

Legal & General on track for exceptional year with retail annuity sales up by 48% YTD

- Sales have grown by an average of 17% per year between 2015 and 2022
- Legal & General overall lifetime annuity market share triples from 6.5% to 20.2% since 2016

Legal & General's retail annuity sales have grown by an average of 17% per year between 2015 and 2022, with sales up by an impressive 48% in 2023. Current sales are £1.28bn, compared to £862m for the comparable calendar point in 2022.

Legal & General is one of the market leading retail annuity providers having invested significantly in its digital customer journey, in-house underwriting expertise and distribution capability in recent years, which have been fundamental to its success. Sales through its intermediated business have more than doubled, with annuities increasingly seen as a bedrock of holistic retirement planning.

The firm offers a broad market proposition, including fixed term annuities and lifetime care plan alongside its lifetime annuity, enabling it to meet the diverse needs of both customers and intermediaries.

The business' overall lifetime annuity market share has more than tripled from 6.5% to 20.2% since the start of 2016 and its fixed-term annuities book saw sales increase by over 100% this year. The exceptionally high annuity volumes were written at strong margins enhancing Solvency II New Business Value Add (NBVA) and IFRS 17 Contractual Service Margin (CSM).

Nigel Wilson, outgoing Chief Executive, Legal & General:

“The annuity market underwent a dramatic shift after the introduction of pension freedoms, falling by over 60%, leading many firms to exit or consolidate². Rising interest rates have sent demand soaring in 2023 and, with workplace defined contribution assets set to double over the next decade, we can expect to see this momentum continue as retirees seek to diversify their income sources.³

Lorna Shah, Managing Director, Retail Retirement, Legal & General:

“As the economic environment has changed in recent years, we have been ideally placed in Retail Annuities to capitalise on the opportunity, due to our continued investment in the business. Our strong sales reflect our responsive pricing, broad proposition and wide distribution reach: providing more customers with certainty and peace of mind in a volatile market.”

-ENDS-

¹ABI Report, Q3 2023

²[The UK Annuity Market: Facts and Figures](#), 2014 and ABI Report, 2016

³Navigator, UK Defined Contribution and Retirement Income Report, 2022

Notes to editors

About Legal & General

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with over £1.2 trillion in total assets under management* of which 39% is international. We have a unique and highly synergistic business model, which continues to drive strong returns. Legal & General provides powerful asset origination and management capabilities directly to clients, which also underpin our leading retirement and protection solutions. We are a leading international player in Pension Risk Transfer, in UK and US life insurance, and in UK workplace pensions and retirement income. Our purpose is to improve the lives of our customers and create value for our shareholders. Through inclusive capitalism, we are investing in long-term assets, such as real estate and infrastructure, that can help build a better society for the future.

**as at HY 2023*

About Legal & General Retail

Legal & General Retail helps create brighter financial futures for all our customers. The division covers the savings, protection and retirement needs of our c.13 million retail policyholders and workplace members.

In 2022, we had total individual annuity sales of £954 million, and issued £632 million of Lifetime Mortgages and Retirement Interest Only Mortgages. Our Workplace pension platform served 4.9 million members, while our Protection businesses gave peace of mind to more than 6.3 million UK life insurance, 1.8 million group and 1.5 million US customers, taking in £3.1 billion of gross written premiums.

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