

Legal & General Reinsurance launches world's first Pension Risk Transfer (PRT) blockchain reinsurance platform

Enabling dynamic reinsurance for 50 year contracts

Legal & General Group plc (“Legal & General”) today announces the launch of ‘estua-re’, the first pension risk transfer execution platform driven by blockchain technology.

‘estua-re’ is a transformative pillar of Legal & General’s global Pension Risk Transfer (PRT) reinsurance strategy as the Group aims to achieve its strategy of global leadership in annuities. It is a single ecosystem capable of driving every stage of the PRT reinsurance value chain including pricing, claims handling, financial reporting and collateral, utilising data dynamically stored on the blockchain. It will replace multiple processes and systems traditionally used to support each function, with the added security of blockchain technology.

‘estua-re’ enables the Group to provide excellent service to customers in multiple markets, efficiently and at lower long term costs, redefining the way long term life reinsurance business is sold and managed, with these benefits flowing to the individual pensioners whose long term financial security we guarantee via reinsurance. Legal & General Reinsurance (Legal & General Re) clients will be gradually moved to support provided on this platform.

The Legal & General Reinsurance team developed ‘estua-re’ using Amazon Web Services (AWS), chosen due to their innovative products and services for blockchain technology.

Amazon Web Services provides Amazon Managed Blockchain, which allowed Legal & General to quickly set up and easily manage their Hyperledger Fabric blockchain network. With Amazon Managed Blockchain, multiple parties can transact with each other without needing an intermediary. All members maintain a copy of the ledger database, providing greater transparency. Also, manual reconciliation can be replaced with smart contracts, making the process much more efficient.

Thomas Olunloyo, CEO of Legal & General Reinsurance said:

“‘estua-re’ is the result of market leading innovation led by the L&G Re team and an exciting milestone in the deployment of blockchain in the long term reinsurance space. Using AWS we have been able to create a solution that addresses not only the greater speeds at which risks are transacted but also drives transparency and security in an increasingly interconnected market.

We believe that blockchain is uniquely suited to the long term nature of annuities business as it allows data and transactions to be signed, recorded and maintained in a permanent and secure nature over the lifetime of these contracts, which can span over 50 years”



Rahul Pathak, General Manager, Amazon Managed Blockchain at AWS said:

“It’s exciting to see how customers like Legal & General Reinsurance are using Amazon Managed Blockchain to create innovative products that allow multiple parties to work together in a trusted way, enabling them to simplify and speed up their systems and processes.

With Amazon Managed Blockchain, Legal & General Reinsurance can focus on building new business applications that enrich the experience for their customers and transform their business instead of dealing with the challenges of keeping a blockchain network up and running, all while taking advantage of the security and scalability the service offers.”

Notes to editors

Legal & General Reinsurance

Legal & General Reinsurance is the global reinsurance hub of the Legal & General Group and is the Group’s vehicle for writing PRT business outside of the UK and US. Legal & General Reinsurance is rated A+ by both Standard & Poor’s and Fitch.

Legal & General Group Plc

Established in 1836, Legal & General is one of the UK’s leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia. With over £1 trillion in total assets under management, we are the UK’s largest investment manager for corporate pension schemes and a UK market leader in pensions de-risking, life insurance, workplace pensions and retirement income. We have also invested over £19 billion in direct investments such as homes, urban regeneration, clean energy and small business finance.

Further information

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