFD Report use a greater number and level of judgements, assumptions and estimates, including with respect to the classification of sustainability and climate-related activities, than the Group's (which includes the Life Companies subject to this report) reporting of historical financial information. These judgements, assumptions and estimates are highly likely to change over time, and, when coupled with the longer time frames used in these disclosures, make any assessment of materiality inherently uncertain.

In addition, the Group's sustainability and climate risk analysis and net zero transition planning will continue to evolve and the data underlying the Group's analysis and strategy remain subject to change over time. As a result, the Group expects that certain sustainability and climate-related disclosures made in this report are likely to be amended, updated, recalculated or restated in the future.

The uncertainty of the current and future conditions of the global financial markets, global economic and political outlook can cause uncertainty when assessing climate-related disclosures.

This report uses climate models, external climate data and other sources/methodologies, each of which are subject to ongoing refinement and modifications beyond our control;

The outputs of these models, external data and other sources/ methodologies can be materially affected by the quality of the underlying data used. They may be subject to uncertainties affecting the accuracy of their outputs. There is a risk that the outputs may be misinterpreted or misused when dealing with developing themes, such as climate-related disclosures and other environmental, social and governance data points, due to the lack of market standards, historical reference points and benchmark data, as well as the inability to rely on historical data as a strong indicator of future trajectories, in the case of climate change and its evolution;

In general, the quality of the data relied upon in sustainability and climate-related disclosures is often not yet of the same standard as more traditional financial reporting and therefore presents an inherent limitation. Further development of reporting standards could materially impact the performance metrics, data points and targets contained in this report; and

As standards, frameworks and practices continue to evolve, it may mean subsequent reports do not allow a reader to compare performance metrics, data points or targets from one reporting period to another, on a direct like-by-like basis.

Caution to references and materials

Any graphics or case studies contained in the 2025 entity-level TCFD Report are illustrative and are designed to be read in the context of the report; and

The 2025 entity-level TCFD Report may contain references to websites or include some views or opinions of third parties outside or unconnected to the Group. Readers should note that the Group are not endorsing or supporting such views or opinions by stating them in the 2025 entity-level TCFD Report and are advised to do their own due diligence in regard to material on those websites and any third-party views and opinions.

Note on materiality

Our public disclosures, including our entity-level TCFD Report, include a range of topics that we believe are relevant to our businesses and that are of interest to investors and other stakeholders. For the purposes of complying with our annual and half-yearly disclosure obligations in the United Kingdom we apply materiality based on the applicable rules and regulations governing public reporting in the United Kingdom. However, in our entity-level TCFD Report, we have adapted our approach to materiality based on both the subject matter and purpose of the disclosures. Our approach to these disclosures may sometimes have regard to broader understandings of materiality based on certain external frameworks and reporting guidelines that take into consideration a wider range of factors relevant to sustainability including the views of our key stakeholders. This report uses longer time frames to assess potential impacts than those time frames customarily used in certain of our other disclosures, including our annual and half yearly financial reports submitted to the London Stock Exchange ('LSE').

This approach to materiality means that this report, and many of our sustainability reporting disclosures, including with respect to climate-related risks and opportunities includes certain information that we have not included in our LSE filings for which we use a different approach to materiality.

Our approach to materiality in this report and other sustainability and climate-related disclosure also means that statements made in this report and in our other sustainability and climate-related disclosures use a greater number and level of assumptions and estimates than many of our LSE filings.

These assumptions and estimates are subject to change over time, when coupled with the longer time frames used in these disclosures, make any assessment of materiality inherently uncertain. We expect that certain disclosures made in this report are likely to be amended, updated, recalculated, and restated in the future as the quality and completeness of our data and methodologies continue to improve.

Forward looking statements

The 2025 entity-level TCFD Report contains, and the Group ARA may make other statements (verbal or otherwise) containing, forward looking statements and other financial and/or statistical data about the Group's current plans, goals and expectations relating to future financial conditions, performance, results, strategy and/or objectives. Statements containing the words: 'believes', 'budget', 'forecast', 'intends', 'will', 'may', 'should', 'expects', 'plans', 'aims', 'seeks', 'targets', 'predict', 'outlook', 'goal', 'continues', 'projected', and 'anticipates' or other words of similar meaning are forward-looking. Such forward-looking statements and other financial and/or statistical data involve risk and uncertainty because they relate to future events and circumstances that are beyond the Group's control.

Cautionary statements continued

Factors which could cause actual results to differ materially from those estimated by forward-looking statements include, but are not limited to:

- changes in legislation and increasing oversight and regulation related to the climate, sustainability and human rights;
- industry and regulatory standards;
- the development of standards and interpretations including evolving practices in sustainability reporting with regard to the interpretation and application of accounting, such as emissions accounting methodologies;
- increasing investigations, litigation and enforcement proceedings in relation to the climate, sustainability and the environment;
- developments in available technology;
- the timely implementation and integration of adequate government policies;
- the implementation of rules, regulations or other actions with an opposing stance to sustainability matters or policies;
- climate change and a transition to a low-carbon economy (including the risk that the Group may not achieve its targets);
- the limitation of climate and sustainability data and metrics; climate scenario analysis and the model that analyse them;
- lack of transparency and comparability of climate-related forward-looking methodologies;
- environmental, social and geopolitical risks;
- the Group's commitment to continue to deliver good customer outcomes; and
- the Group's ability with government and other stakeholders to manage and mitigate the impacts of climate change effectively.

As a result, the Group's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set out in the forward-looking statements and other financial and/or statistical data within the 2025 entity-level TCFD Report.

No representation is made that any of these statements will come to pass or that any future results will be achieved. As a result, you are cautioned not to place undue reliance on such forward-looking statements contained in this 2025 entity-level TCFD Report.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. The forward-looking statements speak only as the date on which they are made. The Group undertakes no obligation to publicly update or revise any of the forward-looking statements or data contained within the 2025 entity-level TCFD Report or any other forward-looking statements or data it may make or publish whether as a result of new information or for any other reason.

This forward-looking statement in relation to sustainability and climate and related disclosures should not be regarded as a complete and comprehensive statement and should be read together with the forward-looking statements and the risks identified in the 'Risk management' section on pages **63** to **64** and **78** to **83** of the 2025 Group Annual Report and Accounts respectively.

Glossary of terms

Assets under administration ('AUA')
Assets administered by or on behalf of the Group and its entities, covering both policyholder funds and shareholder assets. This includes assets recognised in the Group and its entities IFRS consolidated statement of financial position together with certain assets administered by the Group but for which beneficial ownership resides with customers.

Assets under control and influence
The Group's definition of assets which are within the Group's control and influence is (i) product componentry which are not external fund links (i.e. the Group has an Investment Management Agreement ('IMA') with an Asset Management Partner, so can control the terms of the investment strategy), or (ii) the Group has a default, managed or blended vehicle which has external fund link componentry and / or directly held securities, and the Group has the ability to substitute investments without the need to secure explicit client approval when they do not meet the Group's needs.

Carbon footprint
A carbon footprint is the total greenhouse gas ('GHG') emissions caused by an individual, event, organisation, service, place or product, expressed as carbon dioxide equivalent ('CO_2e').

Carbon neutral
When the carbon emissions generated by an entity are fully compensated for by removing an equivalent amount of emissions somewhere else through offsetting.

Carbon offsets
A reduction or removal of emissions of carbon dioxide or other greenhouse gases made in order to compensate for emissions made elsewhere.

Climate-related opportunities
The potential positive impacts of climate change on an organisation. Efforts to adapt to climate change can produce opportunities for organisations, such as through resource efficiency and cost savings and the development of new products and services.

Climate (-related) risks
The potential negative impacts of climate change on an organisation. The risk consists of physical risks and transition risk.

Climate scenario
A plausible representation of future climate that has been constructed for explicit use in investigating the potential impacts of anthropogenic climate change.

Climate solutions
Economic activities that contribute substantially to climate change mitigation or adaptation. The products or services are either produced sustainably or allow others.

Customer
A customer could be a lead policyholder on more than one policy, and some policies could have more than one customer, therefore the customer number is approximate. The number of customers is measured as number of lead policyholders.

Decarbonisation benchmarks
Climate aligned indices that aim to deliver net zero by 2050 while meeting customer requirements. These are investment benchmarks, which aim to deliver a representative return for the asset class (as measured by the existing market cap benchmarks), but with Group exclusions and built in systematic decarbonisation pathway, consistent with achieving net zero by 2050.

Equity release mortgage ('ERM')
An ERM product enables a homeowner aged over 55 to draw a lump sum or regular smaller sums from the value of the home, while remaining in their home.

Environmental, Social and Governance ('ESG')
Environmental criteria consider how a company performs as a steward of nature and the climate. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls and shareholder rights.

Financed emissions
Greenhouse gas ('GHG') emissions that occur as a result of financing, including lending and investment activity. These activities fall within Scope 3, category 15 of the GHG protocol.

Financial Conduct Authority ('FCA')
The body responsible for supervising the conduct of all financial services firms and for the prudential regulation of those financial services firms not supervised by the Prudential Regulation Authority ('PRA'), such as asset managers and independent financial advisers.

Greenhouse Gas ('GHG') emissions
GHGs are atmospheric gases that absorb and emit radiation within the thermal infrared range and that contribute to the greenhouse effect and global climate change. They include water vapour, carbon dioxide (CO_2), methane (CH4), nitrous oxide (N2O), hydro chlorofluorocarbons (HCFCs), ozone (O3), hydrofluorocarbons (HFCs), and perfluorocarbons (PFCs).

Greenhouse Gas Protocol
Global standard for companies and organisations to measure and manage their GHG emissions.

High transition risk sectors
Sectors that are vulnerable in a transition to a net zero by 2050 economy – energy, utilities, materials and industrial.

Life Company
A subsidiary providing life and pension products.

Glossary of terms continued

Material suppliers

These are Suppliers who are Strategic or Critical to the Group's operations. Strategic (also known as a tier 1 supplier): Of significant importance to the Group where the services the supplier provides support to the Group's strategic objectives and are crucial in providing ongoing and future services to customers, policyholders and shareholders. These suppliers are highly likely to be integrated into the Group's operating model and will be deemed as a Critical/Material Arrangement for Solvency UK purposes. Critical (also known as a tier 2 supplier): Deemed as a Critical/Material Arrangements, however, are not viewed as a Strategic partner to Group. These suppliers will perform a Critical function and/or activity on behalf of the Group, they could be crucial in providing current services to customers, policyholders, and shareholders.

Net zero

A state where no incremental greenhouse gases are added to the atmosphere. Emissions output is balanced with the removal of carbon from the atmosphere.

Network for Greening the Financial System ('NGFS')

A group of central banks, supervisors and observers committed to sharing best practices, contributing to the development of climate and environment-related risk management in the financial sector and mobilising mainstream finance to support the transition towards a sustainable economy.

Paris alignment

Goal set by the Paris Agreement climate change deal in 2015 to hold global average temperature increase to 'well below 2 degree Celsius above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.'

Partnership for Carbon Accounting Financials (PCAF)

PCAF is a global partnership of financial institutions that work together to develop and implement a harmonised approach to assess and disclose the GHG emissions associated with their loans and investments.

Physical risks

Risks related to the physical impacts of climate change which can either be acute or chronic. Acute physical risks refer to those that are event-driven, including increased severity of extreme weather events, such as cyclones, hurricanes or floods. Chronic physical risks refer to longer-term shifts in climate patterns (e.g. sustained higher temperatures) that may cause sea level rise or chronic heatwaves.

Science Based Targets ('SBT')

An emissions reduction target is defined as 'science-based' if it is developed in line with the scale of reductions required to keep global warming below 2°C from pre-industrial levels.

Scope 1, 2 and 3 emissions

Greenhouse gas emissions are categorised into three groups or 'Scopes'. Scope 1 covers direct emissions, e.g. use of natural gas, company car vehicle emissions. Scope 2 covers indirect emissions from the generation of purchased electricity, steam and heating. Scope 3 includes 15 other categories of indirect emissions in a company's value chain, e.g. business travel and investments.

Stewardship

The use of the rights and position of ownership to influence the activity or behaviour of investee companies. For listed equities it includes both engagement and (proxy) voting (including filing shareholder resolutions). For other asset classes, engagement is still relevant while voting is not. Engagement is a two-way interaction between the investor and investees in relation to corporate business and ESG strategies with the goal of influencing issuers' practices when needed to unlock value.

Task Force on Climate-related financial disclosures ('TCFD')

The TCFD was created in 2015 by the Financial Stability Board ('FSB') to develop consistent climate-related financial risk disclosures for use by companies in providing information to stakeholders.

Transition risk

Climate-related risks associated with the transition to a low-carbon economy. They include risks related to policy and legal actions, market and economic responses, technology changes and reputational considerations.

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