



# Sustainability Accounting Standards Board (SASB) Index 2022

Legal & General Group Plc



# Sustainability Accounting Standards Board (SASB) Index

Legal & General Group Plc is reporting under the Sustainability Accounting Standards Board (SASB) standards as part of our ongoing commitment to provide further transparency and data to our stakeholders. This is our third year of disclosures and we expect our disclosures to develop in line with emerging standards from the International Sustainability Standards Board (ISSB), who plan to build on the industry-based standards. We report under the Insurance standards although it is important to note that our business operates in four key areas: retirement (pensions), investment management, capital investment and insurance. Our general insurance business was sold in 2019.

All data is at 31 December 2022.

Accounting Metric	Code	Response
<b>Transparent information &amp; fair advice for customers</b>		
Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers	<b>FN-IN-270a.1</b>	We do not disclose this specific metric. For disclosure on any material legal proceedings, refer to Note 40 Contingent liabilities, guarantees and indemnities in the <b>2022 Annual Report and Accounts</b> .
Complaints-to-claims ratio	<b>FN-IN-270a.2</b>	This metric is not a regulatory or statutory requirement, and the Group does not currently report on it. Complaints data is publicly available via the <a href="#">FCA website</a> and the <a href="#">FOS website</a> . We also publish claims statistics in relation to our Protection products on our <a href="#">website</a> .
Customer retention rate	<b>FN-IN-270a.3</b>	This metric is not a regulatory or statutory requirement, and the Group does not currently report on it.
Description of approach to informing customers about products	<b>FN-IN-270a.4</b>	<p>Each business area has its own webpage which direct users to the Group's product offerings:</p> <ul style="list-style-type: none"> <li>→ <a href="#">Retail</a></li> <li>→ <a href="#">LGIM</a></li> <li>→ <a href="#">LGC</a></li> <li>→ <a href="#">LGRl</a></li> </ul> <p>The Group's core business areas and products are also disclosed in the strategic report in the <b>2022 Annual Report and Accounts</b>, specifically the Business Model on pages 12 - 17 and Business Reviews on pages 30 - 41.</p> <p>We also inform customers about products through a range of literature, which is continuously reviewed to reflect changes in both regulation and the products themselves. Literature is provided to existing and potential customers, which includes information on suitability of the product, cost structure and policy coverage.</p> <p>Information on our range of products is available through several methods, including our website, telephone, financial intermediaries, email, social media, television, press, digital and print advertising. We also make advised sales on some of our products (such as life insurance) which helps customers ensure a product is suitable based on their specific requirements.</p> <p>We continue to harness technology, specifically in our insurance business, to make our products more accessible to customers.</p>

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<b>Incorporation of environmental, social, and governance factors in investment management</b>		
Total invested assets, by industry and asset class	<b>FN-IN-410a.1</b>	Total invested assets are shown in Note 10 Financial investments and investment property in the <b>2022 Annual Report and Accounts</b> . Further detail on market or industry breakdowns are provided in Note 15 Market risk (i)(a) for equity securities and (b) for debt securities, as well as Note 16 Credit risk. This disclosure is provided for those assets where the Group is exposed to market or credit risk. Derivative assets are disclosed by type of derivative in Note 12 Derivative assets and liabilities.
Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies	<b>FN-IN-410a.2</b>	<p>Refer to our <b>2022 Climate Report</b> for detail on how we manage our own assets to take account of climate risk, including scenario analysis. In our risk management chapter we cover how the Group manages investment risk through: our climate commitments; exclusions and high carbon escalation; reviewing our tolerance framework; and active engagement.</p> <p>Further information on the incorporation of ESG factors into investment management processes and strategies can be found through the following policies: <b>Retirement ESG Policy</b>, <b>LGIM's Sustainability policy</b>, <b>LGIM's Investment Stewardship team's website</b>, and our <b>Group sustainability policies website</b>.</p> <p>As part of our 2022 year-end financial reporting, we also published a <b>Social Impact Report</b>. This sets out how our business takes account of social issues more broadly.</p>
<b>Policies designed to incentivise responsible behaviour</b>		
Net premiums written related to energy efficiency and low carbon technology	<b>FN-IN-410b.1</b>	We do not provide general insurance, and this is therefore not applicable to our business.
Discussion of products and/or product features that incentivise health, safety, and/or environmentally responsible actions and/or behaviours	<b>FN-IN-410b.2</b>	<p>The Group's insurance business offers protection products which provide mortality or morbidity benefits. These may include health, disability, critical illness, and accident benefits; these additional benefits are commonly provided as supplements to main life policies but can also be sold separately. See our website for further information on our products, including <b>Term Life Insurance</b>, <b>Critical Illness Cover</b> and <b>Income Protection Benefit</b>.</p> <p>Across the divisions our products are often supplemented by features that incentivise positive behaviours. For example in Retail, we have Legal &amp; General Midlife MOT, a free online course in partnership with the Open University, helping people aged between 40 and 60 check up on their wealth, work and wellbeing.</p> <p>The Group has a range of investment products which enable our customers to make informed decisions in relation to the environmental impacts of their investment decisions, including our Mastertrust, which was the first to launch a multi-asset <b>ESG fund</b> as a default option. Our investment management business has a <b>Climate Impact Pledge</b> and <b>ESG Score</b> where we publicly celebrate the successes we see in companies, but also take voting and investment sanctions against companies falling behind, demonstrating that our engagement has consequences. Within LGIM's Real Assets business, there is also a further example of a product supplemented by features that aim to incentivise positive behaviours. LGIM Real Assets has continued to use <b>Vizta</b>, our digital occupier engagement platform, to further support ESG collaboration, education and data reporting for occupiers.</p>
<b>Environmental risk exposure</b>		
Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	<b>FN-IN-450a.1</b>	We are not exposed to insurance pay-outs from weather-related natural catastrophes. Refer to the risk management chapter of the <b>2022 Climate Report</b> for detail on processes to identify, assess and manage climate-related risks relevant to our businesses.

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Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance)	<b>FN-IN-450a.2</b>	We are not exposed to insurance pay-outs from weather-related natural catastrophes. Refer to the risk management chapter of the <b>2022 Climate Report</b> for detail on processes to identify, assess and manage climate-related risks relevant to our businesses.
Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy	<b>FN-IN-450a.3</b>	Refer to the risk management chapter of the <b>2022 Climate Report</b> for detail on processes to identify, assess and manage climate-related risks relevant to our businesses.
<b>Systemic risk management</b>		
Exposure to derivative instruments by category: (1) total potential exposure to non-centrally cleared derivatives, (2) total fair value of acceptable collateral posted with the Central Clearinghouse, and (3) total potential exposure to centrally cleared derivatives	<b>FN-IN-550a.1</b>	For disclosures on derivative instruments, refer to Note 12 Derivative assets and liabilities in the <b>2022 Annual Report and Accounts</b> .
Total fair value of securities lending collateral assets	<b>FN-IN-550a.2</b>	For disclosures on financial instruments refer to Note 10 Financial investments and investment property in the 2022 Annual Report and Accounts.
Description of approach to managing capital- and liquidity-related risks associated with systemic non-insurance activities	<b>FN-IN-550a.3</b>	For disclosure on capital and liquidity risk management, refer to the managing risk section on pages 52 – 54, Note 26 Management of capital resources, and Note 7 Asset risk in the <b>2022 Annual Report and Accounts</b> .
<b>Activity metric</b>		
Number of policies in force, by segment: (1) property and casualty, (2) life, (3) assumed reinsurance	<b>FIN-IN-000.A</b>	We do not currently disclose the number of policies in force. Property and casualty are not policies we offer.

**Feedback**

We welcome feedback and questions from readers. Please direct them to:

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