

Legal & General

2026 Half Year Results



Forward looking statements

This document may contain certain forward-looking statements relating to L&G, its plans and its current goals and expectations relating to future financial condition, performance and results. By their nature, forward-looking statements involve uncertainty because they relate to future events and circumstances which are beyond L&G's control, including, among others, UK domestic and global economic and business conditions, market related risks such as fluctuations in interest rates and exchange rates, the policies and actions of regulatory and Governmental authorities, the impact of competition, the timing impact of these events and other uncertainties of future acquisitions or combinations within relevant industries. As a result L&G's actual future condition, performance and results may differ materially from the plans, goals and expectations set out in these forward-looking statements and persons reading this document should not place reliance on forward-looking statements. These forward-looking statements are made only as at the date on which such statements are made and Legal & General Group Plc does not undertake to update forward-looking statements contained in this document or any other forward-looking statement it may make.



Agenda



António Simões
Group CEO



Andrew Kail
Group CFO

1. H1 26 Highlights

António Simões, Group CEO

2. Financial Performance

Andrew Kail, Group CFO

3. Outlook

António Simões, Group CEO

4. Q&A



The best company to invest and retire with



Income

UK's largest provider of retirement incomes

We paid over £3.7bn this year to provide individuals income in retirement



Investment

£1.2trn Asset Manager with the UK's largest DC platform

UK savers trusted us to invest £236bn of DC pension savings



Trust

Trusted by 13 million customers

In the first half of 2026 we paid £674m to support families through bereavement and illness



Delivering reliably strong financial results

Growing earnings

12.15p

Core operating EPS up 11%
H1 25: 10.94p

£13.0bn

Store of Future Profit
FY25: £13.3bn

Strong capital

14.16p

OSG¹ per share up 7%
H1 25: 13.24p

201%

Solvency II coverage ratio
FY25: 203%

Increased returns

6.24p

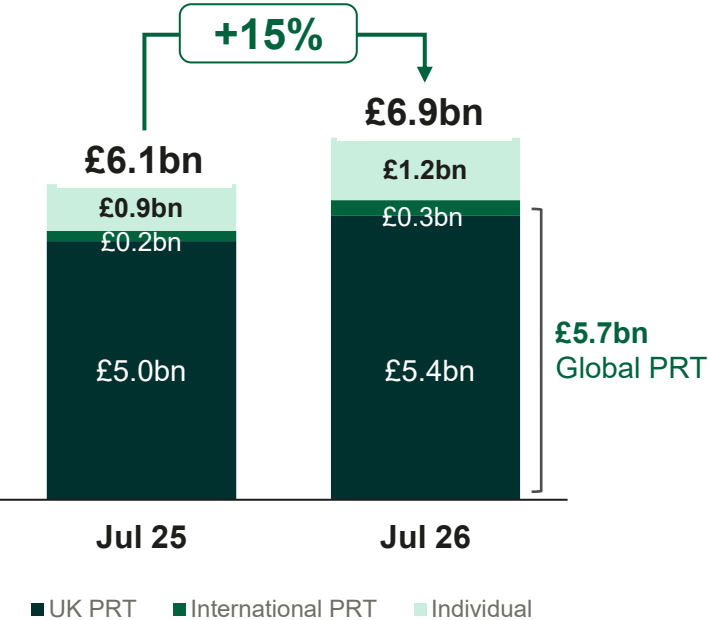
Interim dividend per share up 2%
H1 25: 6.12p

£1.2bn

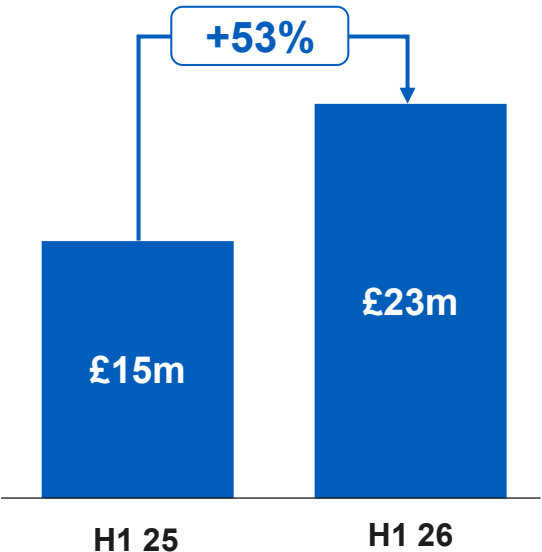
Share Buyback in progress
c.£450m completed YTD

Realising our potential with double-digit growth

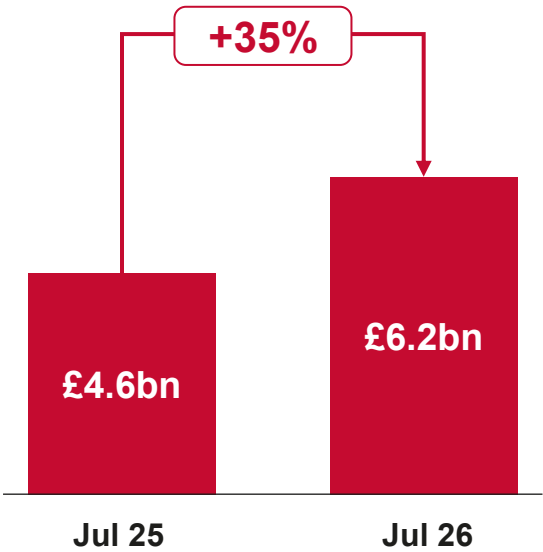
£6.9bn Total annuity volumes written and exclusive July YTD



£23m Annualised net new revenue (ANNR) growing our run-rate



£6.2bn¹ Workplace net flows July YTD



UK's #1 Annuity Provider

UK's Largest Asset Manager

Fastest growing UK Workplace provider²



¹ Estimated end-July position Includes £0.8bn of fully pre-funded assets on schemes already won.
² 2021-2025, based on publicly available data

Institutional Retirement: Strong volumes and growing asset optimisation

We are a global
market leader

£5.7bn Jul-25: £5.2bn

£2.1bn Written +
£3.6bn Written and Exclusive YTD

L&G typically has 20-25% UK
market share

Lower headline margins but long-term value remains highly attractive

On £2.1bn written business	4.2%	IFRS Margin	Day one margins reflect tight credit spreads and competitive market environment
	3.4%	New Business Strain	UK PRT strain of 3.1% expected to reduce in H2.
	>14%	IRR	Long-term value remains as we continue to exceed our 14% hurdle
£288m		Asset Optimisation ¹	Reliable source of ongoing profits; upgraded guidance of >£400m p.a.
2028 TRAJECTORY On track to meet Operating profit growth target			5-7%



¹ Total asset optimisation of £288m, of which £227m in Institutional Retirement and £61m in Retail

Asset Management: Growing momentum and profitability step change

**Cost-income
ratio reduces**

71% FY25 75%
Cost-income ratio

First YoY reduction in a decade
Ahead of schedule for CIR<70%
by 2028

Growing momentum in Asset Management

+37%

**Fee Related
Earnings**

Compounding effect of strong ANNR, cost control and positive markets across 2025/26

£23m

**ANNR generated
in H1 2026**

Strong flows in Europe and Private Credit

9.6bps
FY25 9.2bps

Revenue Margin

We are ahead of plan to deliver a margin over 10bps by 2028, with upside as momentum continues

£79bn

**Private Markets
AUM**

Nearing our £85bn+ target for 2028

**2028
TRAJECTORY**

On track for operating profit target

£500-600m

Retail: Double-digit successes in all businesses

**Retail
momentum**

12.3 FY25 12.1
Million Customers

Trusted provider in
structurally growing markets

Capturing opportunities across our key growth markets

+35%

**Workplace Net Flows
July YTD¹**

Almost £1bn of regular monthly inflows
£7bn of wins not yet onboarded

+140%

**Workplace end-to-
end profit doubled**

On track to treble end-to-end profits by
2028 to £180m
End-to-end profit of £48m at H1 26

+36%

**Individual Annuity
Premiums**

Structural growth market
Leading player across the market with
strong intermediary presence

+22%

Protection APE

Strong volume growth and improving
margins in competitive markets

**2028
TRAJECTORY**

On track to meet Operating Profit growth target

4-6%

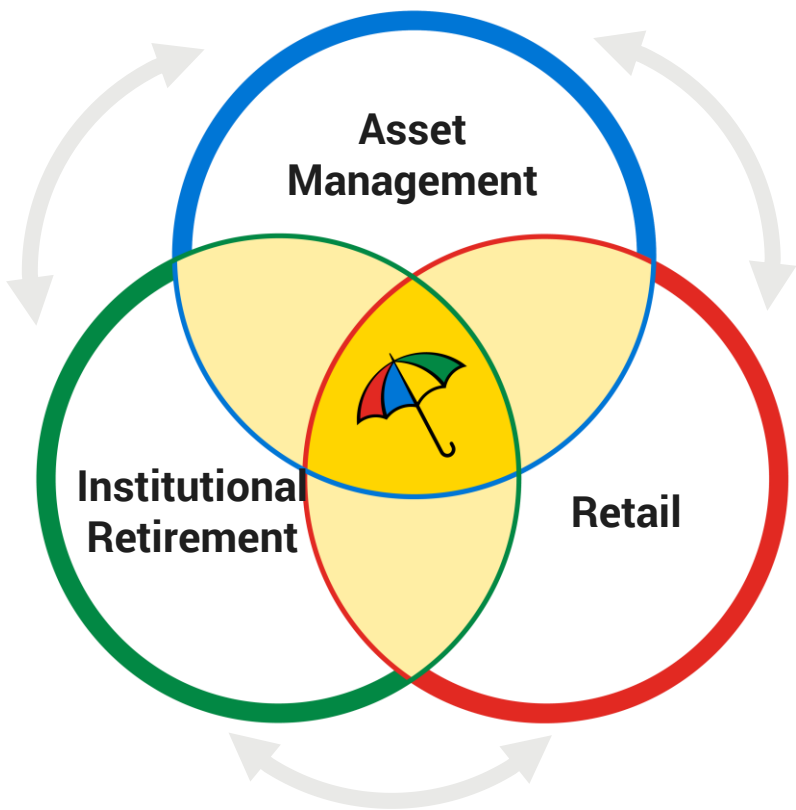
Our scale and synergies are competitive advantages

80% of UK PRT transacted volumes
are Asset Management clients¹

90% of Annuity Assets
are managed internally

>95% of Workplace DC assets
managed in-house

Private Markets Access Fund
AUM now over £3bn

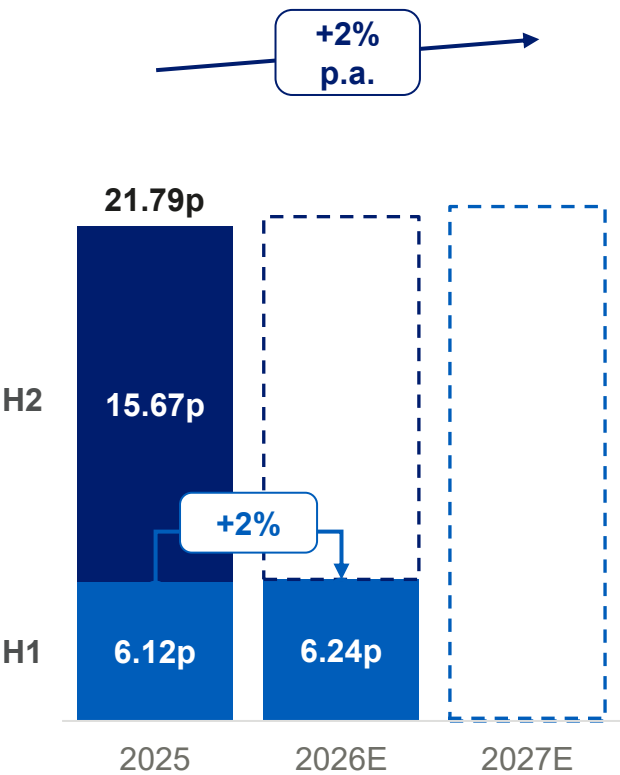


Shared operations and investment teams
across Retail and Institutional Retirement

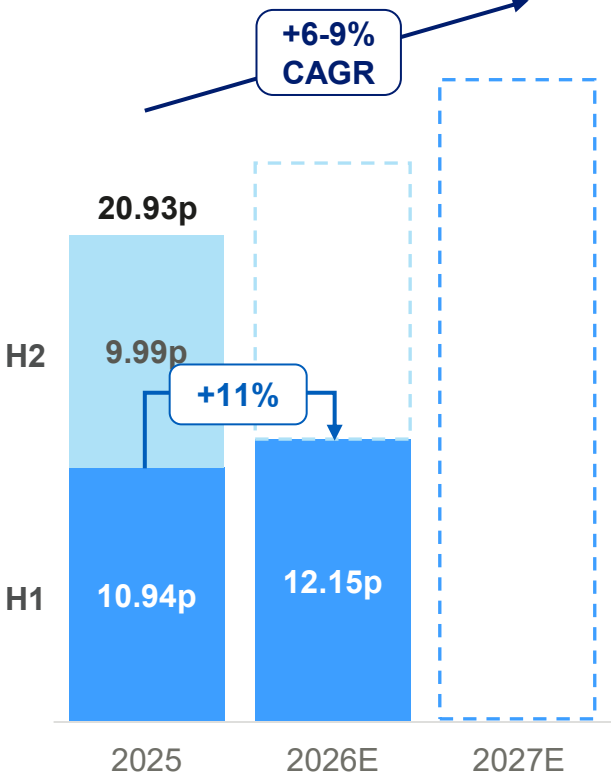
Faster business growth underpinned by
cost efficiencies and power of AI

Dividend cover is now improving

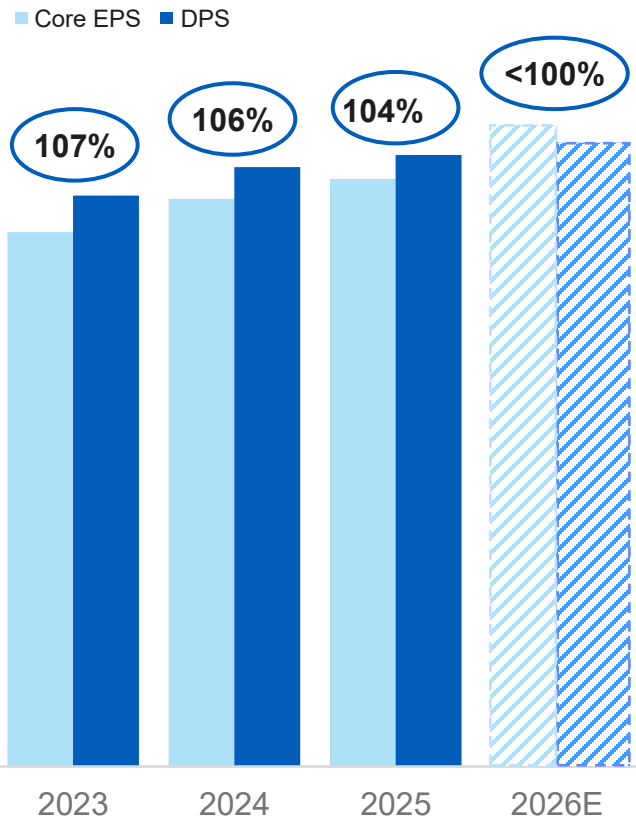
We have maintained progressive dividend per share



Over 100% Core EPS coverage expected in 2026



Our payout ratio is improving



£1.9bn of buybacks since 2023 have rebased distributions and improved coverage



¹All 2026E and 2027E figures on this slide are indicative only. Graphs are not to scale



Financial Performance

Andrew Kail, Group CFO



IFRS Performance at a glance

	H1 25	H1 26	
Institutional Retirement	£618	£646m	+5%
Asset Management	£202m	£222m	+10%
Retail	£237m	£248m	+5%
Group expenses and debt costs	£(198)m	£(198)m	—
Core Operating Profit	£859m	£918m	+7%
Total Operating Profit	£905m	£920m	+2%
Investment Variance	£(456)m	£(240)m	-47%
M&A and restructuring	£(57)m	£1,322m	
Minority interests	£14m	£(5)m	
Profit before tax attributable to equity holders	£406m	£1,997m	+392%

Building momentum across the Group

Institutional Retirement

PRT volumes¹

£5.7bn

Jul'25: £5.2bn

PRT strain²

3.4%

H1 25: 1.3%

Asset Optimisation

£227m

H1 25: £165m

Asset Management

Annualised Net
New Revenue

£23m

H1 25: £15m

Private Markets
AUM

£79bn

H1 25: £65bn

Average Fee
Margin

9.6bps

H1 25: 9.1bps

Retail

Workplace DC
net flows YTD³

£6.2bn

Jul'25: £4.6bn

Individual Annuities
volumes¹

£1.2bn

Jul'25: £0.9bn

Protection APE

£168m

H1 25: £138m

¹ Written and exclusive July YTD.

² UK PRT Strain was 3.1% in H1 26 and 1.1% in H1 25.

³ End-July, including £0.8bn of fully pre-funded assets on schemes already won.

Institutional Retirement

Financial Highlights (£m)	H1 2025	H1 2026	Change (%)
CSM Release	334	331	(1)%
RA Release	67	58	(13)%
Expected Investment Margin	303	346	14%
<i>o/w Asset Optimisation</i>	165	227	38%
Expenses and other variances ¹	(86)	(89)	3%
Core Operating Profit	618	646	5%
Investment Variance	(218)	(222)	2%
M&A and restructuring	-	-	n/a
Profit Before Tax	400	424	6%
 PRT Annuities Portfolio	 £68bn	 £73bn	 7%
PRT Volumes²	£5.2bn	£5.7bn	10%
IFRS Margin³	7.1%	4.2%	
SII new business strain³	1.3%	3.4%	

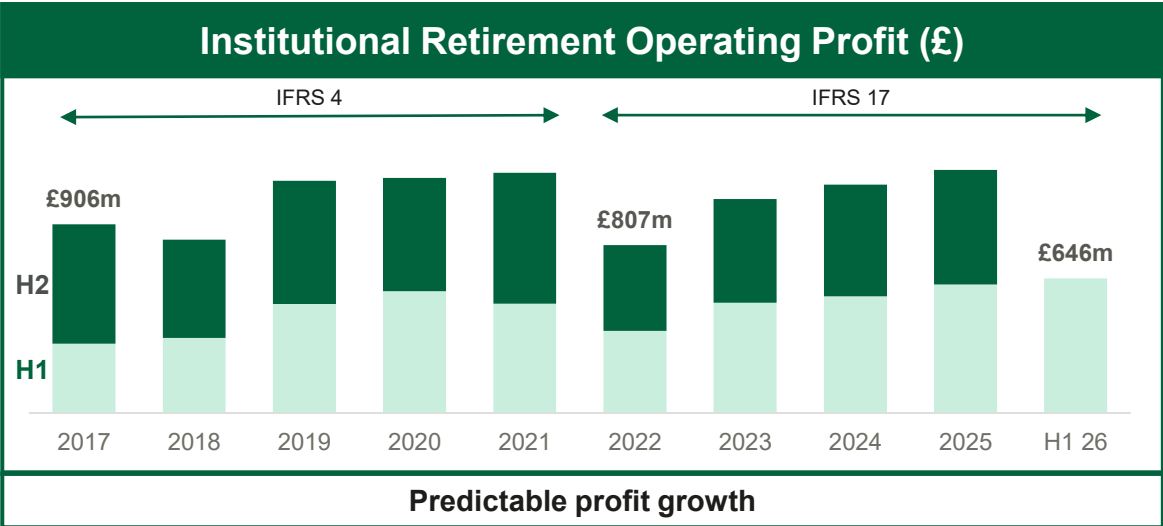
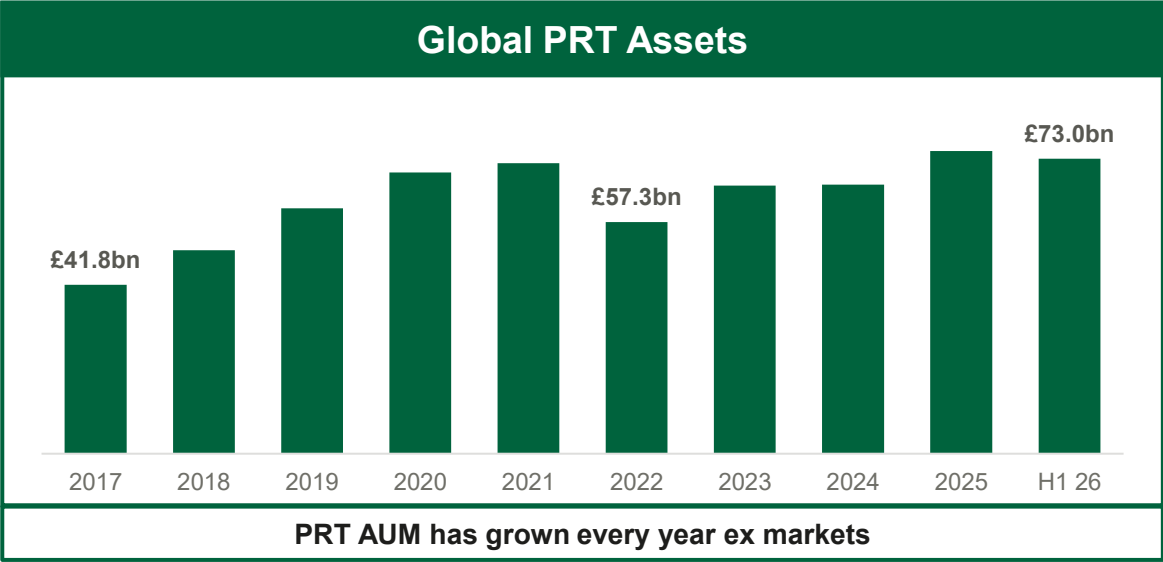
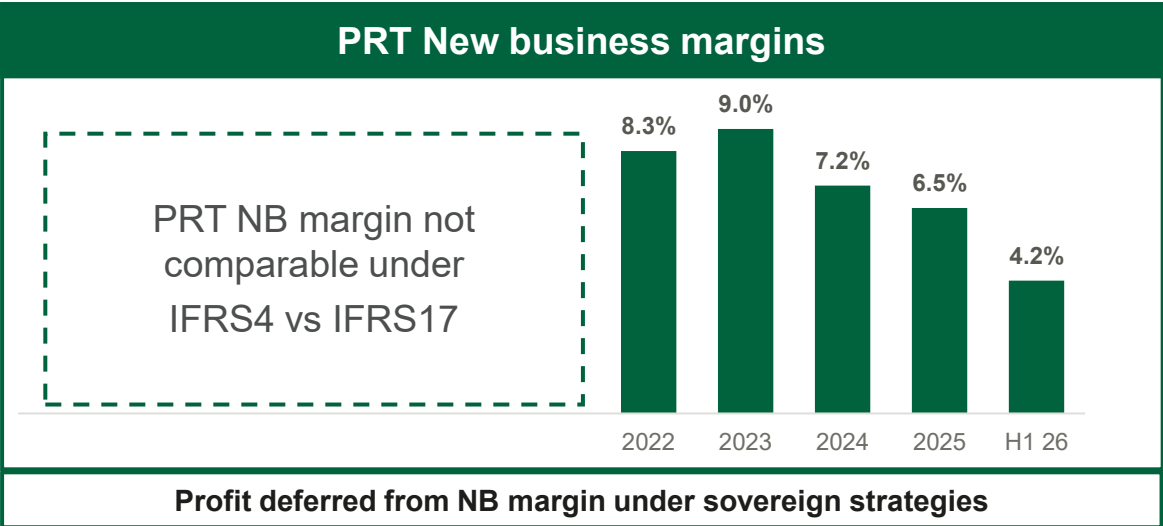
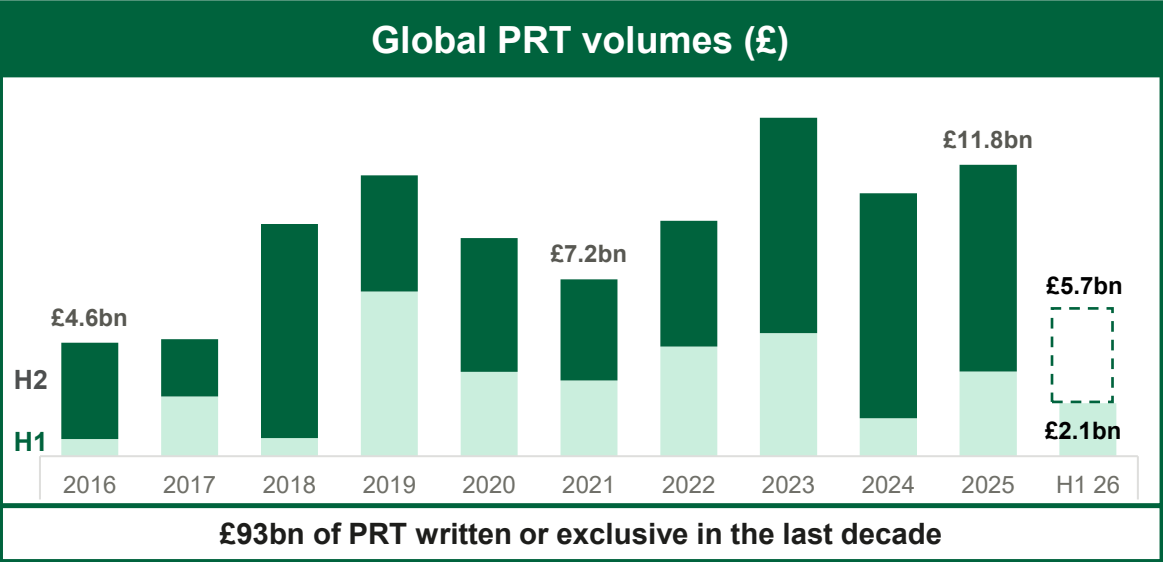
Key takeaways

Significant growth in asset optimisation, providing a recurring source of profit

Flat CSM release as sovereign-based investment strategy makes asset optimisation a key growth driver

Adverse investment variance driven by accounting, inflation, and model revisions.

Institutional Retirement



Note: The above slide represents data disclosed at the time or restated in the following period where relevant. Over the period, various organisation restructures have occurred (such as the Workplace Administration function moving into our Retail division and the formation of our Asset Management division & Corporate Investments Unit). These have not been retrospectively adjusted for.

Assessing the full value of new business

4.2%

IFRS New business Margin

Driven by:

Tight credit spreads

Sovereign-based
asset strategy

Market competition

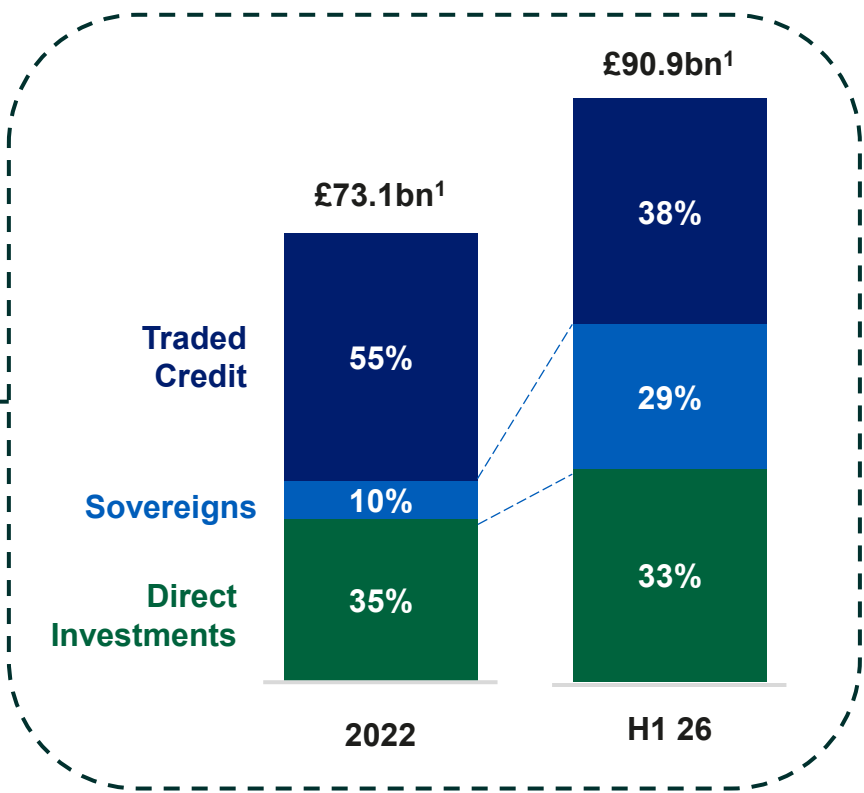
Does not reflect:

Return on capital
>14%

Increased asset
optimisation capacity

Significant upside
potential

Growing allocation to sovereigns:
significant upside potential



Increasing IFRS Asset Optimisation guidance to >£400m p.a.

Asset Management

Financial Highlights (£m)	H1 2025	H1 2026	Change (%)
Fee Revenue	508	574	13%
Expenses	(385)	(405)	5%
Fee Earnings	123	169	37%
Balance Sheet Earnings	79	53	(33)%
Core Operating Profit	202	222	10%
Investment Variance	(103)	(19)	(82)%
M&A and restructuring	(21)	(40)	90
Profit Before Tax	78	163	109%
Annualised Net New Revenue	15	23	53%
Total AUM (£bn)	1,136	1,242	9%
Cost-Income Ratio (%)	76%	71%	(5)ppt
Average Revenue Margin (bps)	9.1	9.6	5.5%

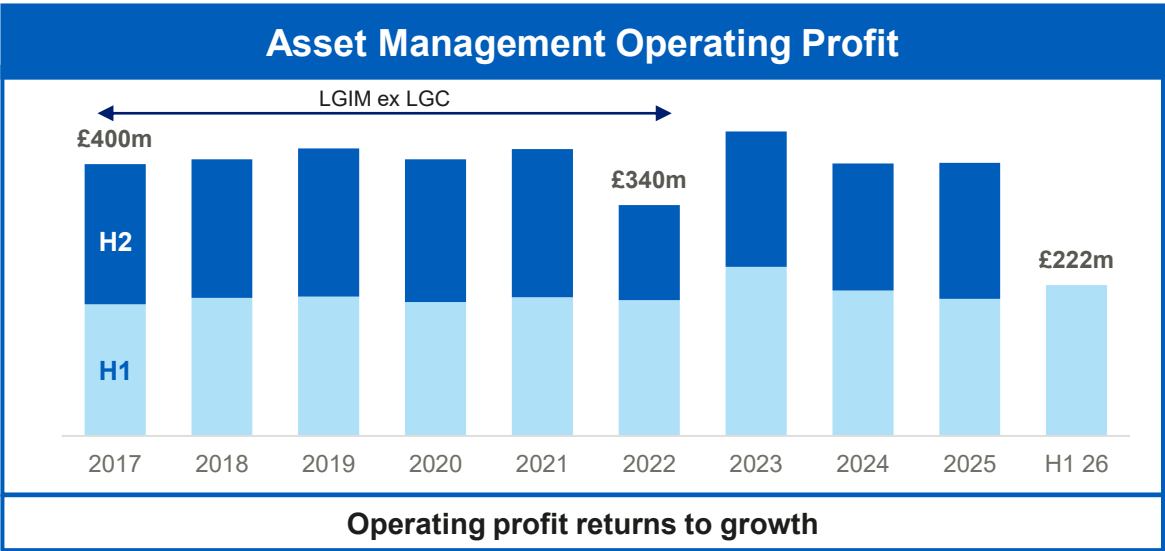
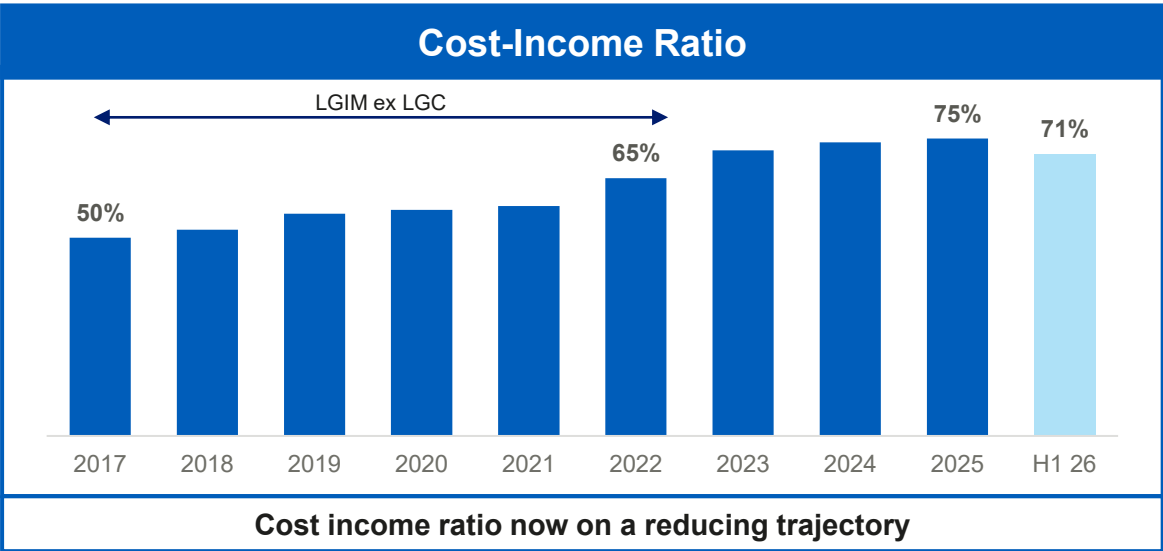
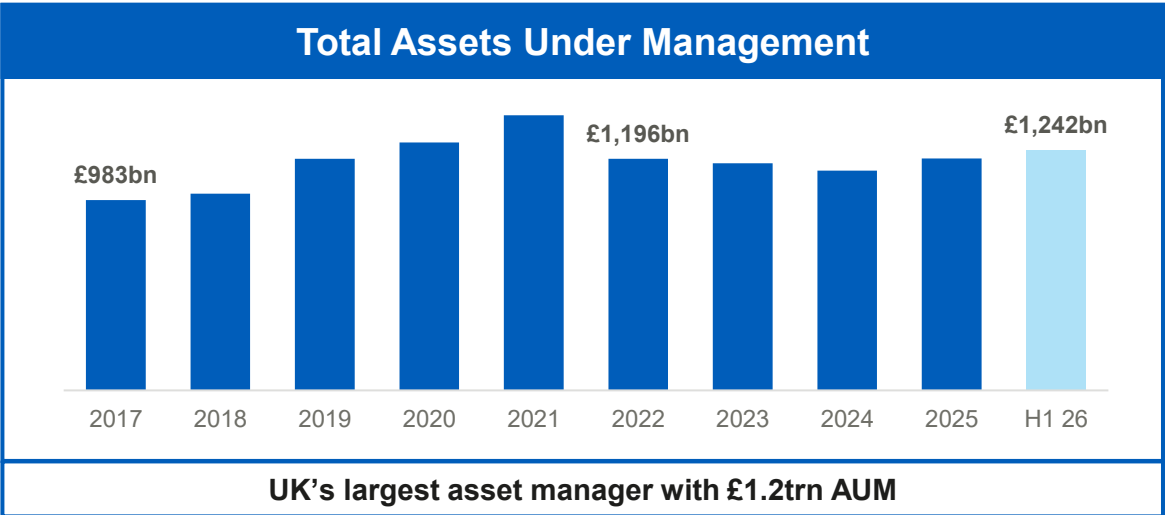
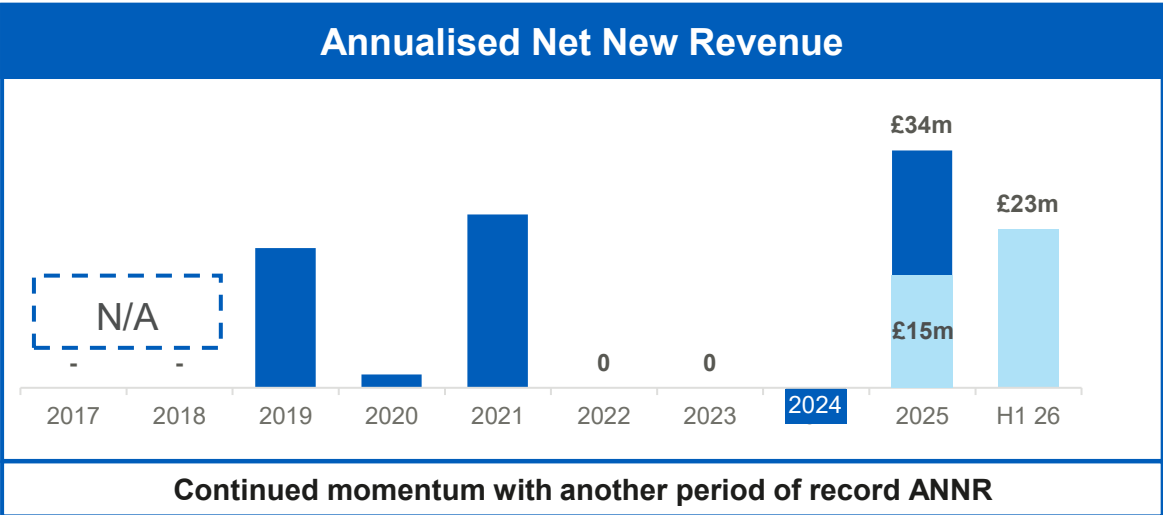
Key takeaways

Revenue growth outpacing costs as strategic success converts into profitable growth

High-quality fee-based earnings becoming a higher proportion of asset management profits.
Less noise from investment variance

Strong ANNR shows continued momentum in shift to higher margin products

Asset Management

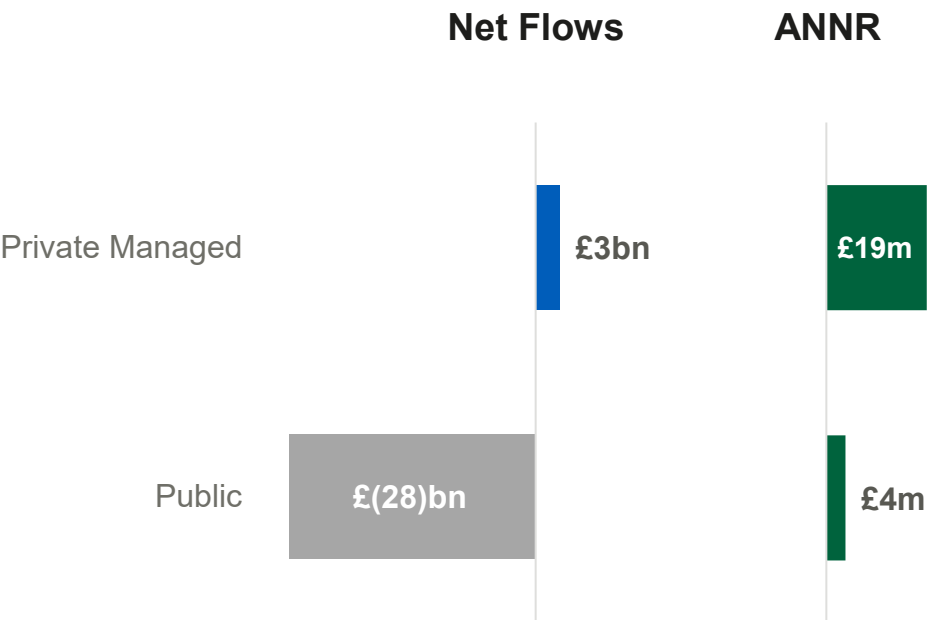


¹ 2016-2022 cost-income ratio predates the creation of L&G Asset Management and represents L&G Investment Management only.

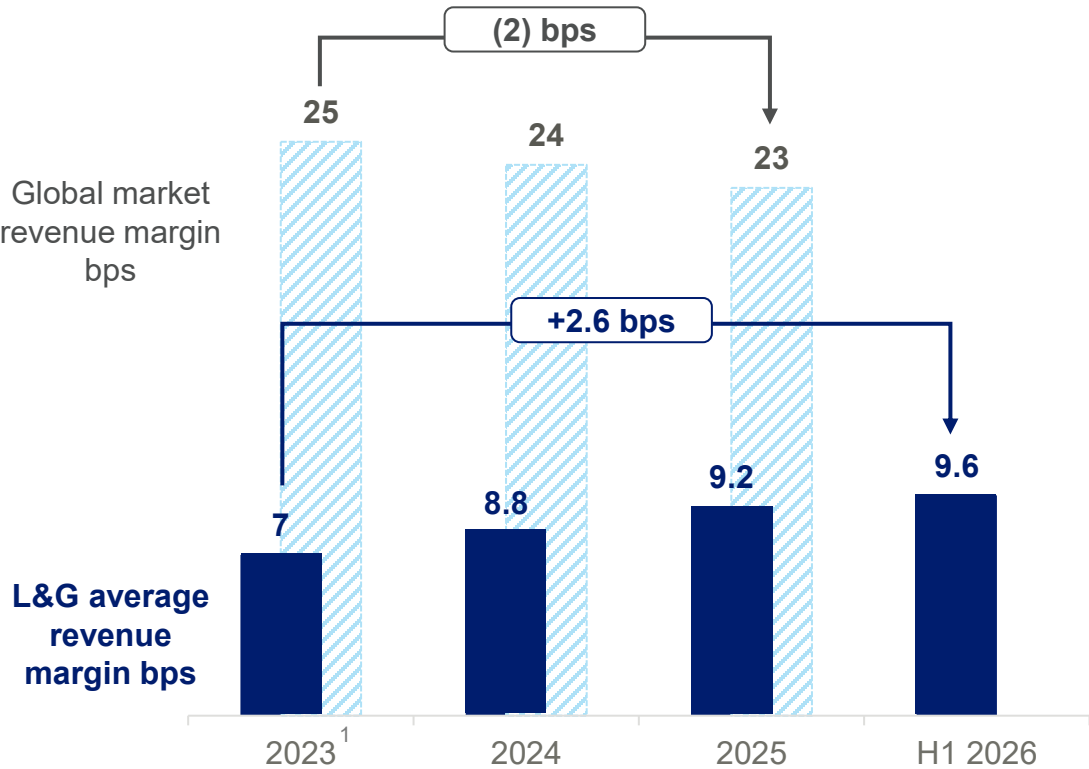
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Accelerating ANNR with a shift to higher margins

Positive ANNR growth across both public and private markets despite net outflows

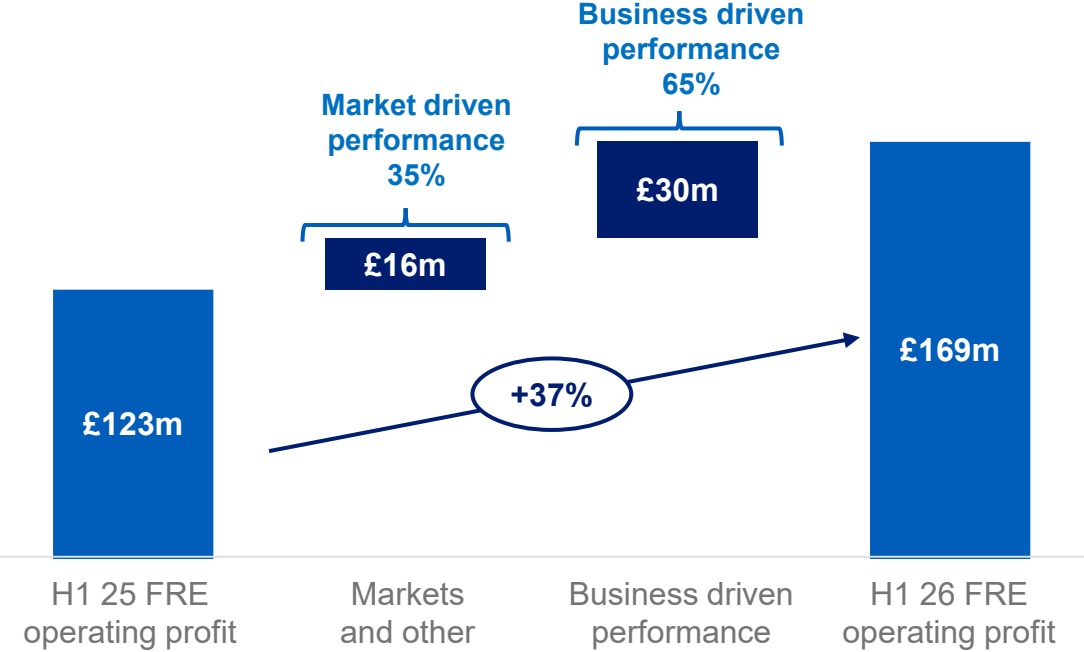


Shift to higher revenue margin products despite industry-wide fee compression

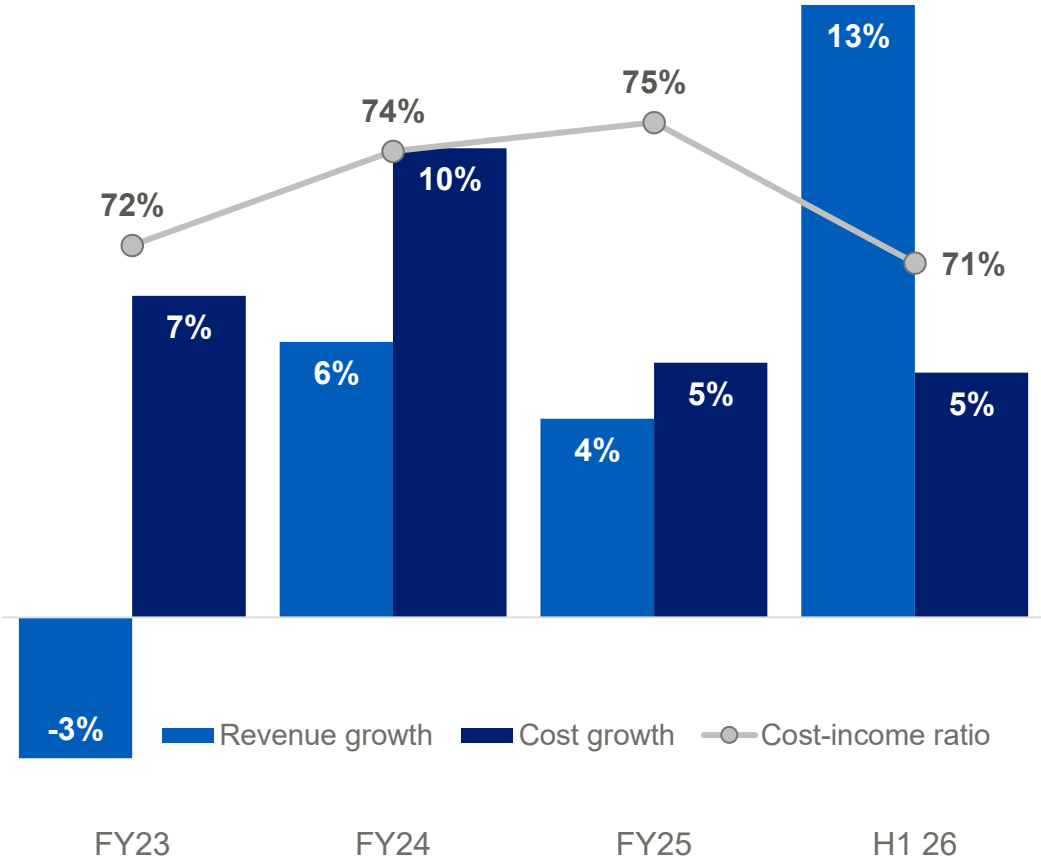


Cost income ratio improving as investments take effect

We have managed underlying costs down year on year and generated ANNR to drive business performance



Declining cost-income ratio as revenue and cost jaws widen



Retail

Financial Highlights (£m)	H1 2025	H1 2026	Change (%)
CSM Release	182	189	4%
RA Release	37	36	(3)%
Expected Investment Margin	85	92	8%
<i>o/w Asset Optimisation</i>	<i>47</i>	<i>61</i>	
Expenses and other variances ¹	(44)	(55)	25%
Workplace administration ²	(23)	(14)	
Operating Profit	237	248	5%
Investment Variance	(74)	(50)	(32)%
M&A and restructuring	0	0	
Profit Before Tax	163	198	21%
Annuities new business margin	4.6%	5.4%	+0.8%pts
Protection new business margin	8.0%	10.9%	+2.9%pts
Workplace DC AUA (£bn)	101	128	27%

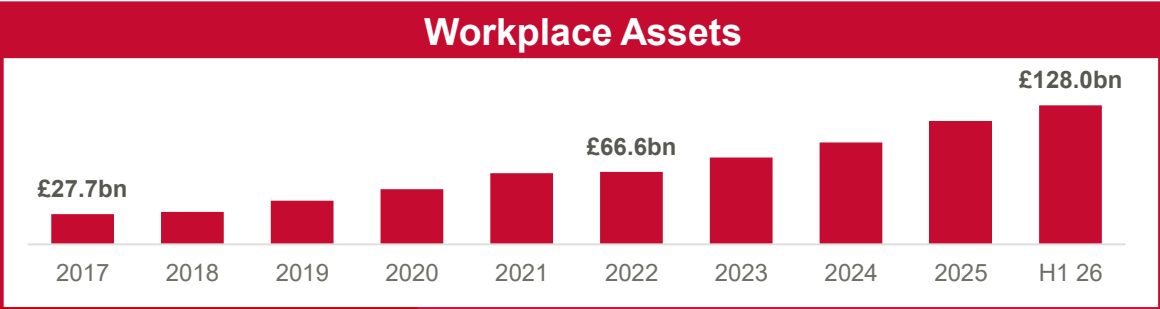
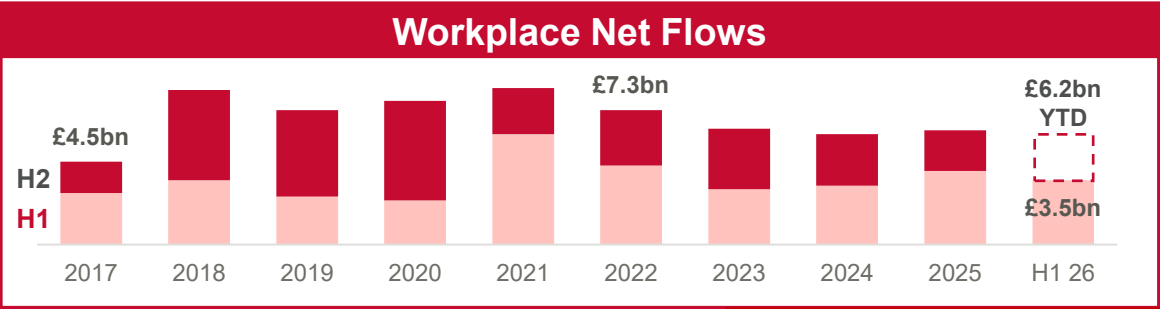
Key takeaways

Growth in release from CSM reflecting strong underlying growth and increase in asset optimisation profits, managed jointly with PRT

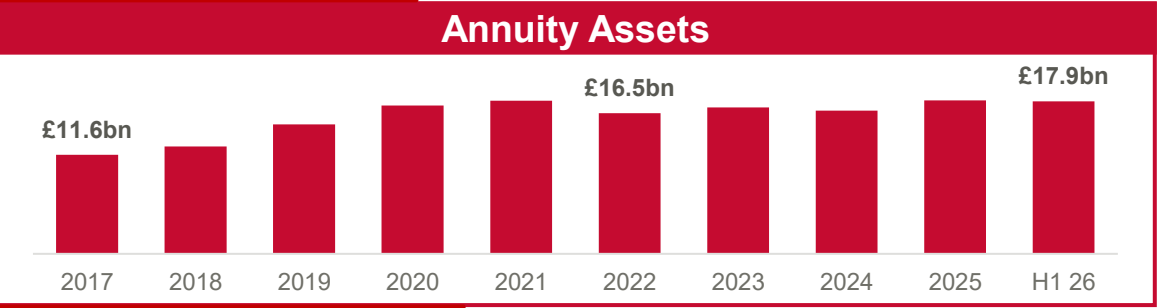
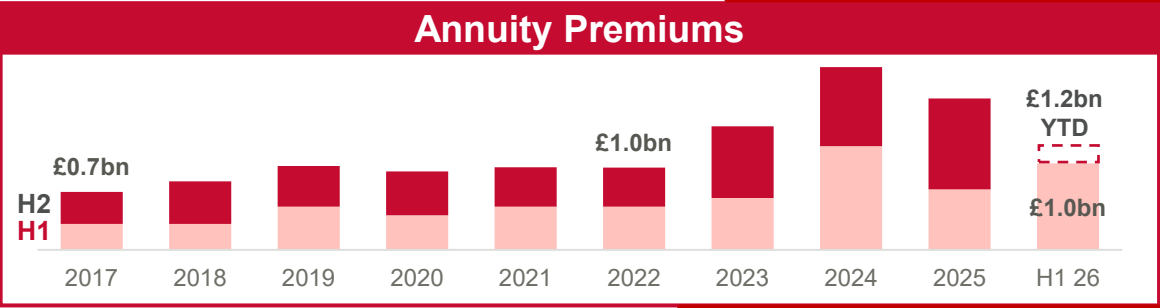
Increased new business margins on Protection and Retail annuities

Strong growth in Workplace AUA
Workplace administration losses reduced despite increased investment (£25m) in H1

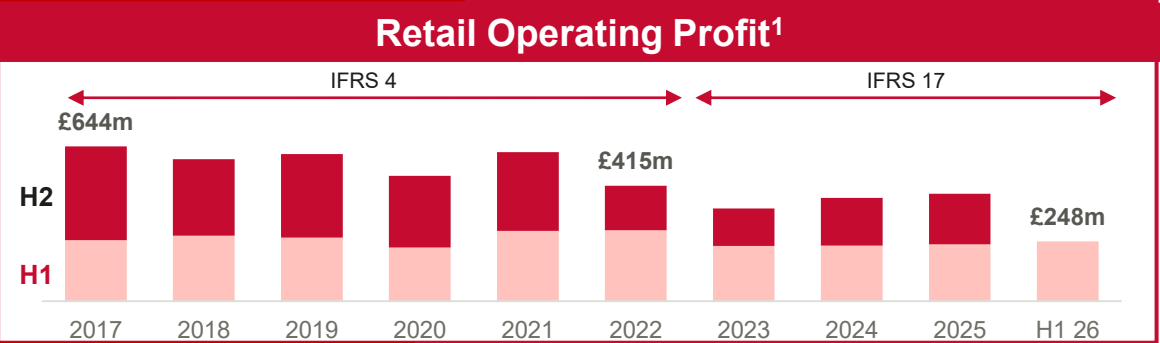
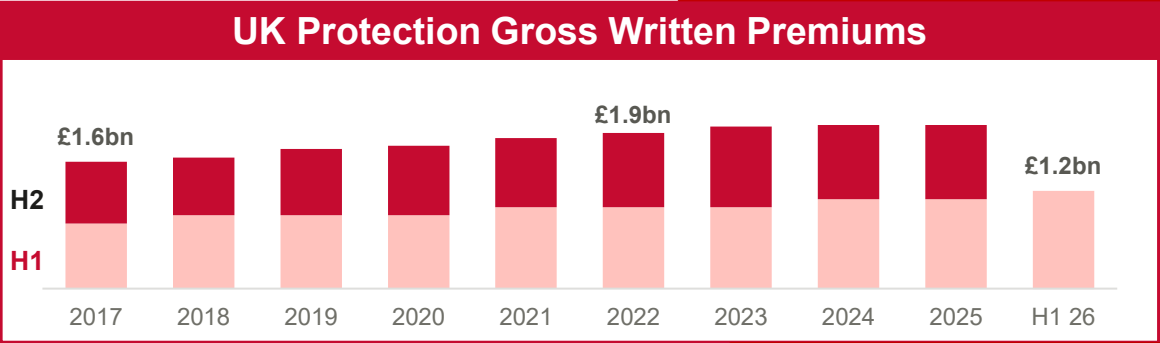
Retail



Workplace flows drive 20% AUA CAGR over the last decade



Market leader in the structurally growing individual annuity market



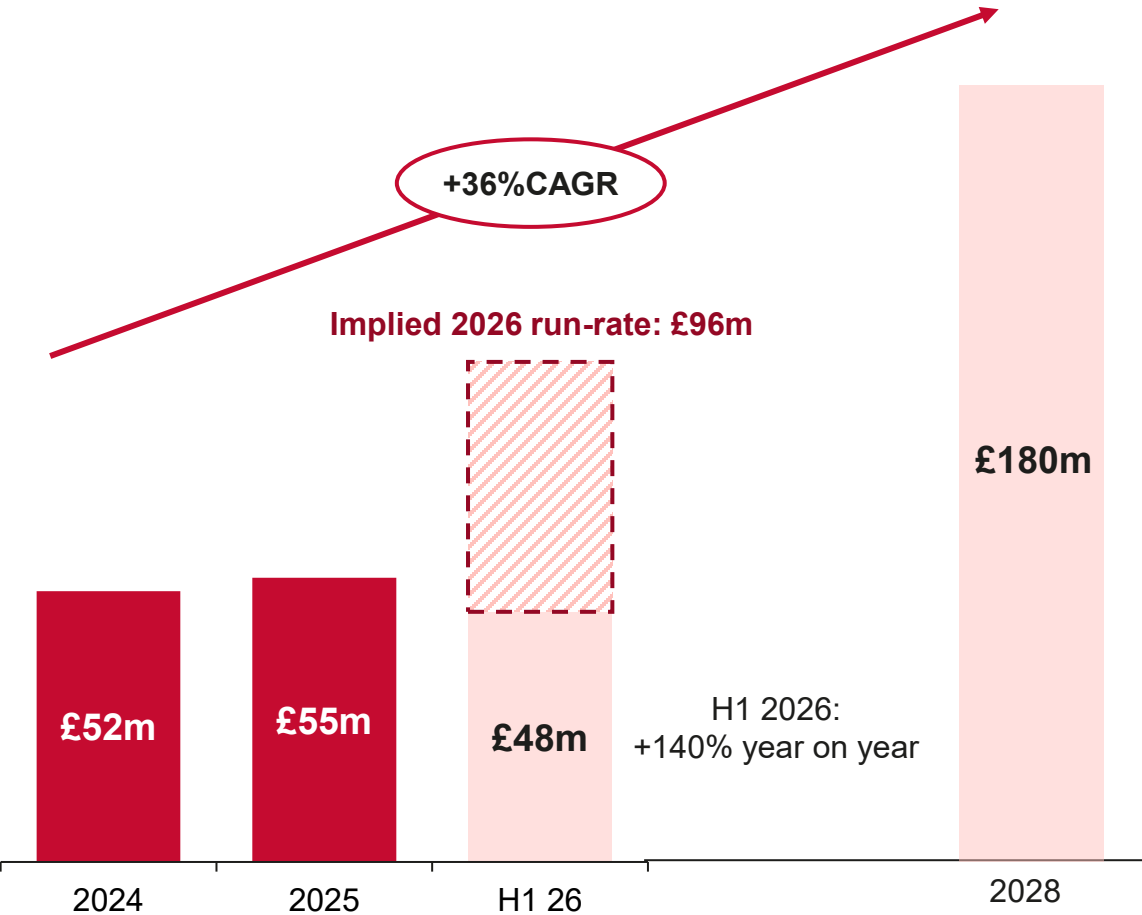
Steady growth in protection GWP supports steady earnings



¹ 2017-2023 Operating Profit includes US Protection

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Driving scale to treble our end-to-end Workplace profits



Combined Asset Management and Retail profits from DC to triple to £180m by 2028

Major long-term growth driver for L&G

>10% YoY Revenue growth

Leveraging scale to open jaws as revenue growth > cost growth



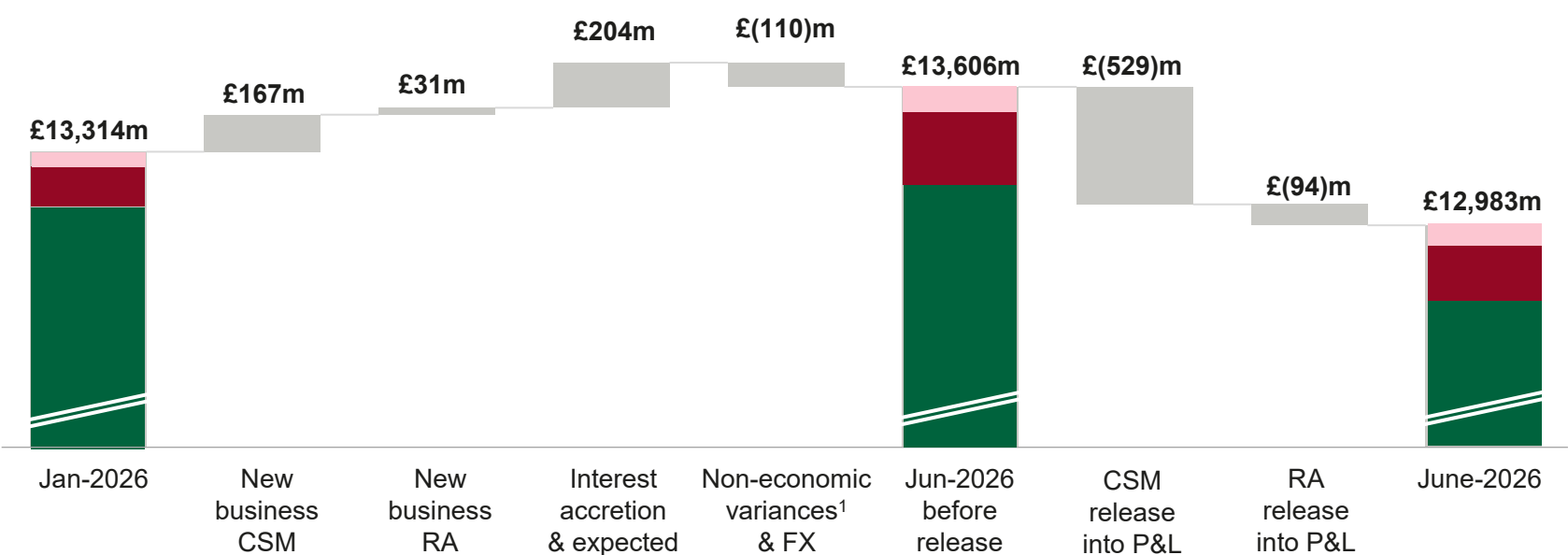
Note: End-to-end Workplace profits covers Retail Workplace DC and associated Asset Management performance, excluding Retail wide investment spend.

Drivers of Investment Variance

Insurance Business (£m)	FY24	FY25	H1 26	
Modelling & assumption changes	(214)	(285)	63	Largely driven by IFRS17 accounting using locked-in discount rate when business written
Market impacts on Assets and Liabilities	(362)	105	(344)	
Reinsurance mismatches ¹	(17)	28	9	Market moves, including bond yields, inflation, mark to market on property assets, etc.
Shareholder and CIU assets (£m)				
In-year vs long-term expected returns	(224)	(240)	(13)	Substantially smaller after reset at FY25
Asset revaluations	(322)	(304)	29	
Other Investment Variance ²	(57)	(75)	16	
Investment Variance	(1,196)	(771)	(240)	

Change in store of future profit: H1 26

Analysis of change in store of future profit

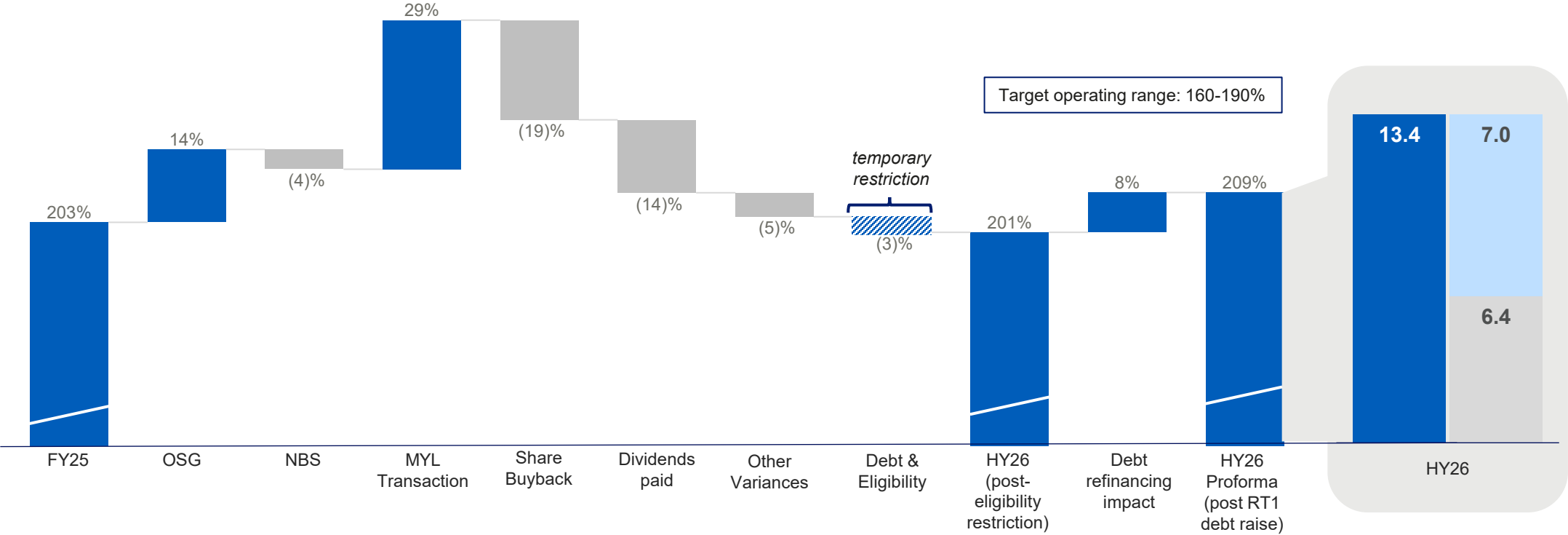


Underlying -1%
CSM down -2%

Store of profit remains
significant, delivering reliable
future earnings

Future profit shifts towards
asset optimisation under
sovereign-based investment
strategy

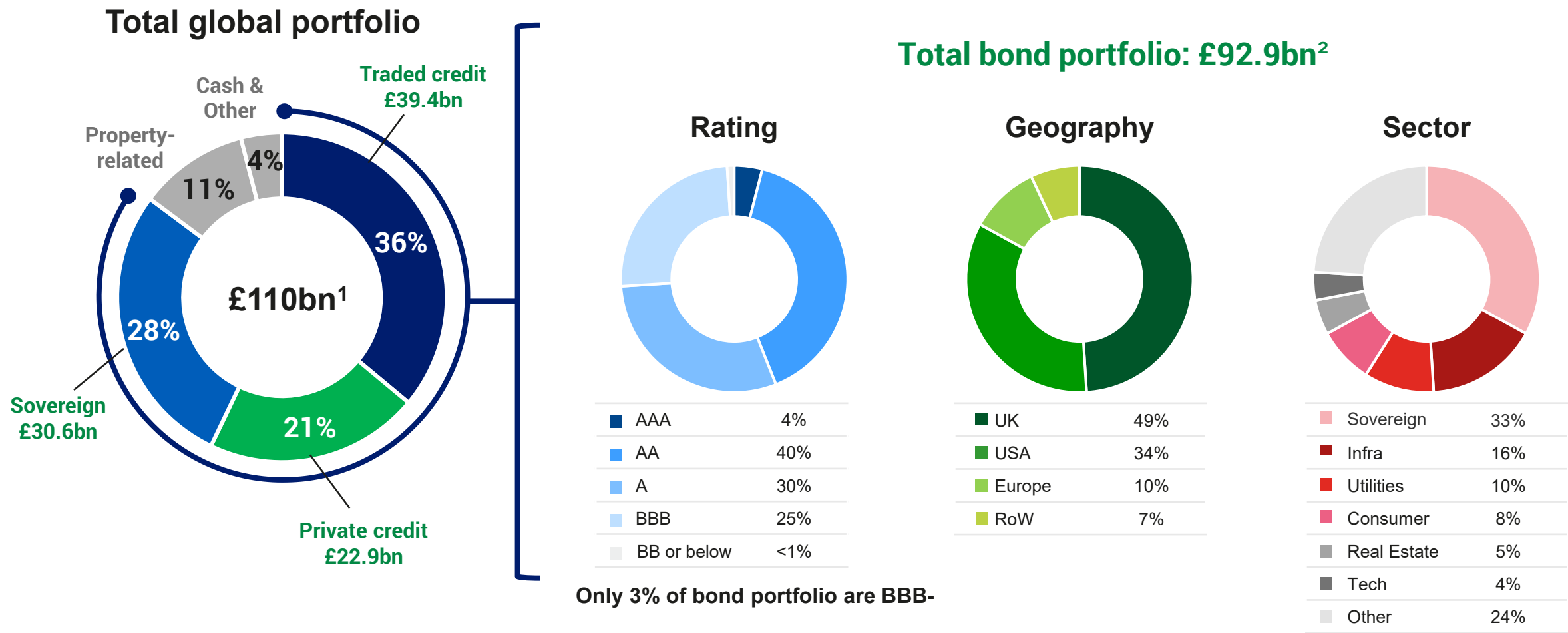
Solvency II: H1 26 movements



<u>£m</u>											
Own Funds	13,814	647	87	640	(1,206)	(886)	3	(196)	12,903	495	13,398
SCR	6,807	(143)	164	(547)	-	-	141	-	6,422	0	6,422
Surplus	7,007	790	(77)	1,187	(1,206)	(886)	(138)	(196)	6,481	495	6,976

- Own Funds
- Capital Requirement
- Surplus

High-quality, well managed, diversified annuity portfolio

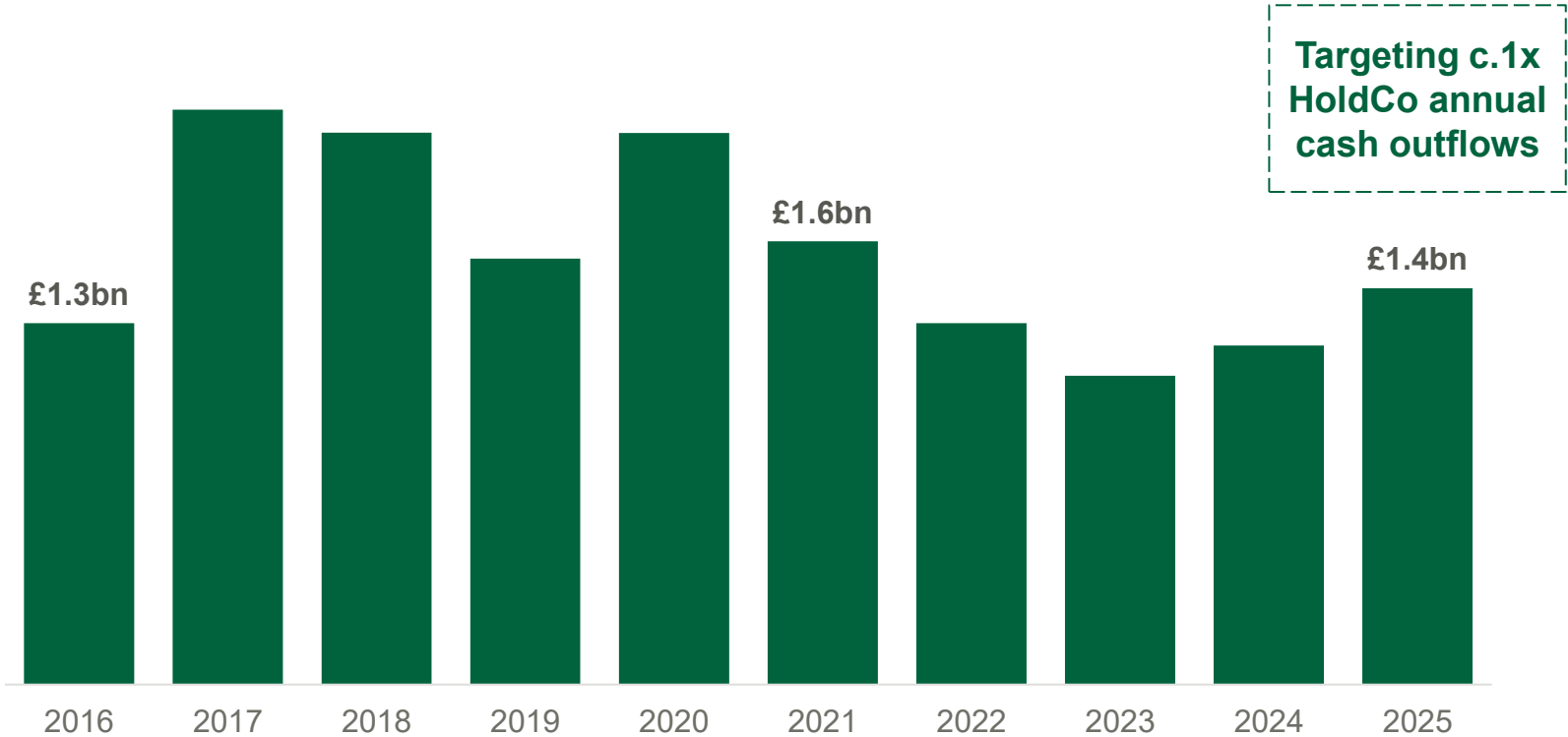


¹ Annuity Assets of £90.9bn include £(19.0)bn of net derivatives and non-financial assets.
² Total bond portfolio represents traded credit, private credit and sovereigns.

Cash stock as a core strength metric



Cash at Holdco has remained stable
providing a strong liquidity position



¹ Holdco consists of Legal & General Group plc and the Group's financing company, Legal & General Finance Plc, who provide funding across the Group.
² Cash stock consists of cash and cash equivalents and liquid investments such as liquidity funds and reverse repurchase agreements.



Outlook



H1 26 Group Financial headlines

	H1 25	H1 26	
Core Operating Profit (£m)	£859m	£918m	+7%
Core Operating Earnings Per Share (p)	10.94p	12.15p	+11%
Dividend Per Share (p)	6.12p	6.24p	+2%
Solvency II Operational Surplus Generation¹ (£m)	£766m	£790m	+3%
Solvency II OSG per share¹ (p)	13.24p	14.16p	+7%
Solvency II Capital Coverage Ratio²	203% ²	201%	

Positioned to capture global shifts in retirement savings



Golden PRT decade(s)

£1.0 trn

Global PRT flows
over next decade



Global leader in PRT



**Defined Contribution
accelerating**

£1.5 trn

UK DC assets by 2034
(2024: £0.8trn)



**Fastest growing
UK Workplace platform**



**Savers seeking to
secure income**

£20bn

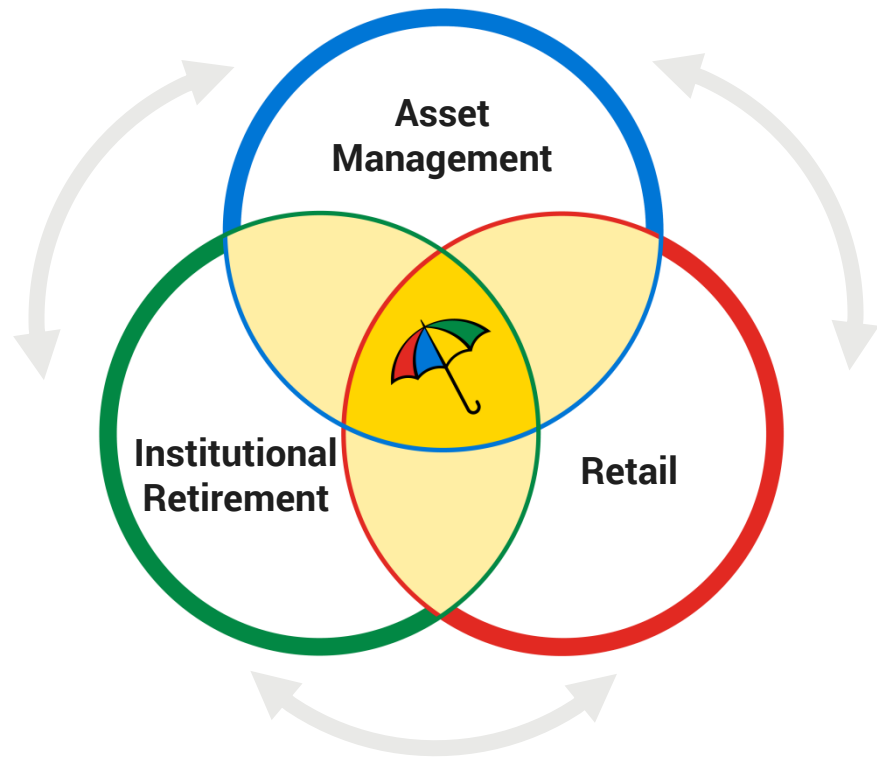
UK annuity flows by 2034
(2025: £8bn)



**#1 open market
Retail annuity provider**

Value creation through Insurance and Workplace + controlled flows into Asset Management

A simpler, more connected L&G to accelerate growth



**More opportunities for efficiency across L&G
with work already underway**



Reinvest savings selectively with short payback periods



Drive competitiveness and accelerate growth



**Early success:
Asset Management Cost Income ratio now at 71%**

We will provide regular updates on our efficiency progress

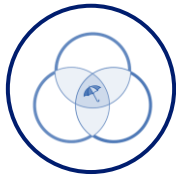
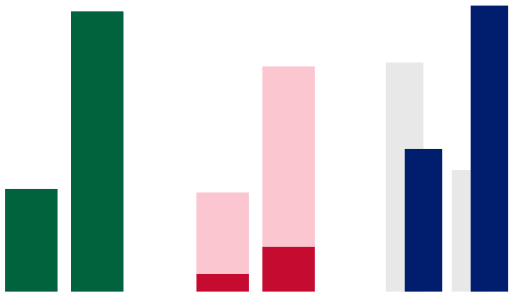
‘On track’ to deliver against our targets

			Tracking against CME targets and ambitions
Group	Core Operating EPS CAGR ¹ (FY24-27)	6-9%	ON TRACK
	Operating Return on Equity (2025, 2026, 2027)	>20%	AHEAD
	Cumulative capital generation ² (2025, 2026, 2027)	£5-6bn	ON TRACK
Institutional Retirement	UK PRT (2024-2028)	£50-65bn	ON TRACK
	UK PRT strain (2024-2028)	<4%	AHEAD
	Operating Profit CAGR (FY23-28)	5-7%	ON TRACK
Asset Management	Operating Profit (2028)	£500-600m	ON TRACK
	Cumulative ANNR (2025-2028)	£100-150m	ON TRACK
	Private Markets AUM ³ (2028)	£85bn+	AHEAD
Retail	Net flows Workplace DC (2024-2028)	£40-50bn	ON TRACK
	Operating Profit CAGR (FY24-2028)	4-6%	ON TRACK

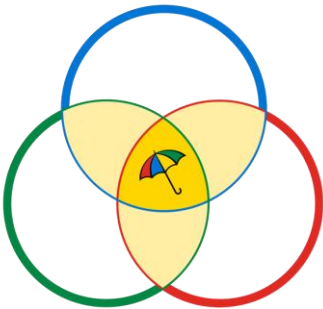
Clear reasons to invest in L&G



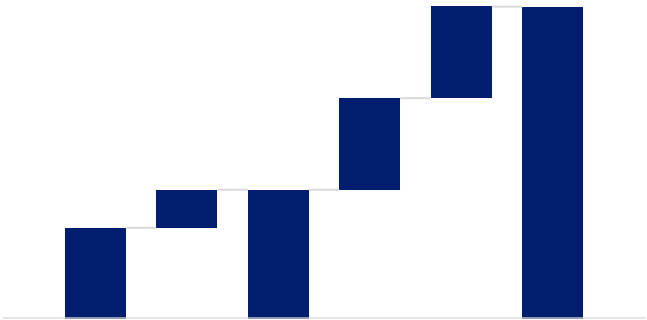
**Leading businesses
in growing markets**



**Synergistic
business model**



**Attractive, sustainable, and
growing capital returns**



Q3 trading update announcement

16th November 2026

L&G will provide a Q3 trading update and regular quarterly trading updates thereafter.

Next scheduled market update following H1 26 results.

Q&A

António Simões, Group CEO

Andrew Kail, Group CFO

Laura Mason, CEO Retail

Eric Adler, CEO Asset Management

Gareth Mee, CEO Institutional Retirement

Andy Sinclair, Chief Strategy and IR Officer



Thank you

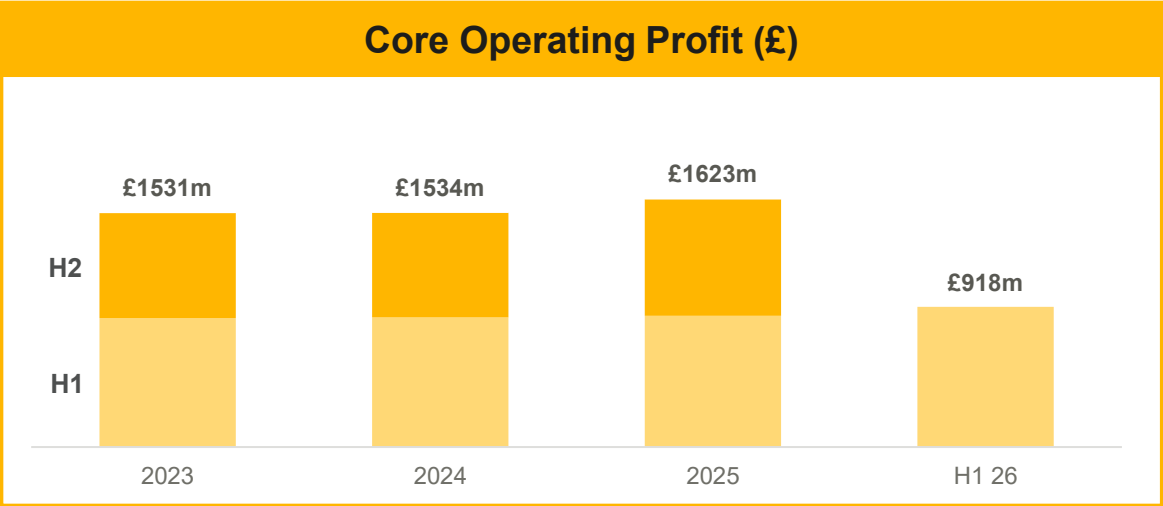
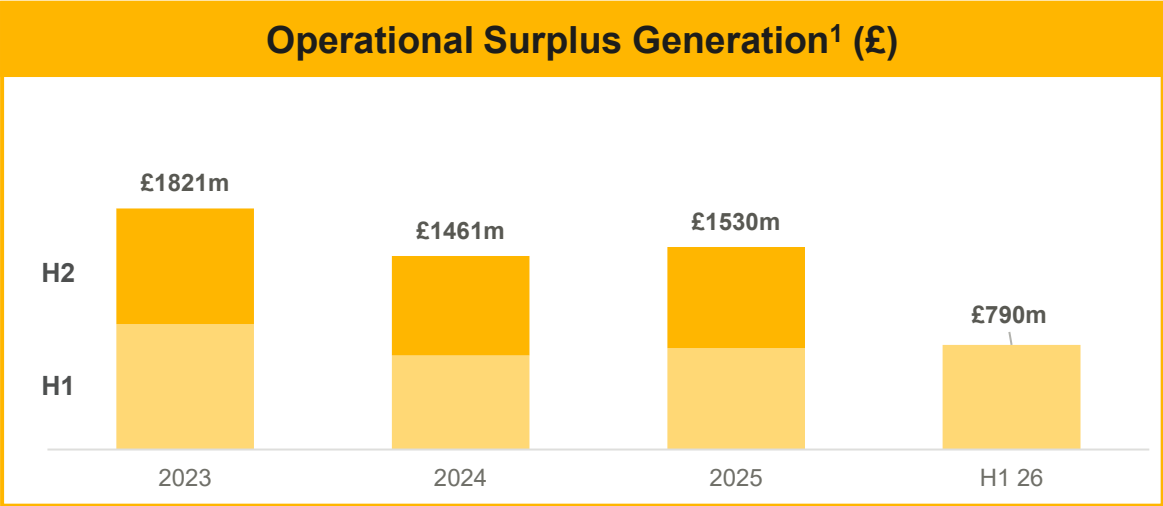
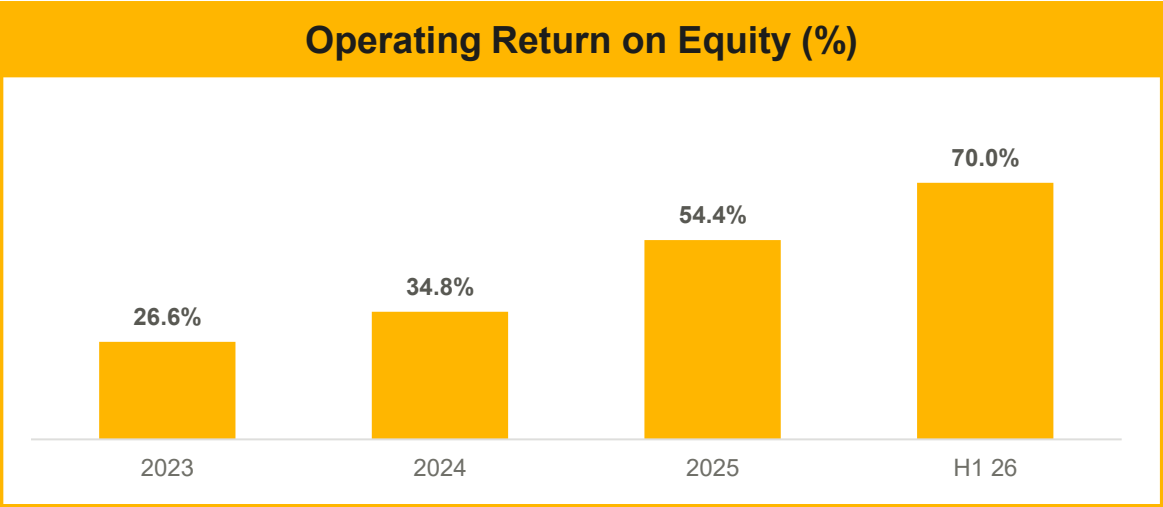
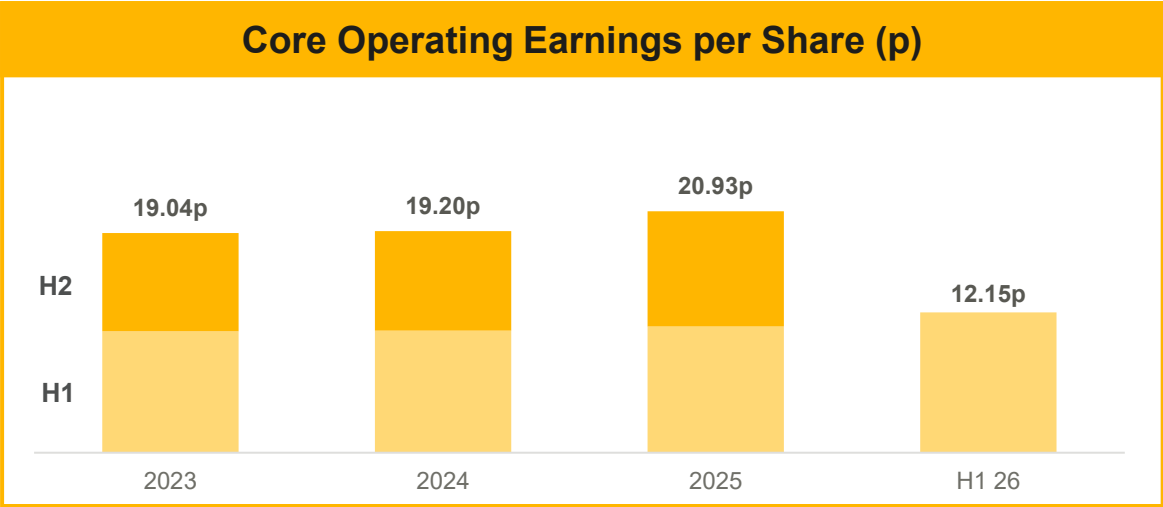
Quarterly trading update: 16 November 2026



Appendix



Key metrics: Group



H1 26 P&L

£m	H1 25	H1 26	Growth %
Analysis of core operating profit			
Institutional Retirement	618	646	5
Asset Management	202	222	10
Retail	237	248	5
Group debt costs	(112)	(114)	(2)
Group investment projects and expenses	(86)	(84)	2
Core Operating Profit	859	918	7
Non-retained US business	22	-	(100)
Corporate Investment Unit	24	2	(92)
Operating Profit	905	920	2
Investment variance	(456)	(240)	(47)
M&A and restructuring	(57)	1,322	2,419
Profit Before Tax attributable to equity holders	406	1,997	392
Core Operating EPS	10.94	12.15	11
Dividend Per Share	6.12	6.24	2



Divisional OSG



OSG by business – Own Funds and SCR

OSG from continuing businesses ¹	H1 2025			H1 2026		
	Own Funds	SCR	Surplus	Own Funds	SCR	Surplus
Institutional Retirement	410	34	444	390	72	462
<i>Of which asset optimisation</i>	72	(3)	69	96	10	106
Retail	127	17	144	141	26	167
<i>Of which asset optimisation</i>	18	(1)	17	26	3	29
Asset Management - Fee	118	(4)	114	156	(13)	143
Asset Management - Balance Sheet Investments	64	(27)	37	60	(14)	46
Central Costs	(138)	1	(137)	(134)	-	(134)
Divisional OSG	581	21	602	613	71	684
Management Actions	88	31	119	29	71	100
Total Operational Surplus Generation²	669	52	721	642	142	784



Note: Rounding impacts can cause sum of rounded numbers to be +£1/-£1m different to unrounded.

¹ Excludes TMTP amortisation of £37m in H1 2026 and £37m in H1 2025.

² Excludes OSG from CIU (H1 2026: £6m, H1 2025: £45m) and discontinued operations.



Our Annuity Portfolio

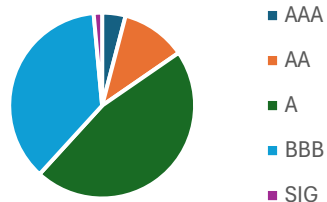


Strong resilience across credit scenarios

Credit Default

Losses are significant but manageable relative to Group earnings capacity

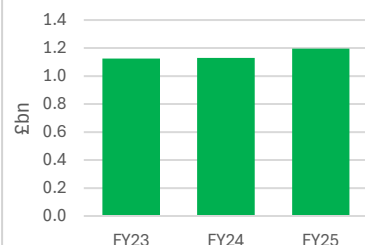
Annuity credit risk assets by rating¹



The vast majority of L&G's credit portfolio is investment grade.

Under a severe default scenario², the impact is **c.£0.2bn p.a.** of Solvency II Own Funds / IFRS earnings losses. This represents less than 20% of the Group's 2025 basic core operating earnings, demonstrating the resilience of the business model to credit default stress.

Basic Core Operating Earnings



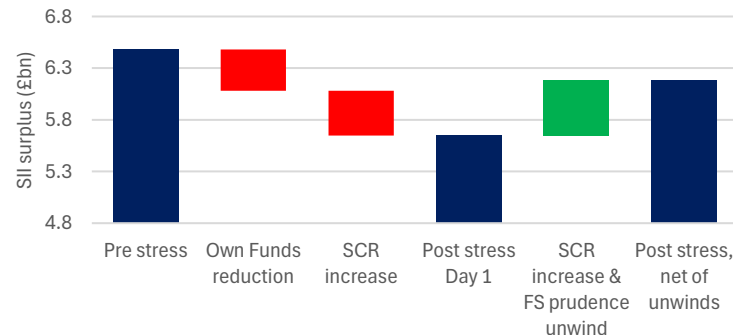
Credit Downgrade

Impacts are largely temporary, with limited economic loss

Under a scenario where 20% of the credit assets downgrade by 1 big letter, the immediate solvency impacts are:

- Reduction in Own Funds as downgrades increase SII fundamental spreads (FS) in the matching adjustment calculation;
- Increase in SCR as credit risk charges rise.

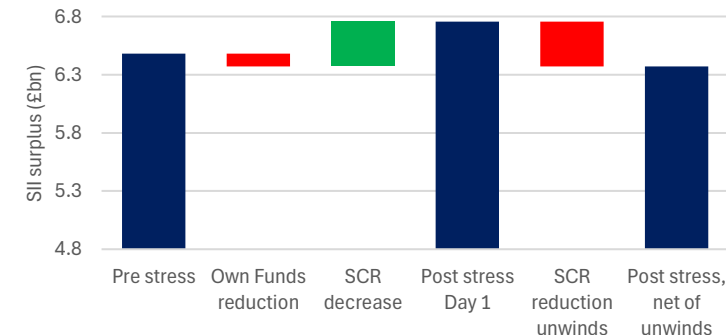
Most of the Day 1 impact reverses through the release of FS prudence and the unwind of additional SCR in future years.



Credit Spread

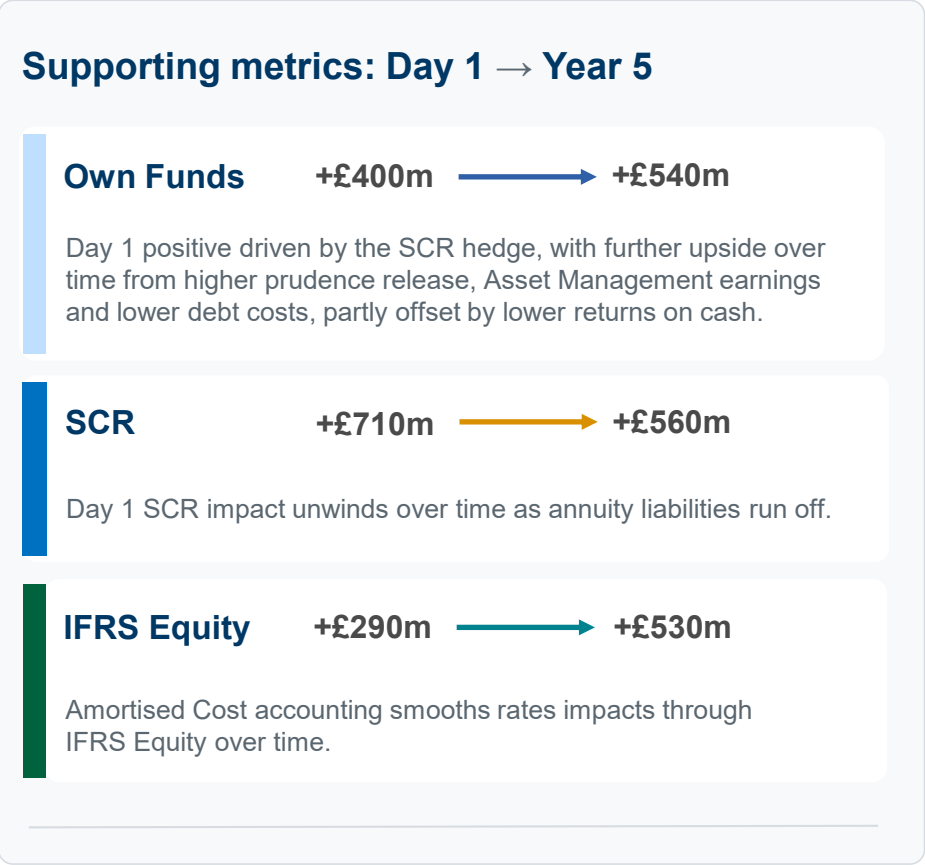
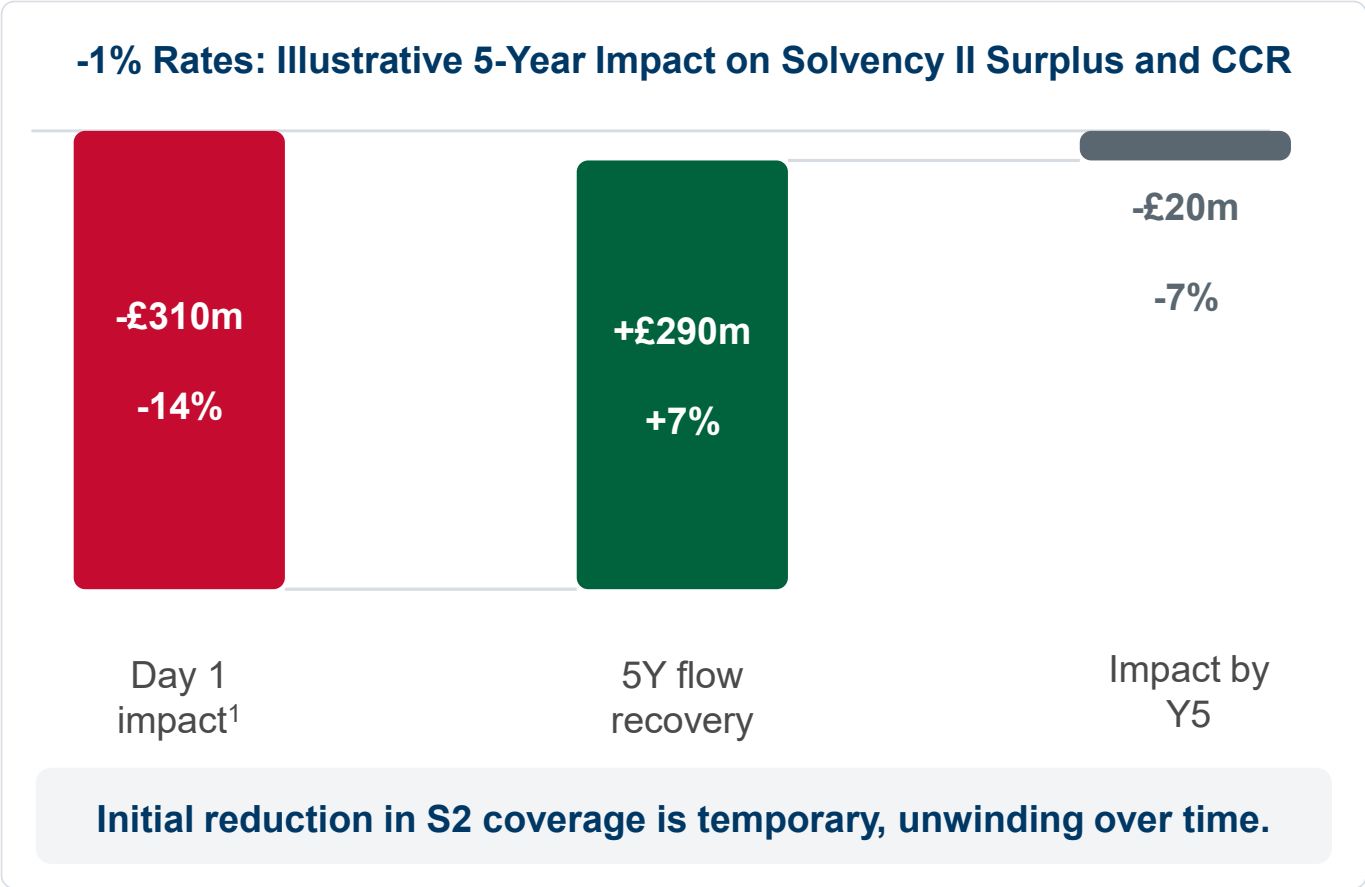
Spread widening impacts are mitigated by liability matching and temporary solvency support

A 100bps credit spread widening produces only a modest economic impact due to strong asset-liability matching. The reduction in annuity liabilities substantially offsets the fall in asset values, limiting the effect on Own Funds. A larger reduction in SCR results in a favourable Day 1 solvency impact, though this capital benefit largely unwinds over time.



The ‘stock’ and ‘flow’ impacts of lower rates

The Group targets a level of interest rate sensitivity within Own Funds to support sustainable long-term Solvency II capital generation across market scenarios. The hedge level reflects both stock and flow effects (outlined below) and is calibrated within the Group's Solvency II operating range and leverage framework and broader financial risk profile.



1. Solvency II sensitivity is based on HY26 disclosures but excluding impacts on Tier 2 debt eligibility. The IFRS Equity sensitivity shown reflects the latest disclosed FY25 position adjusted for the sale of the US protection business.
Notes. 5-year flow impacts are illustrative only and reflect the direct impact of interest rate movements on our balance sheet. Actual outcomes will vary as other factors evolve.

Concerns on credit risk exposure overblown

Investor Concerns on Credit

What it means for L&G

Spread widening



We can generate increased earnings when spreads widen - upside potential

Downgrades



We actively monitor and manage the portfolio within our risk limits and to manage the capital position of the business

Defaults



99% Investment Grade and strong track record
L&G have received 99.9% of cashflows since 2008

Rotating out of gilts creates strain / is costly



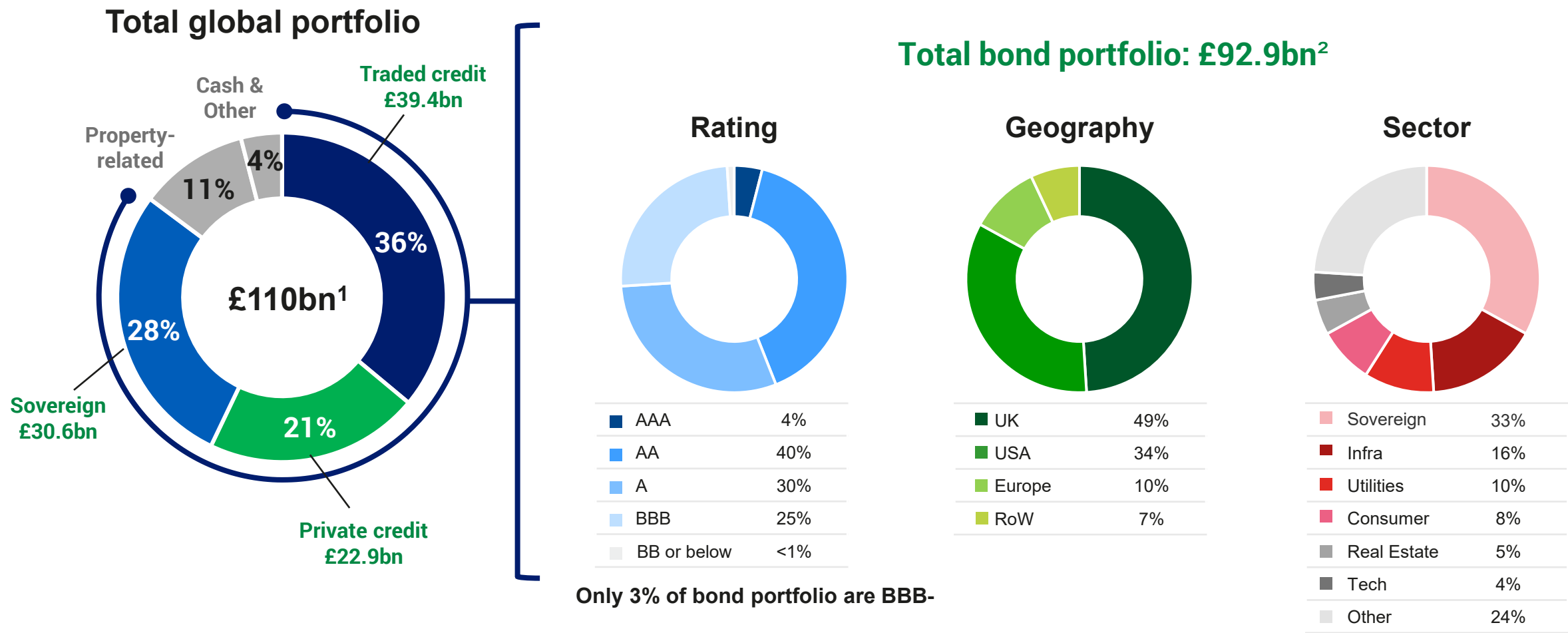
In a moderate spread widening scenario, we would expect to be able to meet our IRR hurdles.
In a severe spread widening scenario, we can rotate strain neutral

Private credit exposure is very risky



Our portfolio of credit is long-dated, fixed rate and investment grade

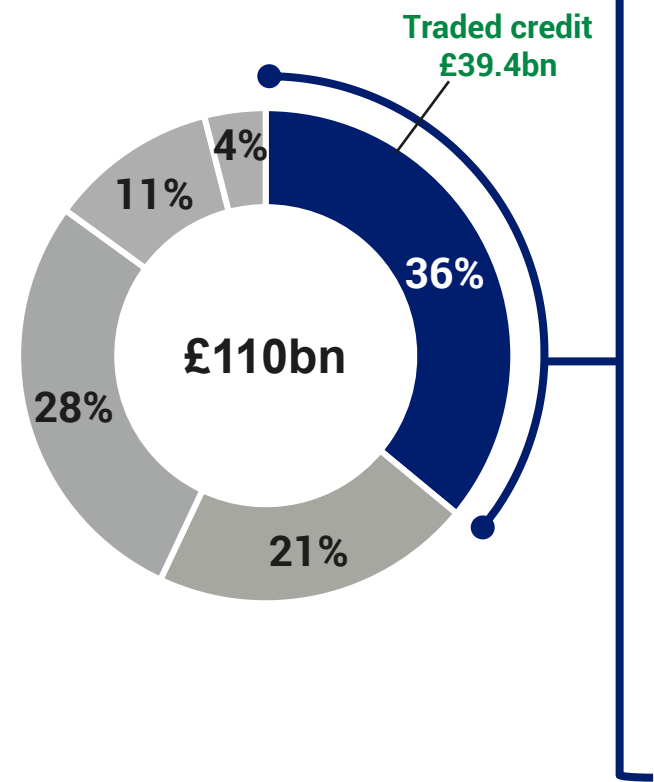
High-quality, well managed, diversified annuity portfolio



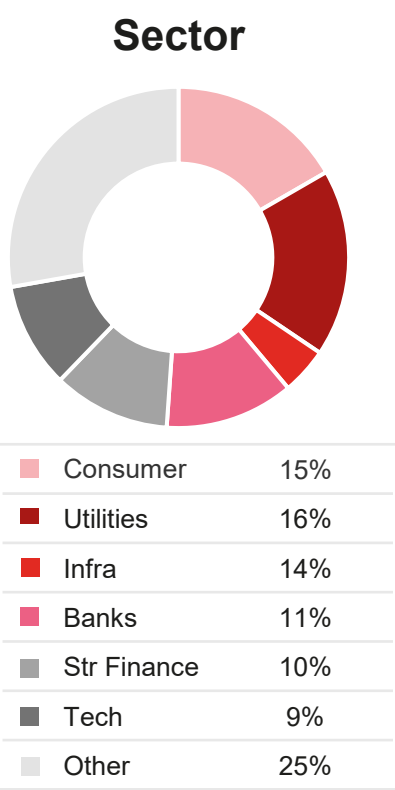
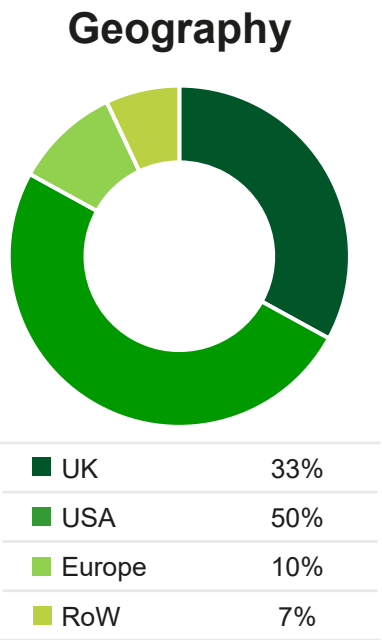
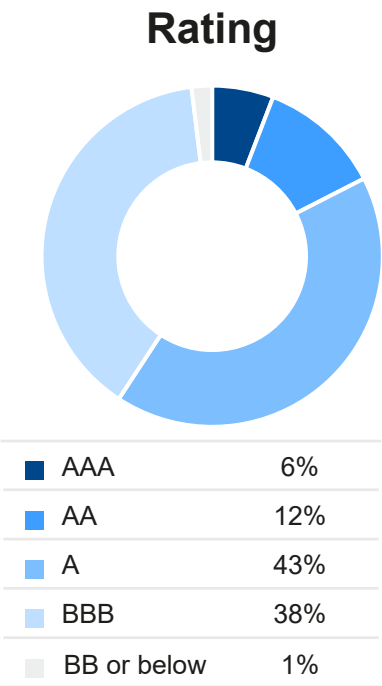
¹ Annuity Assets of £90.9bn include £(19.0)bn of net derivatives and non-financial assets.
² Total bond portfolio represents traded credit, private credit and sovereigns.

Traded credit: international/defensive/counter-cyclical

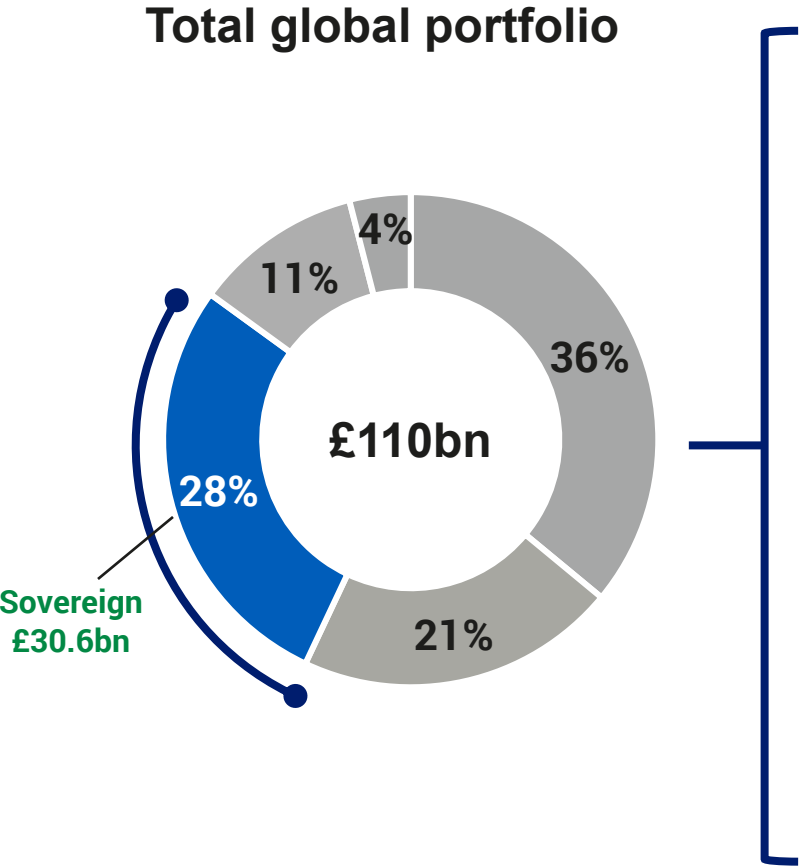
Total global portfolio



Traded credit portfolio: £39.4bn

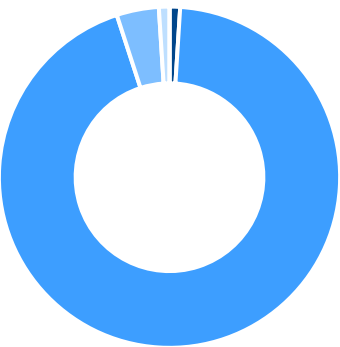


Sovereign portfolio



Sovereign portfolio: £30.6bn

Rating



■ AAA	1%
■ AA	94%
■ A	4%
■ BBB	1%
■ BB or below	0%

Geography



■ UK	69%
■ USA	27%
■ Europe	2%
■ RoW	2%

IG credit rarely defaults and spreads far exceed default rates



L&G have had no defaults since 2009 with only £24m of defaults in 2008

Defensive traded credit BBB exposure

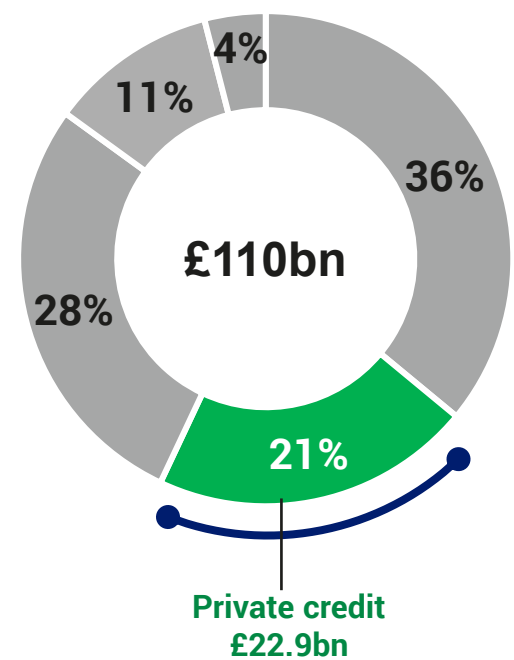
Annuity Portfolio backing Global Annuities: Top 10 traded credit BBB exposure

	Ultimate Parent	Sector	Country of Risk	Investment Value (£m)
1	Kelda Holdings Ltd	Utilities	UK	282
2	Oracle Corp	Communications & Technology	USA	231
3	United Utilities Group PLC	Utilities	UK	209
4	CK Hutchison Holdings Ltd	Utilities	UK	178
5	FGP TopCo Ltd	Economic Infrastructure	USA, Germany	169
6	Luppiter Consortium Ltd	Utilities	UK	162
7	Daiwater Investment Ltd	Utilities	UK	157
8	National Grid PLC	Utilities	UK	156
9	TC Energy Corp	Energy	USA, Canada	148
10	Freshwater Finance PLC	Utilities	UK	148
				£1,840m

8% of BBB portfolio

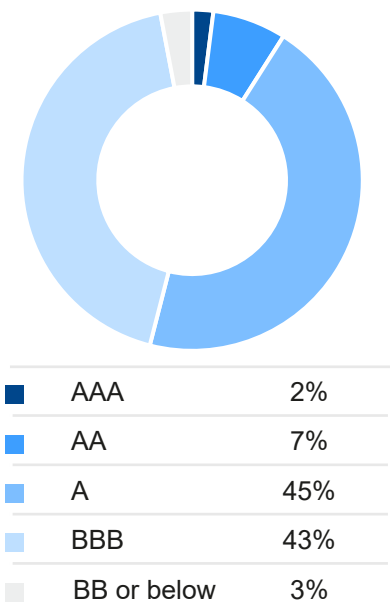
Private Credit: our portfolio is high quality

Total global portfolio

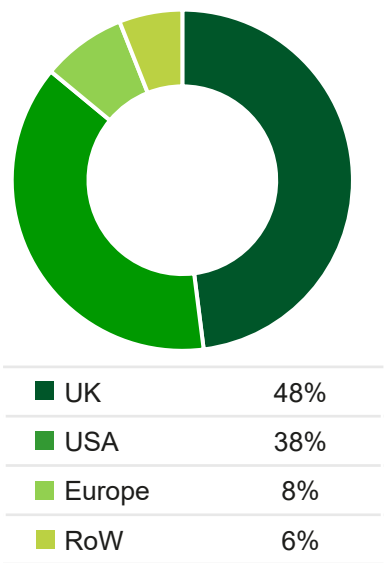


Private credit portfolio: £22.9bn

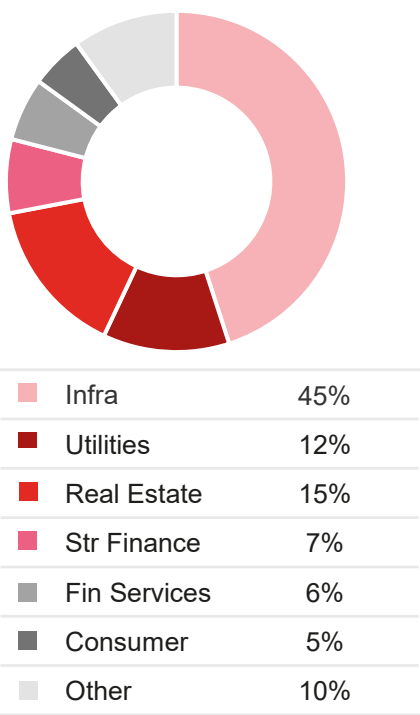
Rating



Geography



Sector



Private Credit exposures are not inherently more risky

Investor Concerns on Credit

L&G's Private Credit Portfolio

Systemic Risk

Investment grade with carefully managed risk limits

Exposed to US direct lending

The vast majority of our exposure is to private placement type debt, predominantly in UK, almost exclusively IG rated.

High CLO exposure

CLO exposure is c6% of the private credit portfolio. We're only materially exposed to AAA, AA and A tranches, with no sub investment grade.

Internal ratings are not high quality

Robust internal rating validation process; results shared with PRA. Regulatory obligation to ensure comparable standard to an external rating.

No exposure to rating from Egan Jones.

Not regulated

We regularly commission private ratings from the big-3 to validate our results.

Ratings team is independent of asset originators/managers

Our Direct Investments are with high quality counterparties

Annuity Portfolio backing Global Annuities: Top 15 Direct Investments by exposure

Counterparty	Sector	Country of Risk	Year of Investment	Rental Income Note (£m)
1 UK Government	Government	UK	2011-2025	1,932
2 Student Accommodation Provider	Infrastructure	UK	2023	531
3 UK Water 3	Utilities	UK	2025	369
4 UK Corporate Media	Media	UK	2017	368
5 Amazon	Communications & Technology	UK	2018-2020	353
6 UK Railway	Infrastructure	UK	2021	280
7 Moray East Transmission (Wind Farm)	Infrastructure	UK	2024	270
8 Places for People Group Ltd	Infrastructure	UK	2014	267
9 UK Water 2	Utilities	UK	2016-2019	247
10 International Transport & Logistics	Consumer, Non-cyclical	UK	2015-2021	241
11 US Utility	Utilities	USA	2020-2025	240
12 London Residential	Infrastructure	UK	2019	224
13 UK Water 1	Utilities	UK	2016-2019	217
14 Comcast Corp	Communication & Technology	UK	2020	214
15 Magnavale Gamma UK Limited	Real Estate (Debt)	UK	2025	208

Total **£5,961m¹**

Assets are spread between different locations, with long duration cash flows secured against high quality tenants, with limited downside valuation risk e.g. UK Government, Amazon

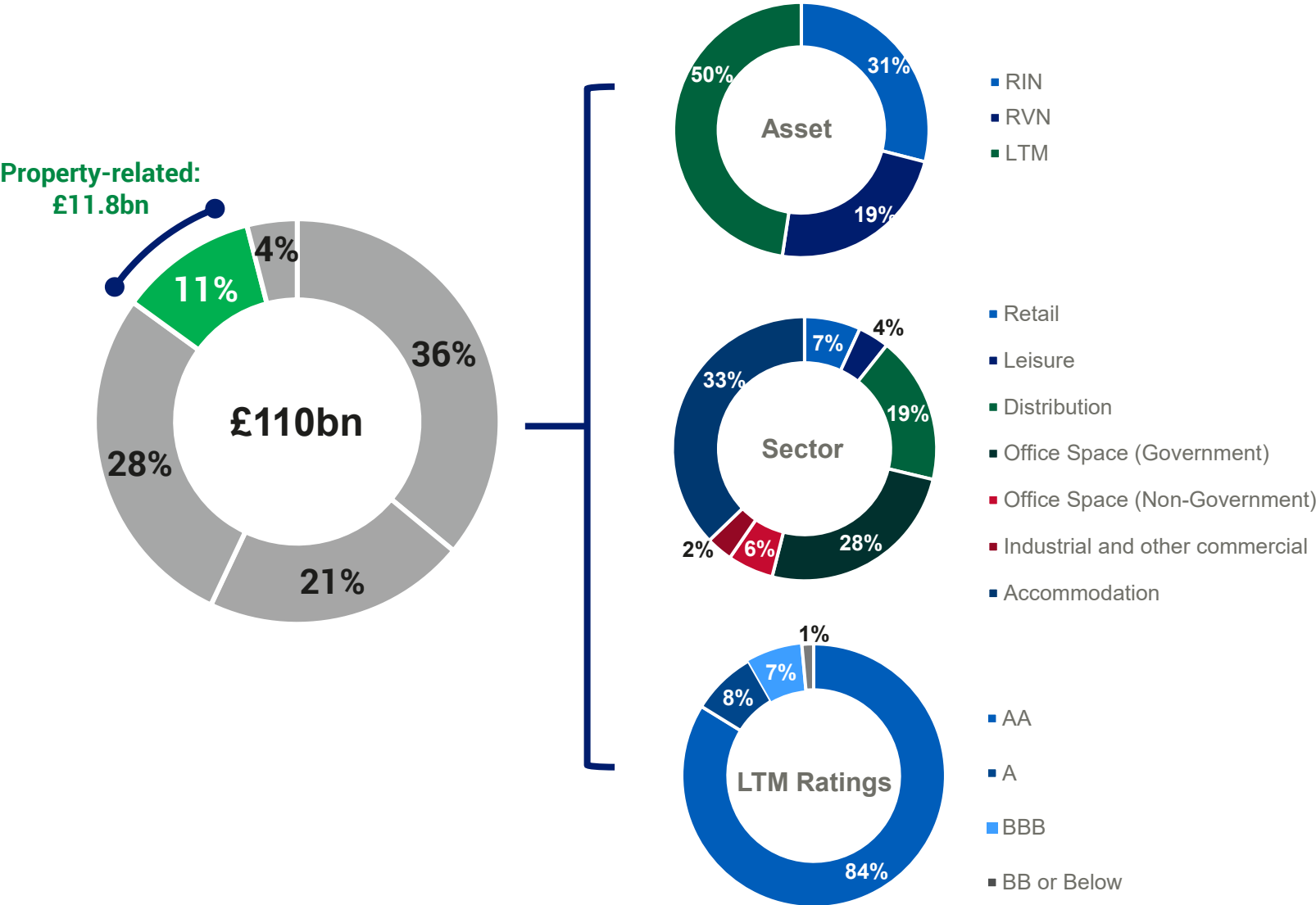
19% of DI portfolio²



¹ Differences exist between this valuation, and accounting valuation reported in Analyst Pack.

² Based on £31bn DI portfolio (excluding Lifetime Mortgages) backing global Annuities.

Direct property exposure in annuity portfolio is limited



Annuity property exposure of £11.8bn comprises:

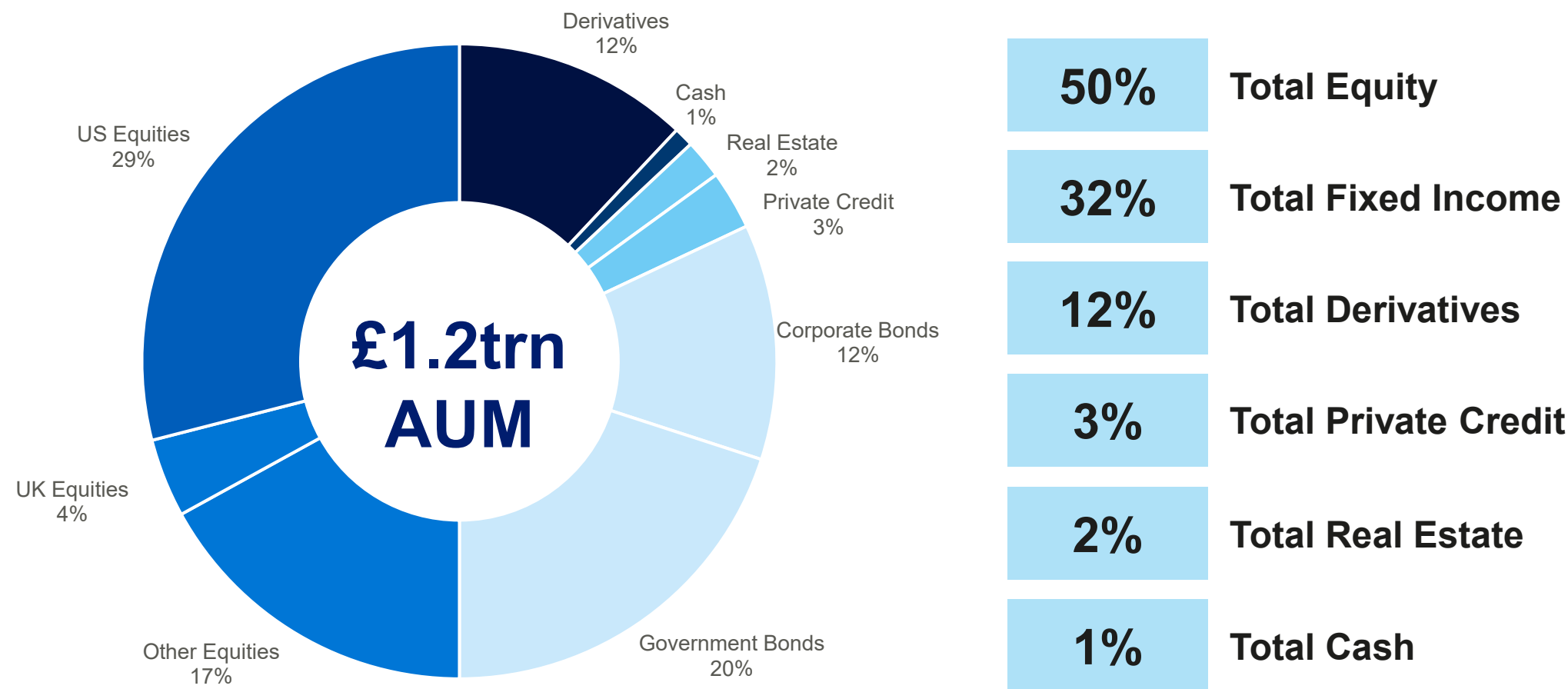
- **£2.3bn of RVNs.** This is the present value estimate of the future vacant possession value of the property (i.e. the value at the end of the lease term) and certain excess rental cash flows and represents our actual direct property exposure in the annuity portfolio.
 - Not concerned with short-term mark-to-market valuations. Majority of property assets >20yr term to maturity
- **£3.6bn of RINs.** Secured against inflation-linked, long-term leases with primary exposure to IG-rated rental income from underlying tenants, e.g. Amazon and Comcast, or diversified pools of residential tenants
 - Our priority is the cash flow
 - 100% of cash flows received over 2022 to HY 2026
 - 82% of office space exposure is to UK government departments, with an average unexpired term of nearly 20 years on the lease
- **£5.9bn of Lifetime Mortgages (“LTMs”).** Portfolio LTV of 33% with AA- overall rating.



Asset Management Asset Mix



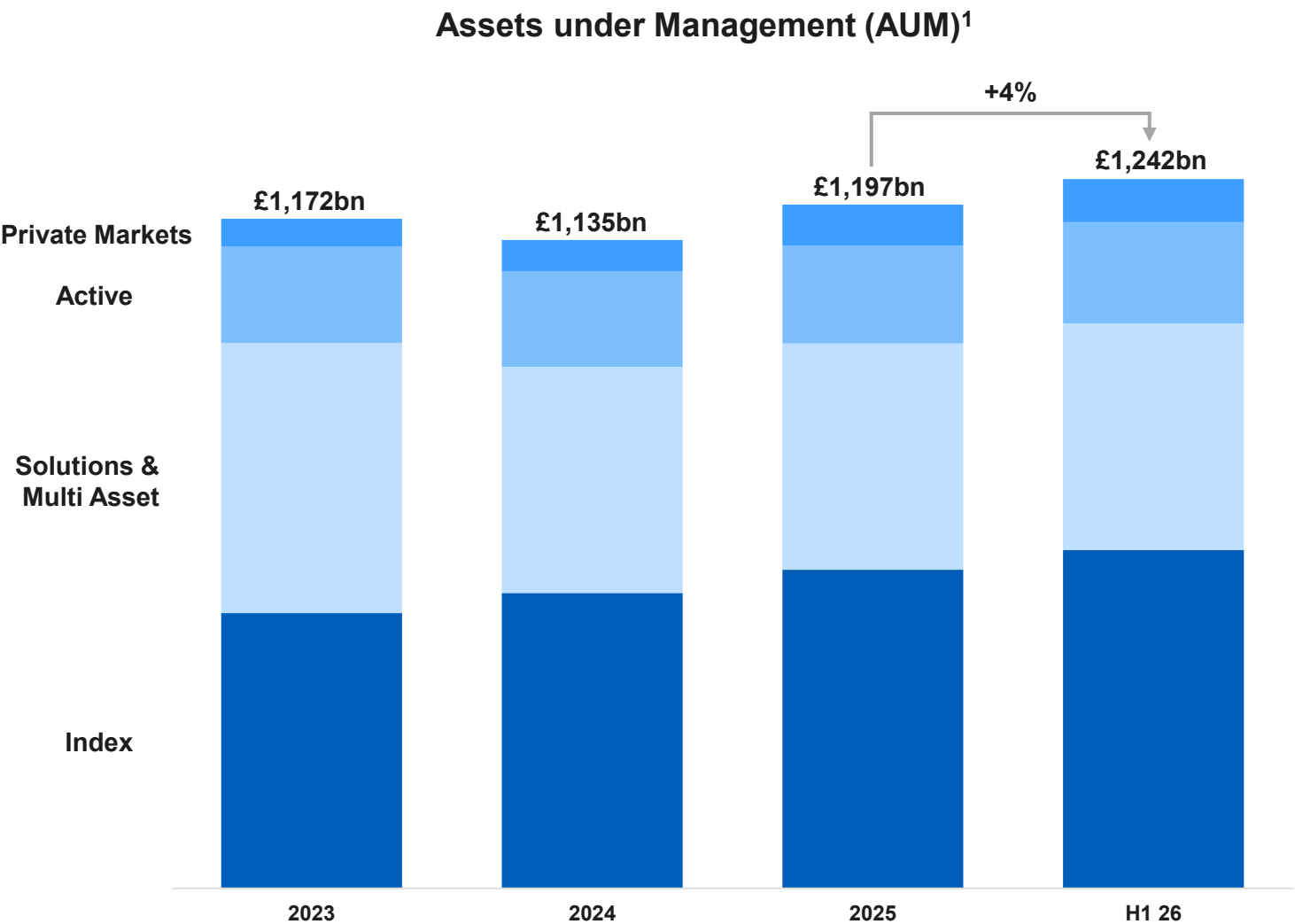
Underlying asset exposure by asset class



Asset Management Balance Sheet Investments

		FY25	H1 26
Real Estate	▶	£622m	£615m
Private Credit ¹	▶	£299m	£342m
Infrastructure	▶	£102m	£88m
Venture Capital	▶	£77m	£87m
Total	▶	£1,101m	£1,132m

Underlying Assets Under Management by Solution



¹ Includes joint ventures, associates and other.