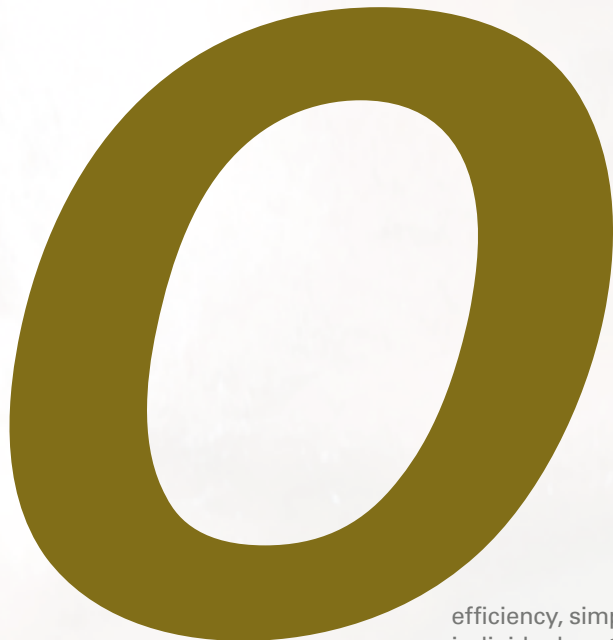


## THE SECOND MACHINE AGE?



Our digital vision is to automate our businesses, increasing back-office efficiency, simplifying processes for individual customers and corporate partners and delivering better value products and propositions.

### Digital objectives

We're developing our key digital objectives to improve our direct

to consumer capabilities and build self-serve technology to create efficiencies. Our key objectives are:

Continue to build a market-leading direct business for Retail Protection by further developing our 'My life' and 'Making life better' facilities

- Position Legal & General America as the 'simple' company with simpler products, developing a new customer website and driving simplicity in customer experience
- Continue to develop LGIM's 'direct to consumer' retail investment business
- Improve the ability of our Mature Savings customers to 'self-service' their product holdings

In addition, we're now taking advantage of the new digital platforms we've developed for pensions auto-enrolment and lifetime mortgages to drive new business.



# 66%

of UK home insurance sales were purchased online in an April 2015 survey.

Mintel, Home Insurance report, December 2015.



## Driving digital disruption

Digital disruption has enabled brands like Uber, Airbnb and Netflix to flourish while traditional market players offering taxi services, hotel accommodation and DVD hire have seen their market shares decline. We're keen to use our scale to shake up the investment and insurance world in innovative ways.

## Micro insurance in India First

In India we're working with the government, who have an outstanding digital programme encompassing mobile technology and retinal scanning. We now insure the lives of five million people, helping many lower income groups buy affordable cover for their families.

We're hoping to extend the concept of mass-market insurance to the UK, where we want to enhance financial resilience with low cost, digitally delivered protection for

individuals and families. Our future intention is to offer the under 45s life insurance, with premiums of as little as £1 per month.

We aim to make insurance more accessible, giving a financial safety net to millions of people who are currently alienated from traditional financial services.

## MediaCityUK's digital incubators

Our purchase of 50% of MediaCityUK in Salford, which is an overall £500 million investment project, has enabled us to play a part in the development of new digital businesses. MediaCityUK is the largest purpose-built creative, digital and technology community in Europe, and the UK's first media campus. Its vision is to provide a global centre of excellence for innovation and creation, and to be a broadcasting hub enabling businesses to operate across all media.



**We cannot solve our problems with the same thinking we used when we created them"**

ALBERT EINSTEIN

## We need a strategy that is digital

We've started to develop our digital strategy in our Insurance and workplace pensions businesses. However, we have only managed to make limited progress and there's still a long way to go.

Our strategy is to leverage our large scale businesses and drive automation to improve our propositions for customers and the value we derive from these businesses.

We are implementing new processes where Insurance customers can benefit from slicker application and underwriting processes. We also delivered a new general insurance digital platform in 2015, which was simpler, more intuitive and more logical in helping consumers buy cover.

Employers in our workplace schemes are benefitting from joined up administration processes while employees can manage their investments using online pension fund management processes.

SEE THE ONLINE FAST READ  
[www.legalandgeneralgroup.com/2015fastread](http://www.legalandgeneralgroup.com/2015fastread)

## MANAGING THE RISKS

**Our ambition is to develop our business to achieve market leadership in digital provision of insurance, retail investments and pensions. As we develop, we could be increasingly exposed to new types of risk. We're alive to cyber threats, the risks that they present to our customers' data and the potential for reputational damage and financial loss. We work closely with our IT business partners to manage new threats as well as ensuring our broader IT infrastructure is appropriately scaled to support our growth plans.**